

**II. Chapter:
Transactions at Eurex Deutschland and Eurex Zürich**

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1.3 Subpart:

Clearing of Fixed Income Futures Contracts

The following sub-parts shall rule the Clearing of transactions of Futures Contracts which have been named in number 1.2 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

1.3.1 Procedures in Delivery and Payment

All matching payments shall be settled with physical delivery directly between the Clearing members on the second exchange day after the notice day (number 1.3.5 paragraph 2).

The physical payments shall be settled via a bank for central depository of securities recognized by Eurex Clearing AG or a Custodian or Central Securities Depository; the payments shall be settled via the respective account determined by the bank for central depository of securities or the Custodian or the Central Securities Depository.

All Clearing Members and Eurex Clearing AG must ensure, via commissioning of the respective bank for central depository of securities or the custodian or central securities depository, that the transaction can be handled on that exchange day when the delivery notice is given. All Clearing Members have to ensure their ability to effect deliveries as well as payments by having sufficient credit balances in their account at a bank for central depository of securities or of the custodian or central securities depository and sufficient credit balances on the account of the Clearing Member for euro-fixed Futures Contracts at a branch of the Central Bank of Germany (Deutsche Bundesbank); for CONF-Futures Contracts at the Swiss National Bank. .

1.3.2 Daily Settlement Price

As a rule, the daily settlement price corresponds to the closing price as settled in the closing auction. If it is not possible to determine a closing price within the closing auction or if the price so determined does not reflect the true market conditions, the settlement price shall be determined on the basis of the volume-weighted average of the prices of the last five executed transactions provided that no more than 15 minutes have passed since this transaction or the volume-weighted average of the prices of all transactions executed within the last trading minute, provided that more than five transactions have been executed.

1.3.3 Final Settlement Price

The final settlement price is determined by Eurex Clearing AG on the last exchange day (subsection 1.2.4 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich) at 12:30 pm CET. The final settlement price corresponds with the volume-weighted average of the prices the last ten executed transactions, provided that no more than 30 minutes have passed since these transactions or the volume-weighted average of the prices of all transactions executed within the last trading minute, provided that more than ten transactions have been executed. If the calculation of the final settlement price pursuant to the aforementioned regulation is not possible or if the calculated price does not reflect the real market situation, Eurex Clearing AG determines the final settlement price.

1.3.4 Tender Price

The tender price shall equal the nominal value of the contract, multiplied with the final settlement price of the respective contract, multiplied with the conversion factor of the tendered debt security, plus the interest accrued since last interest payment date.

1.3.5 Performance, Delivery

(1) A delivery obligation arising out of a short position in a Euro-fixed income futures contract may only be performed by the debt securities determined by Eurex Clearing AG. For delivery, debt securities denominated in EUR with a fixed coupon of the Federal Republic of Germany can be chosen with a remaining uncalled term of:

- 1.75 up to 2.25 years for Euro-treasure futures contracts
- 4.5 up to 5.5 years for Euro-Bobls futures contracts
- 8.5 up to 10.5 years for Euro-federal futures contracts
- ~~20-24~~ up to ~~30-35~~ years for Euro-Buxl futures contracts

The bonds have to possess a minimum issuance volume of EUR 5 billion, Euro Buxl Futures Contracts, in contrast, have to possess a minimum issuance volume of EUR 10 billion.

A delivery obligation arising out of a short position in a CONF futures contract may only be performed by obligations determined by Eurex Clearing AG. Obligations of the Swiss Confederation denominated in Swiss Francs with a remaining term of at least eight years up to 13 years at most can be chosen. Concerning obligations with early redemption option, the first and last possible redemption date at the point of delivery of the contract must be between eight and 13 years. The obligations must possess a minimum issuance volume of CHF 500 millions.

(2) Two exchange days prior to the tenth calendar day of a quarter month (notification day), the Clearing Members with open short positions must indicate the type of bonds they will deliver to Eurex Clearing AG after transaction closing until the end of the post-trading full-period. Existing delivery notifications can be changed until closing of the post-trading full period. If a delivery notice is not made in a timely manner, Eurex Clearing AG determines the bonds to be delivered by the Clearing Member. The actual

Clearing Conditions for Eurex Clearing AG

amount of notified debt securities have to be confirmed by Clearing Members vis-à-vis Eurex Clearing AG one day prior to the delivery day.

- (3) Eurex Clearing AG will, after the end of the Post-Trading Period on the Notice Day, allocate to the Clearing Members with open long positions the bonds notified for delivery, using a selection procedure that ensures the neutrality of the allocation process. The Clearing Members will be informed on the next Exchange day as to which bonds were allocated to them and at what tender.
- (4) Paragraphs (1) to (3) shall apply to the legal relationship between General Clearing Members or Direct Clearing Members and their Non-Clearing Members; paragraph (3) shall apply mutatis mutandis to the legal relationship between Clearing Members or Non-Clearing Members, as the case may be, and their respective customers.

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