

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 1

CHAPTERS 1, 2, 4, 5 AND 9 WILL BE AMENDED.

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

Chapter I General Provisions

[...]

Part 1 General Clearing Provisions

[...]

1.4.2 Settlement of Transactions in Securities

[...]

- (4) The fulfilment of delivery and payment obligations arising from Transactions with regard to Securities held in collective safe custody (*Girosammelverwahrung*), is subject to the following provisions as well as to Paragraph (9) (unless otherwise provided in the relevant Special Clearing Provisions).
- (a) All physical deliveries are carried out versus payment between the Clearing Members or the Basic Clearing Members obliged to deliver and Eurex Clearing AG and, accordingly, between Eurex Clearing AG and the Clearing Members or the Basic Clearing Members to whom delivery is to be made at the points in time specified in the relevant Special Clearing Provisions, respectively on the agreed delivery days. Unless otherwise provided for in the relevant Special Clearing Provisions, Eurex Clearing AG hereby acts as intermediary (*Besitzmittler*) of the Clearing Members or the Basic Clearing Members obliged to deliver in order to transfer such Securities to the Clearing Members or the Basic Clearing Members to whom delivery is to be made. The physical deliveries shall be carried out via a Settlement Location; the payment shall be effected via the respective account determined by the Settlement Location.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 2

(b) The transfer of ownership shall be carried out when the following prerequisites have been fulfilled:

(aa) the Settlement Location included in the Securities transfer has, where required, carried out all bookings with regard to the Transactions having been set off or netted or not having been set off or netted by Eurex Clearing AG from the custody account of Eurex Clearing AG with the Settlement Location to the custody accounts of the Clearing Members or Basic Clearing Members (or the Clearing Agent acting on their behalf) to whom delivery is to be made with the Settlement Location; and

(bb) the respective cash netting has been carried out by the Settlement Location; and

(cc) the Clearing Members or the Clearing Agents (acting on behalf of their respective Basic Clearing Member) and the Basic Clearing Members have been provided with the actual settlement delivery report (*Ist-Lieferreport*) by Eurex Clearing AG, such report specifying the single transactions that have actually been delivered.

(5) The fulfilment of delivery and payment obligations arising from Transactions with regard to German book-entry securities held in the giro trust system (*Treuhandgiroverkehr*) is subject to Paragraphs (6), ~~and (7)~~ and (9) (unless otherwise provided in the relevant Special Clearing Provisions).

[...]

(9) The usage of the T2S system for the settlement of securities transactions facilitates partial deliveries of securities during the day. Thus, deliveries of securities may also occur by means of partial deliveries which, accordingly, have a discharging effect.

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 3

Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

[...]

Part 2 Clearing of Futures Contracts

[...]

2.3 Clearing of Fixed Income Futures contracts

[...]

2.3.5 Failure to Deliver

[...]

- (4) In the event that a Clearing Member fails to deliver bonds of the Federal Republic of Germany to be delivered by it on the delivery day until 14:15 hours (Frankfurt am Main time), expiry of the first Same Day Settlement run procedure of Clearstream Banking AG but until the respective End-of-Settlement time (as published by Eurex Clearing AG on its website (www.eurexclearing.com)) ("Settlement Cut-Off Time"), ~~expiry of the second Same Day Settlement run procedure~~, such Clearing Member shall pay to Eurex Clearing AG a contractual penalty in the amount of 0.04 per cent of the nominal value of the non- delivered bonds.

In the event that a Clearing Member fails to deliver bonds of the Federal Republic of Germany to be delivered by it on the delivery day until ~~expiry of the second Same Day Settlement run procedure of Clearstream Banking AG~~ the respective Settlement Cut-Off Time or other bonds during the delivery times determined for the delivery day (as published by Eurex Clearing AG on its website (www.eurexclearing.com)), such Clearing Member shall pay to Eurex Clearing AG a contractual penalty for the period from the delivery day (whereby the delivery day will be taken into account for the calculation) to the earlier of (a) the date of actual delivery or (b) the date of a replacement purchase (whereby such earlier date will not be taken into account for the calculation) in the following amount:

- For Euro-fixed Futures contracts: 0.40 per cent of the nominal value of the non-delivered bonds per Business Day; and
- for CONF Futures contracts: 0.85 per cent of the nominal value of the non-delivered bonds per Business Day;

in each case plus an amount per calendar day calculated according to a percentage of the counter value of the bonds notified for delivery, such percentage having been fixed and notified in advance by Eurex Clearing AG. Such percentage shall be based

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 4

- for Euro-fixed Futures contracts on the effective rate for the marginal lending facility of the European Central Bank plus 100 basis points; and
- for CONF Futures contracts on the effective rate for the liquidity-shortage financing facility of the Swiss National Bank plus 100 basis points.

The relevant interest rates are published on the websites of the European Central Bank and the Swiss National Bank respectively.

For the avoidance of doubt, the provisions of this Number 2.3.5 Paragraph (4) shall apply in addition to Chapter I Part 1 Number 14.2.

[...]

(6) If on a delivery day only a partial delivery of securities occurs, the Paragraphs above shall apply accordingly with regard to the outstanding partial deliveries. Due to different average price calculation of the T2S system and the system of Eurex Clearing AG concerning partial deliveries, it may occur for incomplete deliveries on the delivery day, that the Clearing Member obliged to deliver is credited an amount which, in total, exceeds the selling price. Eurex Clearing AG shall notify the Clearing Member obliged to deliver accordingly and is authorised to debit any exceeding amounts accordingly and to credit these amounts to the buyer. The Clearing Member obliged to deliver must ensure that a respective amount is available on its relevant RTGS Account or euroSIC Account.

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 5

Chapter IV Clearing of Transactions at Eurex Repo GmbH (Eurex Repo)

[...]

Part 2 Clearing of Transactions at Eurex Repo GmbH

[...]

2.2 General Provisions

[...]

(2) The procedure for delivery and payment resulting from Eurex Repo Transactions, the following provisions shall apply in addition to Chapter I Part 1 Numbers 1.2.5 and 1.4:

[...]

(d) Delivery and payment with regard to GC Pooling ~~Repo~~ transactions:

[...]

With regard to GC Pooling transactions settled in Euro on a Business Day other than the trade date, any delivery or payment incumbent on the Clearing Member or Basic Clearing Member must be made available for settlement in such a way that the Clearing Member or Basic Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG until 10:45 hours (Frankfurt am Main time) for the relevant day of performance ~~during the first Same Day Settlement run of the day ("SDS1") of Clearstream Banking AG~~. With regard to GC Pooling Transactions, which are settled in U.S. Dollar and whose trade date equals the settlement date of the Front Leg, any delivery or payment incumbent on the Clearing Member or Basic Clearing Member must be made available for settlement in such a way that the Clearing Member or Basic Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG no later than 30 minutes after the conclusion of the GC Pooling Transaction.

With regard to GC Pooling transactions settled in U.S. Dollar on a Business Day other than the trade date, any delivery or payment incumbent on the Clearing Member or Basic Clearing Member must be made available for settlement in such a way that the Clearing Member or Basic Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG until 15:00 (Frankfurt am Main time) CET on the relevant day of performance. With regard to GC Pooling Transactions, which are settled in U.S. Dollar and whose trade date equals the settlement date of the Front Leg, any delivery or payment incumbent on the Clearing Member or Basic Clearing Member must be made available for settlement in such a way that the Clearing Member or Basic Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG in a way that

- for Transactions which are concluded until 14:30 CET (Frankfurt am Main time) there is a fulfilment at 15:00 CET (Frankfurt am Main time) at the latest, and

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 6

- for Transactions which are concluded after 14:30 ~~CET~~(Frankfurt am Main time), there is a fulfilment no later than 30 minutes after the conclusion of the GC Pooling Transaction.

With regard to GC Pooling transactions settled in currencies other than Euro or U.S. Dollar on a Business Day other than the trade date, any delivery or payment incumbent on the Clearing Member or Basic Clearing Member must be made available for settlement in such a way that the Clearing Member or Basic Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG until 11:30 ~~CET~~(Frankfurt am Main time) on the relevant day of performance.

[...]

2.6 Failure to Deliver

[...]

(5) If on a delivery day only a partial delivery of securities occurs, the Paragraphs above shall apply accordingly with regard to the outstanding partial deliveries. Due to different average price calculation of the T2S system and the system of Eurex Clearing AG concerning partial deliveries, it may occur for incomplete deliveries on the delivery day, that the Clearing Member obliged to deliver is credited an amount which, in total, exceeds the selling price. Eurex Clearing AG shall notify the Clearing Member obliged to deliver accordingly and is authorised to debit any exceeding amounts accordingly and to credit these amounts to the buyer. The Clearing Member obliged to deliver must ensure that a respective amount is available on its relevant RTGS Account or euroSIC Account.

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 7

Chapter V Transactions Concluded at the Frankfurter Wertpapierbörse

[...]

Part 2 Clearing of transactions concluded at the Frankfurter Wertpapierbörse (FWB)

[...]

2.1 General Obligations

[...]

(6) The usage of the T2S system for the settlement of securities transactions facilitates partial deliveries of securities during the day. Thus, deliveries of securities may also occur by means of partial deliveries which, accordingly, have a discharging effect.

2.2 Failure to Deliver

2.2.1 Failure to Deliver Securities

In case of a failure to deliver shares covered by Article 15 of Regulation (EU) No. 236/2012 (“**Shares**”) or other securities (“**Other Securities**”, and together with Shares “**Securities**”)¹ owed under a FWB Transaction, the following provisions apply.

(1) General Provisions

(a) Failure to Deliver Shares

If the Shares to be delivered by the Clearing Member having the delivery obligation have not been delivered to the ~~Settlement Location agent in the course of the Second Same-Day Settlement (“2nd SDS”)~~ on the 4th Business Day following the delivery date at the latest until the respective End-of-Settlement time (as published by Eurex Clearing AG on its website (www.eurexclearing.com) (“Settlement Cut-Off Time”), Eurex Clearing AG will replace the non-delivered Shares pursuant to Paragraphs (2) (a) unless the Clearing Member having the delivery obligation holds an identical claim against Eurex Clearing AG which may be set off against the claim Eurex Clearing AG holds against such Clearing Member.

(b) Failure to deliver Other Securities

If the Clearing Member does not deliver the Other Securities owed under a FWB Transaction on the delivery date, Eurex Clearing AG is entitled to make a replacement purchase with respect to the non-delivered Other Securities pursuant to Number 2.2.1 Paragraph (2) (a). If the Securities consist of subscription rights

¹ For subscription rights securitised and held in collective safe custody, the procedure pursuant Paragraph 2 applies.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 8

that are certificated or held in collective safe custody, then the procedure pursuant to Number 2.2.2 applies.

The replacement purchase can be made on the 5th, 10th and 27th Business Day following the delivery date until the respective Settlement Cut-Off Time within the 2nd SDS or the corresponding settlement cycle of the Settlement Location, provided that (i) the Clearing Member having the delivery obligation does not hold an identical claim against Eurex Clearing AG which may be set off against the claim Eurex Clearing AG holds against such Clearing Member and that (ii) the owed Other Securities have not been completely delivered.

If the required Other Securities cannot be acquired wholly or partially by way of replacement purchases, Eurex Clearing AG is entitled to perform a cash settlement pursuant to Number 2.2.1 Paragraph (3).

If the relevant replacement purchase fails, the defaulting Clearing Member must be given time for delivery until the next replacement purchase or the cash settlement.

(c) Partial deliveries

If on a delivery day only a partial delivery of securities occurs, the Paragraphs (a) and (b) above as well as the following rules shall apply accordingly with regard to the outstanding partial deliveries. Due to different average price calculation of the T2S system and the system of Eurex Clearing AG concerning partial deliveries, it may occur for incomplete deliveries on the delivery day, that the Clearing Member obliged to deliver is credited an amount which, in total, exceeds the selling price. Eurex Clearing AG shall notify the Clearing Member obliged to deliver accordingly and is authorised to debit any exceeding amounts accordingly and to credit these amounts to the buyer. The Clearing Member obliged to deliver must ensure that a respective amount is available on its relevant RTGS Account or euroSIC Account.

[...]

(6) Contractual Penalty

(a) Non-delivery of Shares

A Clearing Member is obliged to pay a contractual penalty to Eurex Clearing AG if it does not deliver Shares for which the principal trading venue is in Member State of the European Union at the latest on the delivery day until the respective Settlement Cut-Off Time within the 2nd SDS. This contractual penalty applies regardless of actual damages incurred by Eurex Clearing AG.

The amount of the daily contractual penalty is 0.2 basis points of the value of the non-delivered Shares. The defaulting Clearing Member is obliged to pay the contractual penalty for each day of non-delivery, regardless of whether the right to deliver is excluded pursuant to Paragraph (2) (a), up to and including the day

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 9

on which the replacement pursuant to Paragraph (2) or the payment of the cash settlement amount as determined pursuant to Paragraph (3) occurs.

[...]

2.2.2 Non-Delivery of Rights

If the Clearing Member does not deliver rights or rights resulting from Securities to be delivered, with the exception of partial rights pursuant to Number 2.2.3, in time on the delivery day, Eurex Clearing will, following the respective Settlement Cut-Off Time 2nd SDS or the corresponding settlement cycle of the Settlement Location on the last day of the subscription period, or, if this point in time occurs earlier, the 20th Business Day after the delivery day, take the following measures.

[...]

2.2.3 Non-Delivery of Partial Rights

If the Clearing Member does not deliver partial rights or partial rights resulting from Securities to be delivered in time on the delivery day, Eurex Clearing will, following the respective Settlement Cut-Off Time 2nd SDS or the corresponding settlement cycle of the Settlement Location on the last day of the subscription period, or, if this point in time occurs earlier, the 20th Business Day after the delivery day, determine a cash settlement in relation to the non-delivered partial rights.

[...]

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 10

Chapter IX Clearing of Securities Lending Transactions

[...]

Part 2 Terms and Conditions of Securities Lending Transactions

[...]

2.6 Failure to Deliver

[...]

2.6.4 Failure to Deliver by the Borrower Clearing Member on the Maturity Date

[...]

- (7) In the event a Buy-In pursuant to Paragraph (6) is successful ~~and the Underlying Securities purchased during the Buy-In (the "Purchased Securities") have been delivered to Eurex Clearing AG by no later than 10:00 (Frankfurt am Main time) or, where the Purchased Securities are settled through CBF, until expiry of the first Same Day Settlement run procedure of CBF on the Business Day after the Buy-In Date~~, (i) the purchase price for the Purchased Securities shall be borne by the Borrower Clearing Member and shall be paid on the Business Day following the Buy-In Date in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1 and (ii) the delivery obligations of the Borrower Clearing Member under the Non-Performed Transaction shall be replaced by the obligation of the Borrower Clearing Member to pay such purchase price.

For the avoidance of doubt, if the Lender Clearing Member does not return the Equivalent Principal Collateral on the applicable payment date, then Number 2.6.5 Paragraph (2) (h) applies.

- (8) In the event a Buy-In pursuant to Paragraph (6) is not successful or only partially successful on the Buy-In Date ~~or the Purchased Securities have not been delivered to Eurex Clearing AG by 10:00 (Frankfurt am Main time) or, where the Purchased Securities are settled through CBF, until expiry of the first Same Day Settlement run procedure of CBF on the Business Day after the Buy-In Date~~, a cash settlement shall take place on the Business Day following the Buy-In Date with respect to the Non-Performed Transaction and the related Securities Lending Transaction.

Eurex Clearing AG will inform the involved Clearing Members about the cash settlement pursuant to this Paragraph (8).

The cash amount to be paid by the Borrower Clearing Member to Eurex Clearing Lender and by Eurex Clearing Borrower to the Lender Clearing Member shall be denominated in the currency of the Underlying Security and be determined by Eurex Clearing AG as follows:

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 06.02.2017
	Page 11

- in case the Underlying Securities are equity securities, the Settlement Price of the Underlying Securities determined by Eurex Clearing AG multiplied by 2 and multiplied by the number of Equivalent Loaned Securities; and
- in case the Underlying Securities are fixed income securities, the Settlement Price of the Underlying Securities as determined by Eurex Clearing AG, plus 300 bp and with such sum to be multiplied by the number of Loaned Securities.

Upon determination of the cash amount, the delivery obligations of the Borrower Clearing Member under the Non-Performed Transaction and of Eurex Clearing Borrower under the related Securities Lending Transaction shall be replaced by the obligation of the Borrower Clearing Member to pay such cash amount to Eurex Clearing Lender and by the obligation of Eurex Clearing Borrower to pay such cash amount to the lender Clearing Member, respectively, and the cash amount payable by the Borrower Clearing Member to Eurex Clearing AG shall be paid in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1.

Number 2.2.2 Paragraph (1) and Number 2.3.3 apply *mutatis mutandis*.

[...]
