

# **Clearing Conditions**

## **2.2.19 Sub-Subpart**

### **Settlement of Options Contracts on Stocks of Dutch Stock Corporations (Dutch Options)**

#### **2.2.19.1 General Provisions**

(1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):

All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through CBF and payments shall be made through LZB.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to CBF or SIS, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with CBF or SIS and credit balances in the Clearing Member's account at LZB.

#### **2.2.19.2 Option Premiums**

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.19.4 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

#### **2.2.19.3 Margin Requirements**

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) The difference between the last price of the respective underlying security effected in the continuous trading of the electronic trading system of Amsterdam Exchanges (AEX) and the exercise price shall be used for exercised and assigned positions in options contracts on shares of Dutch stock corporations.

If more than 15 minutes have passed since such price was established, the volume-weighted average of the last three prices effected during continuous trading of the electronic trading system at Amsterdam

Exchanges (AEX) shall be used.

Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.

(4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favourable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

#### **2.2.19.4 Dividends**

If a Netherlands stock option is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

#### **2.2.19.5 Default in Delivery or Payment**

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.
- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of CBF by the sixth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out through a replacement transaction on a stock exchange on the sixth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.15.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

· Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty determined by Eurex Clearing AG per product per calendar day, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

(5) Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

#### **2.2.20 Sub-Subpart**

## **Settlement of Low Exercise Price Options (LEPO) on Dutch Stocks**

### **2.2.20.1 General Provisions**

(1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):

All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through CBF or SIS and payments shall be made through LZB.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to SIS or CBF, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with SIS or CBF and credit balances in the Clearing Member's account at LZB.

### **2.2.20.2 Option Premiums**

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.20.3 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

### **2.2.20.3 Margin Requirements**

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) The difference between the last price of the respective underlying security effected in the electronic trading system of the Amsterdam Exchanges (AEX) and the exercise price shall be used for exercised and assigned positions in options contracts on shares of Dutch stock corporations.

If more than 15 minutes have passed since such price was established, the volume-weighted average of the last three prices effected during continuous trading of the electronic trading system of the Amsterdam Exchanges (AEX) shall be used.

Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.

(4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favorable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

#### **2.2.20.4 Dividends**

If a LEPO on Swiss shares is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

#### **2.2.20.5 Default in Delivery or Payment**

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.
- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of CBF by the fifth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out through a replacement transaction on a stock exchange on the fifth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.20.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

- Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty in the amount determined by Eurex Clearing AG per product per calendar day, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

(5) Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

#### **2.2.21 Sub-Subpart**

#### **Settlement of Options Contracts on Stocks of Italian Stock Corporations (Italian Stock Options)**

##### **2.2.21.1 General Provisions**

- (1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.
- (2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.
- (3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.
- (4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):
- All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through CBF and payments shall be made through LZB.
- Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to CBF or SIS, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with CBF or SIS and credit balances in the Clearing Member's account at LZB.
- #### **2.2.21.2 Option Premiums**
- The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.21.4 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.
- #### **2.2.21.3 Margin Requirements**
- (1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:
- (2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.
- (3) The difference between the last price of the respective underlying security effected in the continuous trading of the electronic trading system of Borsa Italia and the exercise price shall be used for exercised and assigned positions in options contracts on shares of Italian stock corporations.
- If more than 15 minutes have passed since such price was established, the volume-weighted average of the last three prices effected during continuous trading of the electronic trading system of Borsa Italia shall be used.
- Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.
- (4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.
- (5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement

("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favourable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

#### **2.2.21.4 Dividends**

If a Italian stock option is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

#### **2.2.21.5 Default in Delivery or Payment**

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.
- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of CBF by the fifth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out through a replacement transaction on a stock exchange on the fifth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.21.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

· Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty determined by Eurex Clearing AG per product per calendar day, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

(5) Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

### **2.2.22 Sub-Subpart**

#### **Settlement of Low Exercise Price Options (LEPO) on Italian Stocks**

##### **2.2.22.1 General Provisions**

(1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):

All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through CBF or SIS and payments shall be made through LZB.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to SIS or CBF, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with SIS or CBF and credit balances in the Clearing Member's account at LZB.

### **2.2.22.2 Option Premiums**

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.22.3 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

### **2.2.22.3 Margin Requirements**

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) The difference between the last price of the respective underlying security effected in the electronic trading system of Borsa Italia and the exercise price shall be used for exercised and assigned positions in options contracts on shares of Italian stock corporations.

If more than 15 minutes have passed since such price was established, the volume-weighted average of the last three prices effected during continuous trading of the electronic trading system of Borsa Italia shall be used.

Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.

(4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favourable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

### **2.2.22.4 Dividends**

If a LEPO on Italian shares is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

#### **2.2.22.5 Default in Delivery or Payment**

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.
- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of SIS by the fifth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out through a replacement transaction on a stock exchange on the fifth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.22.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

· Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty in the amount determined by Eurex Clearing AG per product per calendar day, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

(5) Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.