

Chapter II of the Clearing Conditions of Eurex Clearing AG

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

As of 27.12.2016

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 2 Clearing of Futures Contracts

[...]

2.1 General Provisions

[...]

2.1.2 Daily Settlement Price

[...]

(5) Reference times

[...]

Contract	Reference Time (CET)
[...]	
<u>GMEXLDX</u> IRS Constant Maturity Futures	18:00
[...]	

[...]

2.8 Clearing of **GMEXLDX** IRS Constant Maturity Futures

The following provisions shall apply to the Clearing of **GMEXLDX** IRS Constant Maturity Futures contract transactions specified in Number 1.22 of the Eurex Contract Specifications (such Futures contract transactions hereinafter referred to as “CMFs” (Constant Maturity Futures)).

[...]

2.8.6 Termination of CMFs by Eurex Clearing AG upon Request of a CMF Participant

- (1) A Clearing Member may request from Eurex Clearing AG that Eurex Clearing AG terminates its CMFs entered into with such Clearing Member which qualify as Own Transactions according to the CMF MIP as described in this Number 2.8.6, and a Non-Clearing Member/Registered Customer may request from Eurex Clearing AG that Eurex Clearing AG terminates its CMFs entered into with its Clearing Member and the CMFs with identical terms entered into between such Clearing Member and Eurex Clearing AG (such requests hereinafter each referred to as a "**CMF MIP Request**"), provided that the market for CMFs on both the orderbook of the Eurex Exchanges ("**Eurex Orderbook**") and the ~~matching platform operated by Global Markets Exchange Limited ("GMEX") ("GMEXLDX Matching Platform")~~ do not provide for any or sufficient liquidity to close their CMF positions in whole or in part.
- (2) A termination of CMFs for which such termination was requested for according to this Number 2.8.6 will always also result in the termination of CMFs between different parties with reciprocal terms to the CMFs the termination was requested for (both between Eurex Clearing AG and Clearing Members and between Clearing Members and the Non-Clearing Members/Registered Customers, if any). A CMF MIP may affect every CMF Participant (not only Clearing Members).
- (3) Adequate Attempts to Close CMFs

A CMF MIP Request will only be considered if the requesting CMF Participant has undertaken adequate attempts to close the respective CMFs before filing a CMF MIP Request:

- a) The CMF Participants must place orders for CMFs with reciprocal terms to those it wishes to close on both the Eurex Orderbook and the ~~GMEXLDX Matching Platform~~, of which at least 25 per cent must be placed on the ~~GMEXLDX Matching Platform~~ at any time. Such orders must be
 - (i) unmatched for three consecutive Business Days prior to the Business Day the CMF MIP Request is filed;
 - (ii) unmatched for at least eight hours on each Business Day referred to in Number 2.8.6 Paragraph (3) a) (i);
 - (iii) at a rate lower than the GDI IRS CMI by at least one tick (as specified in the ~~GMEXLDX~~ IRS CMF Product Specifications, available on the websites of ~~GMEXLDX Group~~ (www.londondx.comwww.gmex-group.com)) for closing long positions or at a rate higher than the GDI IRS CMI by at least one tick for closing short positions in case orders are entered on the ~~GMEXLDX Matching Platform~~, or, if such orders are entered on the Eurex Orderbook, at a rate lower than the GDI IRS CMI by at least one thousand ticks (as specified in the Eurex Contract Specifications) for closing long

positions or at a price higher than the GDI IRS CMI by at least one thousand ticks for closing short positions;

- (iv) eligible to close all of the CMFs of the respective tenor (as specified in the Eurex Contract Specifications) of the CMF Participant if the total number of such CMFs is below 1,000 or 1,000, or, if it is above 1,000 CMFs, at least 1,000 CMFs of such tenor; and
- b) the CMF Participant must request for quotes on both the Eurex Exchanges and the **GMEXLDX** Matching Platform in order to close the CMFs they wish to close. Such request for quotes must
 - (i) take place at least once per day for at least three consecutive Business Days;
 - (ii) be eligible to close all of the CMFs of the respective tenor of the CMF Participant if the total number of such CMFs is below 1,000 or 1,000, or, if it is above 1,000 CMFs, at least 1,000 CMFs of such tenor.

As the GDI IRS CMI may be subject to changes over the course of a Business Day, CMF Participants are permitted to cancel open CMF orders and re-submit new CMF without undue delay, and, when doing so, are deemed to fulfil the requirements of Number 2.8.6 Paragraph (3) a) regarding time, provided that the total time such orders are open meets such requirements.

[...]

2.8.7 CMF Default Management Process

[...]

(4) CMF DMP Attribution Period and CMF DMP Attribution Rules

- a) Following the end of the CMF DMP Trading Period as notified by Eurex Clearing AG pursuant to Number 2.8.7 Paragraph (3) b) Eurex Clearing AG provides all CMF Participants whose CMFs will in whole or part be subject to a termination pursuant to the CMF DMP Attribution Rules specified in Number 2.8.7 Paragraph 4) c) with a position report including all CMFs of the defaulting Clearing Member vis-à-vis Eurex Clearing AG to which no CMFs with identical terms resulting from the CMF DMP Trading Period relate to ("Open CMFs").
- b) Such Open CMFs will be attributed to CMF Participants which have entered into CMFs with reciprocal terms with either their Clearing Member or Eurex Clearing AG according to the following attribution rules and based on the positions of CMF Participants at the end of the CMF DMP Trading Period as specified by Eurex Clearing according to Number 2.8.7 Paragraph (3) a) (iv). The result of such attribution is the termination of CMFs entered into between Eurex Clearing AG and a Clearing Member (and the related CMFs with identical

terms between such Clearing Member and a Non-Clearing Member/Registered Customer) with reciprocal terms to the attributed CMFs between the defaulting Clearing Member and Eurex Clearing AG (which have been terminated before due to a Termination according to Chapter 1, Part 1 Number 7), each with effect from the point in time of the Termination of the CMFs between Eurex Clearing AG and the defaulting Clearing Member. CMFs between Eurex Clearing AG and Clearing-Members which have been terminated due to the CMF DMP according to Number 2.8.6 will be cash settled.

c) CMF DMP Attribution Rules

Open CMFs will be attributed in the following order:

(i) CMF Liquidity Provider Attribution

Eurex Clearing AG will attribute Open CMFs to CMF Participants which qualify as liquidity providers on the **GMEXLDX** Matching Platform (“**CMF Liquidity Providers**”), if any, as long as Open CMFs are available. Upon such attribution and notification thereof to the respective CMF Liquidity Provider by Eurex Clearing AG, the CMFs entered into between such CMF Liquidity Providers and Eurex Clearing AG which have reciprocal terms to those CMFs entered into between Eurex Clearing AG and the defaulting Clearing Member, are terminated. A pro rata method applies and calculates the weighted attribution ratio as: Available CMFs per account/total available CMFs of all accounts of the different CMF Liquidity Providers. According to this weighted ratio the amounts to be attributed per account are calculated (round down). If after this calculation due to rounding errors there is still a residual amount left, such residual amount will be attributed randomly amongst the CMF Liquidity Providers.

[...]

[...]

[...]

2.8.9 Additional Customer Accounts

Chapter II **Part 1**, Section 1.3.6 shall not apply for CMFs.

[...]
