



eurex clearing

circular 187/14

Date: 19 December 2014
Recipients: All Clearing Members, Non-Clearing Members, Registered Customers and Vendors of Eurex Clearing AG
Authorised by: Thomas Laux

CCP Release 9.2: Introduction announcement

Related Eurex Clearing circular: 177/14

Contact: Trading & Clearing Services, T +49-69-211-1 17 00, memberservices@eurexclearing.com

Content may be most important for:

☞ All departments

Attachments:

none

Summary:

With this circular Eurex Clearing announces the introduction of CCP Release 9.2 on **22 June 2015** and the underlying first migration step (Wave 1) of TARGET2 Securities (T2S).

CCP Release 9.2 contains the following changes:

- Decommissioning of MISS Infrastructure
- T2S: Changes to corporate action fraction handling for settlement location SIX SIS
- Eurex Clearing Lending CCP induced service enhancements

A Member simulation will be offered for CCP Release 9.2 from April 2015 onwards. The simulation for Lending CCP functionality will be offered from May 2015 onwards.



CCP Release 9.2: Introduction announcement

With this circular Eurex Clearing announces the introduction of CCP Release 9.2 on 22 June 2015 and the underlying first migration step (Wave 1) of TARGET2 Securities (T2S).

Decommissioning of MISS Infrastructure

With the introduction of CCP Release 9.2 it is planned to decommission the existing CCP VALUES API and MISS infrastructure.

This also includes the decommissioning of

- the @X-pert Clearing GUI, including access via Webtrading
- alternatively the Securities Clearing GUI is available.
- VALUES API
- alternatively the Member File Based and SWIFT Interface can be used.
- reports distribution via the MISS infrastructure
- alternatively, the reports can be accessed via the Common Report Engine.

T2S: Changes to corporate action fraction handling for settlement location SIX SIS

There is no impact on Eurex Clearing's existing settlement approach in T2S Wave 1. Please refer to Eurex Clearing circular 177/14 for the initial information on the customer impact of T2S.

SIX SIS announced that the standards of the Corporate Actions Sub-Group (CASG) and the Corporate Actions Joint Working Group (CAJWG) standards will be implemented in the Swiss market for all settlement transactions (including settlement in euro).

This means that fractions are rounded down to the nearest whole number. Eurex Clearing will amend its fraction handling processes accordingly.

Eurex Clearing Lending CCP induced service enhancements

Eurex Clearing will extend its existing CCP securities lending service by offering hard fixed term loans and equity financing loans

Hard fixed term loans

Hard fixed term loans are loans with a term leg on a pre-defined maturity date, which should remain open until maturity date, even in case of a default of a Clearing Member.

Hard fixed term loans can optionally be closed before the maturity date, if there is a bilateral agreement between CM Lender and CM Borrower, in the form of a matched return in the Third Party Flow Providers' platform. This type of loans will be offered for both cash and non-cash Principal Collateral.

The hard fixed term loan offering will be an additional and optional service for which the Clearing Members need to subscribe. In case of non-cash Principal Collateral, CMs who subscribe for this new service need to accept the Eurex Clearing standard collateral eligibility set within the respective Triparty Collateral Agents (i.e. Clearstream Banking Luxembourg and Euroclear Bank) for this type of loans.

Equity financing loans

Equity financing loans is a new type of loans where the CM Lender provides cash to the CM Borrower against non-cash collateral which will be pledged or transferred by way of a title transfer towards the CM Lender. For equity financing loans the cash amount offered by the CM Lender can be euro or U.S. dollar. Equity financing loans will be hard fixed term loans.

Additional Information

A Member simulation will be offered for CCP Release 9.2 from April 2015 onwards. The simulation for the Lending CCP functionality will be offered from May 2015 onwards.

The Communication Calendar with an overview of the planned publications for CCP Release 9.2 will be published in January 2015.

If you have any questions or require further information, please contact the Trading & Clearing Services team at tel. +49-69-211-1 17 00 or e-mail: memberservices@eurexclearing.com.

19 December 2014