

FCM Default Rules of Eurex Clearing AG

As of 15.07.2022

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

2 Definitions

[...]

~~“Affected BCM” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.~~

~~“Affected BCM Contribution” has the meaning assigned to it in Chapter I Number 6.2.1 Paragraph (1) of the Clearing Conditions.~~

~~“Affected BCM Further Contributions” has the meaning assigned to it in Chapter I Part 1 Number 6.3.1 (i) of the Clearing Conditions.~~

[...]

“Affected FCM Contribution” means the FCM Contribution and (if available) any FCM Excess Contribution of the Affected FCM Clearing Member.

“Affected ISA Direct Clearing Member” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.

“Affected ISA Direct Clearing Member Contribution” has the meaning assigned to it in Chapter I Number 6.2.1 Paragraph (1) of the Clearing Conditions.

“Affected ISA Direct Clearing Member Further Contributions” has the meaning assigned to it in Chapter I Part 1 Number 6.3.1 (i) of the Clearing Conditions.

“Applicable Indemnity Payment Amount” has the meaning assigned to it in Chapter I Part 6 Subpart B Number 2.2 of the Clearing Conditions.

~~“Basic Clearing Member” has the meaning assigned to it in Chapter I Part 1 Number 1.1.4 of the Clearing Conditions.~~

~~“Basic Clearing Member Termination” has the meaning assigned to it in Chapter I Part 6 Number 10.5 of the Clearing Conditions.~~

~~“Basic Clearing Member Termination Date” has the meaning assigned to it in Chapter I Part 1 Part 6 Number 10.5 of the Clearing Conditions.~~

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~~“Basic Clearing Member Termination Time” has the meaning assigned to it in Chapter I Part 1 Part 6 Number 10.5 of the Clearing Conditions.~~

~~“BCM Affected Clearing Member” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.~~

~~“BCM Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.1.1 Paragraph (1) of the Clearing Conditions.~~

~~“BCM Contribution Requirement” has the meaning assigned to it in Chapter I Part 1 Number 6.1.1 Paragraph (2) of the Clearing Conditions.~~

[...]

~~“Clearing Conditions Insolvency Termination Event” means an Insolvency Termination Event as defined Chapter I Part 1 Number 7.2.2 of the Clearing Conditions with respect to a Clearing Member or an Basic Clearing Member Insolvency Termination Event ISA Direct Clearing Member Insolvency Termination Event as defined Chapter I Part 6 Subpart A Number 10.4 of the Clearing Conditions with respect to an Basic Clearing Member ISA Direct Clearing Member.~~

[...]

~~“Clearing Conditions Termination Event” means a Termination Event as defined in Chapter I Part 1 Number 7.2.1 of the Clearing Conditions with respect to a Clearing Member or an Basic Clearing Member Termination Event ISA Direct Clearing Member Termination Event as defined Chapter I Part 6 Subpart A Number 10.3.1 of the Clearing Conditions with respect to an Basic Clearing Member ISA Direct Clearing Member.~~

[...]

~~“Clearing Member Transaction” means all proprietary and client-related transactions concluded between a Clearing Member or an Basic Clearing Member ISA Direct Clearing Member and Eurex Clearing AG in accordance with the Clearing Conditions.~~

[...]

~~“Contribution” means each CM Contribution, each BCM Contribution ISA Direct Clearing Member Contribution (each as defined in the Clearing Conditions) and each FCM Contribution (as defined in Number 3.1.1 Paragraph (1)).~~

[...]

~~“Further Contribution” means each CM Further Contribution, each BCM Further Contribution ISA Direct Clearing Member Further Contribution (each as defined in the Clearing Conditions) and each FCM Further Contribution (as defined in Number 3.3.1).~~

~~“Further Dedicated Amount” has the meaning assigned to it in Chapter I Part 1 Number 6.3.2 of the Clearing Conditions.~~

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“Indemnifying Clearing Agent” has the meaning assigned to it in Chapter I Part 6 Subpart B Number 1.2 of the Clearing Conditions.

[...]

“Interest Rate Derivative Transaction” has the meaning assigned to it in Chapter I Number 1.1.5 of the FCM Regulations.

“ISA Direct Affected Clearing Member” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.

“ISA Direct Clearing Member” has the meaning assigned to it in Chapter I Part 1 Number 1.1.4 of the Clearing Conditions.

“ISA Direct Clearing Member Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.1.1 Paragraph (1) of the Clearing Conditions.

“ISA Direct Clearing Member Contribution Requirement” has the meaning assigned to it in Chapter I Part 1 Number 6.1.1 Paragraph (2) of the Clearing Conditions.

“ISA Direct Clearing Member Termination” has the meaning assigned to it in Chapter I Part 6 Subpart A Number 10.5 of the Clearing Conditions.

“ISA Direct Clearing Member Termination Date” has the meaning assigned to it in Chapter I Part 1 Subpart A Part 6 Number 10.5 of the Clearing Conditions.

“ISA Direct Termination Time” has the meaning assigned to it in Chapter I Part 6 Subpart A Number 10.5 of the Clearing Conditions.

[...]

~~“Non-Affected BCM Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.~~

~~“Non-Affected BCM Further Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.3.1(ii) of the Clearing Conditions.~~

[...]

“Non-Affected FCM Contributions” means the FCM Contributions excluding any (i) Affected FCM Contribution and (ii) FCM Excess Contribution of a Clearing Member.

“Non-Affected ISA Direct Clearing Member Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.2 of the Clearing Conditions.

“Non-Affected ISA Direct Clearing Member Further Contribution” has the meaning assigned to it in Chapter I Part 1 Number 6.3.1(ii) of the Clearing Conditions.

[...]

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3 Contributions to the Default Fund by an FCM Clearing Member

3.1 Contributions to the Default Fund

[...]

3.1.3 Eurex Clearing AG's dedicated own resources to the Default Fund

Eurex Clearing AG will dedicate own resources to the Default Fund (the "**Dedicated Amount**") to be used if a Termination Time with respect to one or more FCM Clearing Members, a Clearing Member Termination Date with respect to one or more Clearing Members or an ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date with respect to one or more ~~Basic Clearing Member~~ ISA Direct Clearing Members occurs. The Dedicated Amount will be published on the Eurex Clearing Website.

3.2 Realization of the Default Fund

Eurex Clearing AG shall have a claim for payment of the Default Fund Secured Claims against (i) the Affected FCM Clearing Member and (ii) any other FCM Clearing Member, provided that the claims under (ii) shall only become due following a Realization Event and shall only be payable out of the FCM Contributions and, subject to this Number 0 and Number 0, the FCM Further Contributions. The right of Eurex Clearing AG to use any Contributions made by Clearing Members and ~~Basic Clearing Member~~ ISA Direct Clearing Members shall remain unaffected. The order of priority set forth in Number 0 applies.

[...]

3.2.1 In the case of a Realization Event, the Contributions and Further Contributions will be realized in accordance with the following order of priority:

- (1) Affected FCM Contribution, Affected CM Contribution or ~~Affected BCM Contribution~~ Affected ISA Direct Clearing Member Contribution

First, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realize the applicable Liquidation Group Ratio of

- (i) ~~the Affected FCM Contribution,~~ **the Affected FCM Contribution,**
- (ii) the Affected CM Contribution, or
- (iii) ~~the Affected BCM Contribution~~ Affected ISA Direct Clearing Member Contribution, as applicable.

"**Liquidation Group Ratio**" with respect to this Paragraph (1) means the fraction of the available Affected FCM Contribution, Affected CM Contribution, or ~~Affected BCM Contribution~~ Affected ISA Direct Clearing Member Contribution which may be realized with respect to the Relevant Liquidation Group under this Paragraph (1) and which will be determined as follows:

[...]

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(III) in the case of ~~Affected BCM Contribution~~Affected ISA Direct Clearing Member Contribution, the ratio of (A) the part of the ~~BCM Contribution Requirement~~ISA Direct Clearing Member Contribution Requirement relating to the ~~Affected BCM~~Affected ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (B) the ~~BCM Contribution Requirement~~ISA Direct Clearing Member Contribution Requirement relating to the ~~Affected BCM~~Affected ISA Direct Clearing Member,

- (2) Remainder of the Affected FCM Contribution, Affected CM Contribution and ~~Affected BCM Contribution~~Affected ISA Direct Clearing Member Contribution

Second, Eurex Clearing AG will realize the Remainder Amount relating to the Affected FCM Contribution, Affected CM Contribution, or ~~Affected BCM Contribution~~Affected ISA Direct Clearing Member Contribution.

“**Remainder Amount**” with respect to this Paragraph (2) means in relation to the Affected FCM Clearing Member, the CM Affected Clearing Member, or the ~~Affected BCM~~Affected ISA Direct Clearing Member the aggregate of all remainders of the Affected FCM Contribution, Affected CM Contribution or Affected FCM Contribution under all Relevant Liquidation Groups which have been determined but have not been realized under Paragraph (1).

[...]

- (3) ~~Affected BCM Further Contribution~~Affected ISA Direct Clearing Member Further Contribution or Applicable Indemnity Payment Amount

Third, only in the case of an ~~an BCM Affected Clearing Member~~ISA Direct Affected Clearing Member, Eurex Clearing AG will realize the following:

- (i) If the ISA Direct Affected Clearing Member does not qualify as an Indemnifying Clearing Agent of the Affected ISA Direct Clearing Member, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realize the applicable Liquidation Group Ratio of the ~~Affected BCM Further Contribution~~Affected ISA Direct Clearing Member Further Contributions relating to the ~~Affected BCM~~Affected ISA Direct Clearing Member:-

“**Liquidation Group Ratio**” with respect to this Paragraph (3) means the fraction of the available ~~BCM Further Contribution~~ISA Direct Clearing Member Further Contribution which may be realized with respect to the Relevant Liquidation Group under this Paragraph (3) and which will be determined as the ratio of (A) the part of the requirement to provide ~~Affected BCM Further Contribution~~Affected ISA Direct Clearing Member Further Contributions applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide ~~Affected BCM Further Contribution~~Affected ISA Direct Clearing Member Further Contributions.

- (ii) If the ISA Direct Affected Clearing Member qualifies as an Indemnifying Clearing Agent of the Affected ISA Direct Clearing Member, Eurex Clearing AG will realize the

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Applicable Indemnity Payment Amount payable by such ISA Direct Affected Clearing Member in accordance with Chapter I Part 6 of the Clearing Conditions.

In case of a Realisation Event resulting in the application of this Paragraph (3)(ii), Paragraphs (4) to (14) will, even if the Applicable Indemnity Payment Amount has not been paid in full, not be applied in respect of such Realisation Event.

For the avoidance of doubt, this Paragraph (3)(ii) shall not apply with respect to a Realisation Event following a Termination in respect of the Indemnifying Clearing Agent (in its capacity as Clearing Member). The obligation of the Indemnifying Clearing Agent to pay the Applicable Indemnity Payment Amount shall form part of the Clearing Conditions Default Fund Secured Claims. Any Applicable Indemnity Payment Amount shall be allocated to the discharge of the Clearing Conditions Default Fund Secured Claims relating to the Liquidation Group comprising Eurex Repo Transactions (as defined in Chapter I Part 1 Number 1.1.2 of the Clearing Conditions).

- (4) ~~Remainder of BCM Further Contribution~~ ISA Direct Clearing Member Further Contribution

Fourth, only in the case of an ~~an BCM Affected Clearing Member~~ ISA Direct Affected Clearing Member that does not qualify as an Indemnifying Clearing Agent of the ~~Affected ISA Direct Clearing Member~~, Eurex Clearing AG will realize the Remainder Amount relating to the ~~Affected BCM Further Contribution~~ Affected ISA Direct Clearing Member Further Contribution.

“**Remainder Amount**” with respect to this Paragraph (4) means with respect to the ~~Affected BCM~~ Affected ISA Direct Clearing Member the aggregate of all remainders of the ~~Affected BCM Further Contribution~~ Affected ISA Direct Clearing Member Further Contribution under all Relevant Liquidation Groups which have been determined but have not been realized under Paragraph (3).

[...]

[...]

- (7) Contributions of non-bidding auction participants and a terminated Clearing Agent

Seventh, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realize the applicable Liquidation Group Ratio of

- (i) ~~the Non-Affected FCM Contributions~~ of the Non-Affected FCM Contributions of all FCM Clearing Members that are FCM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group (excluding any Seniorised Hedging Contributions),
- (ii) ~~the Non-Affected CM Contributions and the Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Participants

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with respect to at least one DM Auction in the Relevant Liquidation Group (excluding any Seniorised Hedging Contributions),

- (iii) the ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of the CM Affected Clearing Member,

[...]

- (v) the Non-Affected CM Contributions and the ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Hedging Auction Participants with respect to Hedging Auctions relating to the Relevant Liquidation Group (Juniorised Hedging Contributions).

“**Liquidation Group Ratio**” with respect to this Paragraph (7) means the fraction of the available Non-Affected FCM Contributions, Non-Affected CM Contributions or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions which may be realized with respect to the Relevant Liquidation Group under Paragraph (7) and which will be determined as follows:

[...]

- (III) in the case of ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of a Clearing Agent that is a CM Non-Bidding Participant or the CM Affected Clearing Member, the ratio of (A) the part of the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (B) the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member,

[...]

- (VI) in case of a ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of a Clearing Agent that is a CM Non-Bidding Hedging Auction Participant, the product of (A) the ratio of (AA) the part of the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (BB) the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member and (B) the difference of (AA) the Non-Bidding Hedging Auction Ratio with respect to the Relevant Liquidation Group and (if any) (BB) the Remedied Juniorisation Ratio with respect to the Relevant Liquidation Group.

- (8) Remainder of Contributions of non-bidding auction participants and a terminated Clearing Agent

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[...]

“Applicable CM/FCM Remainder Amount” with respect to this Paragraph (8) means the available Non-Affected FCM Contributions, Non-Affected CM Contributions or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent which may be realized under this Paragraph (8) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent and (BB) the aggregate of all Remainder Amounts of all FCM Clearing Member, Clearing Member, or Clearing Agent and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent.

“Remainder Amount” with respect to this Paragraph (8) means with respect to the relevant FCM Clearing Member, Clearing Member, or Clearing Agent the aggregate of all remainders of Non-Affected FCM Contribution, Non-Affected CM Contribution or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent under all Relevant Liquidation Groups which have been determined but have not been realised pursuant to Paragraph (7).

In case of the calculation of the Remainder Amount with respect to a ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of a Clearing Agent that is the CM Affected Clearing Member, the Remainder Amount shall additionally include all ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions relating to all ~~BCM~~ ISA Direct Clearing Members of the relevant Clearing Agent and which relate to any Liquidation Group which is not a Relevant Liquidation Group.

[...]

- (9) Contributions of FCM Clearing Members and Clearing Members that are not qualifying as non-bidding auction participants

[...]

- (ii) the Non-Affected CM Contributions and the ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of all Clearing Members and Clearing Agents that are not CM Non-Bidding Participants with respect to the relevant Liquidation Group (excluding any ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of the CM Affected Clearing Member, any Juniorised Hedging Contributions and any Seniorised Hedging Contributions).

“Liquidation Group Ratio” with respect to this Paragraph (9) means the fraction of the available Non-Affected FCM Contributions, Non-Affected CM Contributions or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions which

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may be realized with respect to the Relevant Liquidation Group under this Paragraph (9) and which will be determined as follows:

[...]

(iii) in the case of ~~Non-Affected BCM Contribution~~Non-Affected ISA Direct Clearing Member Contribution, the ratio of (A) the part of the ~~BCM Contribution Requirement~~ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (B) the ~~BCM Contribution Requirement~~ISA Direct Clearing Member Contribution Requirement relating the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member.

(10) Remainder of Contributions of FCM Clearing Members and Clearing Members that are not qualifying as non-bidding auction participants

[...]

“Applicable CM/FCM Remainder Amount” with respect to this Paragraph (10) means the available Non-Affected FCM Contribution, Non-Affected CM Contribution or Non-Affected ISA Direct Clearing Member Contribution ~~CM Contribution~~ of the relevant FCM Clearing Member, Clearing Member of Clearing Agent which may be realized under this Paragraph (10) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent and (BB) the aggregate of all Remainder Amounts of all FCM Clearing Members, Clearing Members, or Clearing Agents and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent.

[...]

(I) all remainders of Non-Affected FCM Contribution, Non-Affected CM Contribution or ~~Non-Affected BCM Contribution~~Non-Affected ISA Direct Clearing Member Contribution of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent under all Relevant Liquidation Groups which have been determined but have not been realized pursuant to Paragraph (9), or

(II) all Non-Affected FCM Contribution, Non-Affected CM Contributions or ~~Non-Affected BCM Contribution~~Non-Affected ISA Direct Clearing Member Contributions of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent relating to any other Liquidation Group which is not a Relevant Liquidation Group.

[...]

(11) Seniorised Hedging Contribution

[...]

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- (ii) the Non-Affected CM Contributions and the ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of all Clearing Members and Clearing Agents that are Winning Hedging Auction Participants with respect to the relevant Liquidation Group (Seniorised Hedging Contributions).

“**Liquidation Group Ratio**” with respect to this Paragraph (11) means the fraction of the available Non-Affected CM Contributions, ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions or Non-Affected FCM Contributions which may be realized with respect to the Relevant Liquidation Group under this Paragraph (11) and which will be determined as follows:

[...]

- (III) in the case of ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of a Clearing Agent, the product of (A) the ratio of (AA) the part of the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (BB) the ~~BCM Contribution Requirement~~ ISA Direct Clearing Member Contribution Requirement relating to the relevant ~~Basic Clearing Member~~ ISA Direct Clearing Member and (B) the Winning Hedging Auction Ratio with respect to the Relevant Liquidation Group.

(12) Remaining Seniorised Hedging Contributions

[...]

“**Applicable CM/FCM Remainder Amount**” with respect to this Paragraph (12) means the available Non-Affected FCM Contribution, Non-Affected CM Contribution or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent which may be realized under this Paragraph (12) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent and (BB) the aggregate of all Remainder Amounts of all FCM Clearing Members, Clearing Members and Clearing Agents and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent.

“**Remainder Amount**” with respect to this Paragraph (12) means with respect to the relevant FCM Clearing Member, Clearing Member, or Clearing Agent the aggregate of all remainders of Non-Affected FCM Contribution, Non-Affected CM Contribution or ~~Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contribution of the relevant FCM Clearing Member, Clearing Member, or Clearing Agent under all Relevant Liquidation Groups which have been determined but have not been ~~raised~~ realized pursuant to Paragraph (11).

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[...]

(13) Further Contributions of non-bidding auction participants

[...]

[...]

- (ii) the CM Further Contributions and ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group.

“**Liquidation Group Ratio**” with respect to this Paragraph (13) means the fraction of the available FCM Further Contribution, CM Further Contribution and ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contribution which may be realized under this Paragraph (13) and which will be determined as follows:

[...]

- (III) in the case of ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contribution, the ratio of (A) the part of the requirement to provide ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions relating to the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (B) the requirement to provide ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions relating to the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member.

(14) Further Contributions of FCM Clearing Members and Clearing Members that are not qualifying as non-bidding auction participant

[...]

- (ii) the CM Further Contributions and the ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions of all Clearing Members that are CM Non-Bidding Participants with respect to the Relevant Liquidation Group, and
- (iii) the Further Dedicated Amount.

Eurex Clearing AG shall realize the applicable Liquidation Group Ratio of

[...]

- (b) the CM Further Contributions and the ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions of all Clearing Members that are not CM Non-Bidding Participants and

[...]

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“**Liquidation Group Ratio**” with respect to this Paragraph (14) means the fraction of the available FCM Further Contribution, CM Further Contribution, ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contribution and Further Dedicated Amount which may be realized under this Paragraph (14) and which will be determined as follows:

[...]

(III) in the case of ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contribution, the ratio of (A) the part of the requirement to provide ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions relating to the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member applicable to such Relevant Liquidation Group and (B) the requirement to provide ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions relating to the relevant ~~Basic Clearing Member~~ISA Direct Clearing Member, or

[...]

3.2.2 Further requirements with respect to the order of priority

In addition, Eurex Clearing AG considers the following requirements when determining the order of priority in accordance with Number 3.2.1:

[...]

(b) If, in the case of Paragraphs (7), (9), (11), (13) and (14), with respect to a Relevant Liquidation Group the available

[...]

(iii) the ~~Non-Affected BCM Contribution~~Non-Affected ISA Direct Clearing Member Contributions (or ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions), or

[...]

3.2.3 Repayment by Eurex Clearing AG

If, subsequent to a realization of the Default Fund, an Affected FCM Clearing Member, Affected Clearing Member or ~~Affected BCM~~Affected ISA Direct Clearing Member makes a payment to Eurex Clearing AG to fulfil the Default Fund Secured Claims, or if the Default Fund Secured Claims are otherwise discharged after Eurex Clearing AG has realized the Dedicated Amount or Non-Affected FCM Contributions (or FCM Further Contributions) or Non-Affected CM Contributions (or CM Further Contributions) or ~~Non-Affected BCM Contribution~~Non-Affected ISA Direct Clearing Member Contributions (or ~~Non-Affected BCM Further Contribution~~Non-Affected ISA Direct Clearing Member Further Contributions) to the Default Fund, Eurex Clearing AG shall use the funds received in order to (i) repay the realized FCM Further Contributions, CM Further Contributions and

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~~Non-Affected BCM Further Contribution~~ Non-Affected ISA Direct Clearing Member Further Contributions to the relevant FCM Clearing Member(s), Clearing Member(s) and Clearing Agent(s), respectively, (ii) repay the realized ~~Non-Affected FCM Contributions, Non-Affected CM Contributions and Non-Affected BCM Contribution~~ Non-Affected ISA Direct Clearing Member Contributions to the Default Fund to the relevant FCM Clearing Member(s), Clearing Member(s) and Clearing Agent(s), respectively, (iii) reinstate the realized Dedicated Amount and (iv) repay the realized ~~Affected BCM Contribution~~ Affected ISA Direct Clearing Member Contributions (and ~~Affected BCM Further Contribution~~ Affected ISA Direct Clearing Member Further Contributions) to the ~~BCM Affected Clearing Member~~ ISA Direct Affected Clearing Member. The payments by Eurex Clearing AG shall be made in reverse order of Number 0 and shall in the aggregate be limited to the amounts received by Eurex Clearing AG.

3.3 Further Contributions to the Default Fund (Assessments); Replenishment of Contributions to the Default Fund

3.3.1 If, following a Realization Event, Eurex Clearing AG determines that the Contributions may not be sufficient to cover the respective claims secured by the Default Fund in accordance with Number 3.2.1 above, it shall at its discretion be entitled to require within a Capped Period, by making one or several demands:

- (1) from the ~~BCM Affected Clearing Member~~ ISA Direct Affected Clearing Member, ~~Affected BCM Further Contribution~~ Affected ISA Direct Clearing Member Further Contributions;
- (2) from the Non-Affected Clearing Members and the ~~BCM Affected Clearing Member~~ ISA Direct Affected Clearing Member, ~~CM Further Contributions or Non-Affected BCM Further Contribution~~ Non-Affected ISA Direct Clearing Member Further Contributions, and

[...]

The “**Liability Cap**” with respect to each of the FCM Further Contributions, the CM Further Contributions, the ~~Affected BCM Further Contribution~~ Affected ISA Direct Clearing Member Further Contributions and the ~~Non-Affected BCM Further Contribution~~ Non-Affected ISA Direct Clearing Member Further Contributions shall be two times the related originally applicable Contribution Requirement to the Default Fund and shall apply for the relevant Capped Period.

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A “**Capped Period**” means, with respect to the Default Fund, a period of twenty (20) Business Days which shall commence at the Termination Time, on the Clearing Member Termination Date or the ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date and which, if one or more further Termination Times, Clearing Member Termination Dates or ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Dates occur within such twenty (20) Business Day period shall, in the case of each such further Termination Time, Clearing Member Termination Date or ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date, be extended by twenty (20) Business Days from (and including) the relevant further Termination Time, Clearing Member Termination Date or ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date, subject to a maximum duration of three (3) months, provided that, if, following the occurrence of an Termination Time, a Clearing Member Termination Date or an ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date, the Default Fund will not be realized, such period shall end upon finalization of the default management process with respect to such Termination Time, Clearing Member Termination Date or ~~Basic Clearing Member Termination Date~~ ISA Direct Clearing Member Termination Date as notified by Eurex Clearing AG to the FCM Clearing Members.

[...]

[...]

4 **Default Management Process**

Eurex Clearing AG maintains a default management process (“**DMP**”) to reduce the risks following a default of an FCM Clearing Member as described in the FCM Regulations and these FCM Default Rules or following a default of a Clearing Member or an ~~Basic Clearing Member~~ ISA Direct Clearing Member as described in the Clearing Conditions.

Eurex Clearing AG establishes default management committees (each a “**DMC**”) for the purpose of advising and assisting the executive board (*Vorstand*) of Eurex Clearing AG with respect to the consequences of a termination of an FCM Clearing Member, a Clearing Member or an ~~Basic Clearing Member~~ ISA Direct Clearing Member and all other matters specified in the FCM Clearing Conditions and in the Clearing Conditions.

Where, in this Number 0, reference is made to (i) “**Terminated Clearing Member Transactions**”, such reference shall refer to all terminated Clearing Member Transactions of the CM Affected Clearing Member or the ~~BCM Affected Clearing Member~~ ISA Direct Affected Clearing Member entered into in accordance with the Clearing Conditions and (ii) “**Terminated FCM Clearing Member Transactions**”, such reference shall refer to all FCM Clearing Member Transactions that are treated as if they are terminated in accordance with Chapter I Number 9.2.3 of the FCM Regulations.

[...]

[...]

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4.2 DM Hedging Transactions

(1) General Provisions

At any time after the Termination Time or the ~~Basic Clearing Member Termination Time~~ SA Direct Termination Time or the Clearing Member Termination Time, Eurex Clearing AG may in its discretion enter into transactions with respect to claims or obligations under the related FCM Clearing Member Transactions or Clearing Member Transactions in order to hedge the effects of the Terminated FCM Clearing Member Transactions or the Terminated Clearing Member Transactions (the “**DM Hedging Transactions**” and each a “**DM Hedging Transaction**”). DM Hedging Transactions may be of any type of transactions that are offered by Eurex Clearing AG for clearing under the FCM Clearing Conditions or the Clearing Conditions. The costs and expenses incurred in connection with the entering into DM Hedging Transactions are referred to as “**DM Hedging Transaction Costs**”. The foregoing does not restrict the right of Eurex Clearing AG to enter into hedging or replacement transactions in the normal course of its business.

(2) Hedging Auctions

At any time after the Termination Time, Clearing Member Termination Time or the ~~Basic Clearing Member Termination Time~~ SA Direct Termination Time, Eurex Clearing AG may conduct one or more auctions with respect to one or several Liquidation Groups (“**Hedging Auction**”) to establish DM Hedging Transactions.

[...]

4.3 Establishment of FCM Clearing Member Transactions by way of independent trades or by conducting DM Auctions

4.3.1 At any time after the Termination Time, the ~~Basic Clearing Member Termination Time~~ SA Direct Termination Time or the Clearing Member Termination Time, Eurex Clearing AG may in its discretion, take the following measures:

[...]

4.3.3 The following provisions apply to FCM Clearing Members in respect of DM Auctions that relate to Terminated FCM Clearing Member Transactions that are Interest Rate Derivative Transactions or to Terminated Clearing Member Transactions that are OTC Interest Rate Derivative Transactions:

[...]

(2) [...]

to which within 3 months prior to the relevant Termination Time, Clearing Member Termination or ~~Basic Clearing Member Termination~~ SA Direct Clearing Member Termination, at least one FCM Clearing Member Transaction has been booked on a respective account, which corresponds to the transaction types comprised in the Relevant Liquidation Group and (iv) with respect to which no FCM Clearing

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Conditions Termination Event or FCM Clearing Conditions Insolvency Termination Event has occurred and is continuing.

[...]

- (5) If a FCM Mandatory Participant (i) submits a Medium Bid for the relevant Auction Unit in accordance with this Number 4.3.3 and the ~~the~~ DM Auction Rules or (ii) if such FCM Mandatory Participant has appointed a Selected Auction Participant, its Selected Auction Participant submits a Medium Bid in accordance with this Number 4.3.3 and the DM Auction Rules, such FCM Mandatory Participant qualifies as FCM Non-Bidding Participant subject to the following provisions:

[...]

[...]

4.5 Default Simulations

Eurex Clearing AG will arrange for at least one and no more than three default simulations per year to ensure the best practicable level of preparation for any default of a FCM Clearing Member, Clearing Member or ~~Basic Clearing Member~~ ISA Direct Clearing Member (the “**Default Simulation**”) and the FCM Clearing Members shall support Eurex Clearing AG in carrying out any such Default Simulation.

[...]

[...]
