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C7 Announcement

Summary

ECC would like to inform you about the decommission of the Permanent Cash Balance (PCB).

As replacement, ECC introduces a similar functionality that allows the deposit of cash collateral with Type-Of-Money "TERM". The Type-Of-Money "TERM" represents a Permanent Cash Holding without end of day substitution.

ECC will transfer any available PCBs on behalf of the Clearing Member by 23rd August 2024. As of that date, the Clearing Members shall make use of the new function instead.

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Decommissioning of Permanent Cash Balance function

Currently, Clearing Members have the option to set a Permanent Cash Balance (PCB) per collateral pool for the cash collateral currency EUR. The PCB is the pre-defined (minimum) cash amount that a Clearing Member wants to hold with ECC start of next day as margin collateral.

ECC introduces a similar functionality that allows the deposit of cash collateral with Type-Of-Money "TERM" via C7-GUI window "Collateral Transaction Input". The Type-Of-Money "TERM" represents a Permanent Cash Holding without end of day substitution and can be deposited and withdrawn during the general cut-off times by the Clearing Member.

Clearing Members having maintained a Permanent Cash Balance will be transferred to the new functionality on-behalf. By **23rd August 2024** the PCB will be reduced to 0.00 and it will be automatically rebooked with Type-Of-Money "TERM" using following business logic:

- a) PCB Amount = Amount of Type of Money "Own": Re-Booking of PCB Amount from Type of Money "Own" to Type of Money "Term"
- b) PCB Amount > Amount of Type of Money "Own": Re-Booking of full amount of Type of Money "Own" to Type of Money "Term"
- c) PCB Amount < Amount of Type of Money "Own": Re-Booking of PCB Amount from Type of Money "Own" to Type of Money "Term"

Please note that the rebooking will be performed by ECC. No cash payment will be instructed to the respective Clearing Member cash account due to the transition of the amount.

Clearing Members are not to maintain a Permanent Cash Balance after 23rd August 2024. To manage cash transactions with type "TERM" the following existing privileges need to be used:

- **G001: Collateral Cash Deposit and**
- **G002: Collateral Cash Withdrawal**

To reduce the complexity in the management of permanent cash collateral for margin purposes ECC will technically decommission the "Permanent Cash Balance" functionality by **30th August 2024**. Entitlement privileges will be revoked on 29th August 2024 for Clearing Member users.

Documentation

Detailed system documentation including the handling of Cash Collateral Transactions with the Type of Money "Term" is available at

<https://www.eurex.com/ec-en/support/initiatives/c7-releases>

Information on Implementation Regulation of ECC

Please note that in accordance with Section 9(3)(d) of the Implementation Regulation of European Commodity Clearing AG concerning technical equipment, a declaration by the Contractual Party stating that the Contractual Party has conducted a Test and the updated Eurex Clearing System interacts with the Participant System and the Participant Software without any errors or malfunctions shall be deemed to have been made, if the Contractual Party either (i) if a Simulation phase of at least 15 Business Days has been offered, commences with the use of the Eurex Clearing System after the implementation of the Release, or (ii) if no such Simulation phase has been offered, fails, within a period of 15 Business Days after the implementation of the Release, to inform ECC about the occurrence of any errors or malfunctions with respect to the interaction of the Participant System and the Participant Software with the Eurex Clearing System.