

*X-pand into the Future*



**Eurex Repo  
Trading Regulations**

for

**Repo Markets**

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# 1. General provisions

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## 1.1 Subject matter

The Eurex Repo markets (hereinafter, the “Markets”) are intended to provide participants with the opportunity to trade, via the Eurex electronic trading platform (hereinafter, the “Platform”), sale and repurchase agreements (hereinafter, “Contracts”) in a manner similar to that to be found in a cash securities-exchange market. Eurex Zurich AG (hereinafter, “Eurex”) shall in no case be construed to be a contractual party to any executed Contract, but instead merely places the Platform at the disposal of participants.

## 1.2 General principles for trading

Eurex places the Platform at participants’ disposal for the purpose of executing Contracts.

Participants and their registered traders are obligated to comply with decisions and decrees of Eurex that may be amended at any time, as well as with generally recognised rules of conduct.

## 1.3 Binding nature of an executed Contract

The execution of a Contract via actuation of the corresponding functional feature provided by Eurex imposes on the parties thereto the obligation to comply with the terms and conditions agreed upon at the time of execution and applicable to the specific Contract specifications.

## 1.4 Applicable contractual provisions

The terms and conditions associated with the execution of given Contract fundamentally supersede other agreements that may exist between the parties (TBMA/ISMA Global Master Repurchase Agreement, Swiss Framework Agreement for Repo Transactions, etc.).

Insofar as the parties have not expressly agreed upon other contractual provisions, the “Swiss Framework Agreement for Repo Transactions” (multilateral version) shall apply in its currently valid version for the CHF Market.

Insofar as the parties have not expressly agreed upon other contractual provisions, the “Global Master Repurchase Agreement” of TBMA/ISMA shall apply in its currently valid version for the EUR Market.

## 1.5 Markets

Participants are entitled to trade in the Markets to which they have been granted admission by Eurex. The Markets may, among other things, be defined by the means of settlement, trading currency, type of participants and the available Contract types.

## 1.6 Principle of equal treatment

The principle of equal treatment shall apply exclusively for the Platform, which ends at a given gateway.

Eurex ensures the equal treatment of participants according to the following basic principles:

- a. all participants in the same Market have at their disposal the same functional features of the Platform;
- b. data transmitted via the Platform are simultaneously made available to all participants at the gateway;
- c. participants' entries shall be processed in the order of their receipt by the Platform, whereby the latter provides a timestamp for each such order entry;
- d. in the case of simultaneous receipt of entries, the same probability of being processed first exists for each order;
- e. decisive in the determination of order of receipt is the transaction identification number that has been assigned by the Platform to each order entered.

## 1.7 Trading days

Fundamentally, trading shall take place on the days stipulated by Eurex (trading days).

On Saturdays, Sundays, as well as on 25 December and 1 January, the Platform shall, as a rule, remain closed.

Eurex reserves the right at any time, upon prior notification, not to make the Platform available for use or, as the case may be, authorise additional trading days.

## 1.8 Choice of counterparties

Each participant may execute a Contract with another participant, insofar as the other participant has been fundamentally accepted as a counterparty through actuation of the corresponding functional feature.

Prior to the execution of a Contract, the Platform automatically verifies whether the potential contractual parties have fundamentally accepted each other as counterparties; should that not be the case, no transaction shall take place.

## 1.9 Contracts

Entirely or partially standardised Contracts, as well as non-standardised Contract types, may be traded.

Eurex specifies the Contract types in the Eurex Repo Product Specifications (hereinafter, the "Product Specifications") and, according to the degree of standardisation, determines whether a given Contract is deemed to be standardised, or one that to the greatest extent can have its terms and conditions defined by the parties themselves (a so-called "user-defined" Contract type).

# 2. Trading

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## 2.1 Trading period

Eurex shall specify the trading hours and consequently the opening and closing of the Platform. Details shall be set forth in the Product Specifications.

## 2.2 Indication of Interest

The Indication of Interest is a functional feature that enables a participant to express unconditionally to one, several or all participants the desire of the former to execute a Contract.

## 2.3 Quote

Via use of a "Quote", a participant may publicise on the Platform prices for various Contract types. Such postings are deemed to be binding prices.

With a Quote, a simultaneous bid and offer price, or also only a bid or offer, may be posted.

A Quote remains valid until it is either changed or cancelled by the participant, whereby at the end of the trading day it is automatically deleted by the Platform.

Should another participant issue an Addressed Offer in response to a Quote, the latter (or, as the case may be, its offered size) shall be deleted or reduced, regardless of whether the Addressed Offer was actually accepted.

## 2.4 Addressed Offer with request for acceptance

The Addressed Offer is a functional feature that enables a participant to direct to another participant a binding offer to execute a Contract, who in turn may either "Take", ignore or "Reject" such offer. The recipient of the Addressed Offer may, upon accepting it, alter the price in favour of the offering party.

As long as the Addressed Offer has not been accepted or rejected, the offering participant may change or withdraw the Addressed Offer.

Insofar as the Addressed Offer has not been withdrawn, it shall remain in force until it is accepted or rejected, or the time limit for acceptance has lapsed.

## 2.5 Addressed Offer with automatic acceptance

If an Addressed Offer relates to a Quote for Contract types with automatic acceptance, the acceptance shall take place upon issuance of the Addressed Offer, provided that a sufficient credit limit is available. The Platform directly executes such an acceptance, whereby partial executions of a given Quote are possible.

## 2.6 Subject matter and execution

The subject matter of the trading described herein are all Contract types as per their respective Product Specifications.

The execution of a Contract with a request for acceptance takes place via the acceptance of a binding offer by actuation of the "Take Addressed Offer" functional feature.

If an Addressed Offer relates to a Quote for Contract types with automatic acceptance, then the Contract shall be executed definitively upon submission of the Addressed Offer and the lapse of the rejection period.

### **3. Special functional features**

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#### **3.1 Trade Reject/Cancel**

If a Contract is executed by the Platform via the automatic acceptance of an Addressed Offer, both parties to the transaction have the opportunity during the rejection period to reject the Contract unilaterally on the basis of an insufficient or, as the case may be, already exhausted credit limit. The annulment of a Contract is enabled by a functional feature (Trade Cancel) with which the participants, upon mutual agreement, may cancel the given Contract (annulment of a transaction) prior to the actual “purchase date”.

#### **3.2 Trade Modify/Close**

As reflection of the unilateral right to reformulate a Contract, Trade Modify/Close is a functional feature with which the participant may, without prior notice, close out a non-terminated Contract (open repo) or one that is terminable upon demand and thus cause the Contract to acquire the same status as would be the case had it been terminated.

### **4. Settlement**

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#### **4.1 Specification of repo clearing and settlement organisation**

Upon execution of a given Contract, the participants specify via which clearing and settlement organisation the Contract shall be settled.

#### **4.2 Issuance of instructions to clear and settle contracts**

Eurex designates in the Product Specifications those clearing and settlement organisations with which they maintain an automatic settlement interface. For cases in which participants have chosen one of such Eurex-designated clearing and settlement organisations, Eurex shall automatically issue to the appropriate clearing and settlement organisation instructions for the settlement of executed Contracts, this in the name of and on behalf of the given participant, directly or via third parties, and in accordance with the Product Specifications.

Participants are obligated to take all measures necessary to ensure proper clearing and settlement.

#### **4.3 Manual settlement of Contracts**

In transactions involving Contracts that specify a clearing and settlement organisation for which Eurex has established automatic settlement, both parties upon mutual agreement may elect to waive the generation of automatic settlement instructions by Eurex and instead clear the trade manually (manual clearing).

In transactions involving Contracts that specify a clearing and settlement organisation for which Eurex has not established automatic settlement, both parties shall always be required to clear the trade manually (manual clearing).

#### 4.4 Transfer and payment

Transfer and payment are to take place in accordance with the contractual provisions in force between the several parties and the given clearing and settlement organisation.