

Eurex Clearing's C7 SCS

Eurex Clearing will introduce the new Securities Clearing platform "C7 Securities Clearing Service" (C7 SCS), Release 1.0, on 27 September 2021. The new securities clearing system C7 SCS will be introduced for all transactions involving CCP-eligible instruments concluded at the Frankfurt Stock Exchange (MICs: XETR and XFRA) and for all transactions concluded at Eurex Deutschland (MIC: XEUR) that result in securities transactions. Eurex Clearing will apply Trade Date Netting (TDN) as the main supported netting model in C7 SCS. The netting model Actual Settlement Day Netting (ASDN) for cleared transactions will not be available in C7 SCS.

Simulation start: 29 March 2021

Production start: 27 September 2021

Features and Enhancements / Participation requirements

The following list provides a functional overview of the features given to the participants with the new C7 SCS:

- Trade Date Netting (TDN) is a new mechanism offered with C7 SCS.
- Processing Method setting choice: Netting (default), Aggregation or Gross Processing. The selection must be performed per: Clearing Member, Settlement account, Trading Member, Trading location and Account Type.
- Delivery instructions can be sent out as released (default) or on hold on the same level of netting parameters.
- At the end of the trading day, Netting, Aggregation or Gross Processing is performed combining single trades to Net Position Trades depending on the Processing Method.
- For every Net Position Trade, a delivery instruction is sent to the respective settlement location (CBF/T2S, CBL and SIX SIS) already on the trading day.
- A Net Clearing Report is provided on the end of each trading day containing single trades, resulting Net Position Trades and delivery instructions.
- Instead of today's Gross Delivery Management on single trades, Members can modify the Hold/Release status on delivery instructions at the (I)CSD. T2S members can use partial release at CBF/T2S.

- Eurex Clearing offers a routing service for change of Hold/Release status and partial release of pending delivery instructions. Participants can send requests via the SWIFT interface to C7 SCS. Eurex Clearing will forward these requests to the respective settlement locations. As the C7 SCS introduction has a major impact on Clearing Members, they are asked to work on the following items to ensure a smooth migration:
- Ensure that areas such as new netting model, creation of delivery positions, availability of settlement instructions at the (I)CSD, delivery management and reporting are analysed by the appropriate teams on the clients' side.
- In case of cooperation with back-office vendors, Clearing Members should contact their third-party providers as soon as possible to ensure that the necessary adjustments for the introduction of C7 SCS Release 1.0 can be made.
- Please register your Release Contacts for C7 SCS via the Member Section on the Eurex Clearing website, under Release Contacts.
- Please subscribe to CCP/Cash Equity circulars and newsflashes here: [Circular & Newsletter Subscription](#). Please note that any communication regarding C7 SCS will only be distributed via Eurex Clearing circulars and newsflashes.

The C7 SCS presentation is now available: [C7 SCS Webinar form 03. December 2020](#).

In case of any questions or you require further information, please contact us at client.services@eurex.com.