



**CCP 14.5**

**Release Notes**

**Abstract**

This document describes the functional changes to Eurex Clearing's Central Counterparty (CCP) services for securities clearing related to the introduction of CCP Release 14.5 for the Securities Lending Clearing Member.

The document is primarily addressed to functional and operational staff of the Members' middle and back offices. For a full description of the functionality of Eurex Clearing's CCP clearing platform, please refer to previous CCP Release Notes available at the Eurex Clearing website [www.eurexclearing.com](http://www.eurexclearing.com).

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## **1 Functional Scope and Overview**

CCP Release 14.5 focuses on the extension of the existing Lending CCP solution by introducing a CCP secured pledge model for non-cash collateralised loan transactions.

The change is part of Eurex Clearing's CCP Release 14.5 and will be offered starting Monday, 26 March 2018.

This document is primarily addressed to functional and operational staff of the Members' middle and back offices.

The structure of this document is as follows:

Chapter 2 describes the introduction of a CCP secured pledge model for non-cash collateralised loan transactions for Eurex Clearing's Lending CCP service with CCP Release 14.5.

Chapter 3 gives an overview of the change to the Member Reporting.

Chapter 4 'Abbreviations and Glossary of Terms' describes the abbreviations used throughout this document.

CCP Release 14.5 is scheduled to be launched on 26 March 2018.

## **2 Introduction of a CCP Secured Pledge Model for Non-Cash Collateralised Loan Transactions for Eurex Clearing's Lending CCP service**

With CCP Release 14.5, Eurex Clearing's Lending CCP will introduce the CCP secured pledge model for non-cash collateralised loan transactions. The CCP secured pledge model will replace the current pledge model.

All new loan transactions will be opened under the new CCP secured pledge model as per 26 March 2018. Loan transactions that were opened prior to this point in time under the current pledge model will not be migrated to the new CCP secured pledge model.

Within the CCP secured pledge model, the collateral movement between CM Borrower account and Eurex Clearing account at the respective Tri-party Collateral Agent is a full transfer of title. Assets received on the Eurex Clearing account are pledged in favour of the CM Lender. During the lifecycle of the loan transaction, the collateral assets will remain on this account. One dedicated Eurex Clearing account is opened at the respective Tri-party Collateral Agent per CM Lender and eligibility profile.

CM Lenders will be granted a reporting power-of-attorney at the Tri-party Collateral Agent. In line with the existing behaviour, the collateral taker exposure ID from the Tri-party Collateral Agent will be provided in report RPTTL750 Exposure Reference.

The new CCP secured pledge model is also applicable for netting of exposures for non-cash collateralised loan transactions.

### 3 Member Reporting

With the introduction of CCP Release 14.5, the structure of existing formatted, RAW and Pipe Separated reports will stay unchanged compared to CCP 14.0. Nevertheless, the meaning of a value is has changed. For further details on this topic, please see documents “Description of Reports – Formatted Layout”, for CCP Release 14.5.

The following table summarizes the change in the existing CCP report RPTTL750:

Report ID	Report Name	Impact
RPTTL750	Exposure Reference	Field 15 – TPCA EXPOSURE ID Collateral taker exposure ID from the TPCA will be provided

Table 1: Securities Lending specific report

## 4 Abbreviations and Glossary of Terms

<b>Term</b>	<b>Description</b>
CBF	Clearstream Banking Frankfurt
CM	Clearing Member
CCP	Central Counterparty
CET	Central European Time
CSD	Central Securities Depository
FOP	Free of Payment
PoA	Power of Attorney
SLO	Stock Loan Opening
SLR	Stock Loan Return
TPCA	Tri-Party Collateral Agent