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## **EUREX CLEARING TO ACT AS CCP FOR SL-X TRADING'S INNOVATIVE EUROPEAN SECURITIES LENDING PLATFORM**

Eurex Clearing, one of the world's leading clearing houses, and SL-x Trading Europe (SL-x) have signed an agreement whereby Eurex Clearing will act as clearing house for securities borrowing and lending (SBL) transactions executed via SL-x's innovative and patents pending electronic trading platform.

SL-x plans to launch the new platform in the fourth quarter of 2013 in 17 European equity markets. At the outset, Eurex Clearing will offer central clearing for SL-x's SBL transactions in Belgian, Dutch, French, German and Swiss stocks. In these initial five markets SL-x's platform aims to include approximately 2,000 stocks and Exchange Traded Funds that represent over 90 per cent of these markets' stock on loan.

Eurex Clearing's Lending CCP started in November 2012 and covers equities, fixed income, and ETFs. Since then, it has attracted the commitment of major market participants. The connection to SL-x's multilateral trading facility (MTF) further enhances distribution of Eurex Clearing's state-of-the-art clearing service.

SL-x's platform with its advanced social networking technology offers unique negotiation and operational capabilities for hard-to-borrow, special, and general collateral stocks that preserve current market structure. SL-x and Eurex Clearing are working on the extension of the CCP service to other major European equity markets.

"We are very pleased to further expand distribution for the Lending CCP by working with SL-x. Our Lending CCP is widely recognized as industry leading and the first to preserve the special structure of the lending market. It helps banks to reduce the amount of capital they require to run their SBL businesses, enables them to improve operational efficiency, and reduces counterparty credit risk", said Thomas Book, CEO of Eurex Clearing.

SL-x's Chief Executive Officer Peter Fenichel added: "We are delighted that Eurex Clearing will be able to offer our clients central clearing from day one of our launch later this year. This agreement is an important step for both businesses on the way to providing CCP-backed SBL transactions."

Traditionally, securities lending has been an OTC market. However, new international regulatory initiatives (e.g. Basel III) aim to reduce systemic market risk and increase the transparency of the global financial system by increasingly encouraging the central clearing and exchange-trading of OTC transactions.

Ends

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**About Eurex Clearing ([www.eurexclearing.com](http://www.eurexclearing.com))**

Eurex Clearing is one of the leading central counterparties globally -- assuring the safety and integrity of markets while providing innovation in risk management, clearing technology and client asset protection.

Eurex Clearing provides fully-automated, straight-through post-trade services for derivatives, equities, bonds, secured funding & financing and energy transactions, as well as industry-leading risk management technologies. Eurex Clearing's Lending CCP is already connected to Eurex Repo's SecLend market and Pirum's real-time reconciliation platform.

As part of Eurex Group, Eurex Clearing serves more than 150 clearing members in 16 countries, managing a collateral pool of around EUR 48 billion and processing gross risks valued at almost EUR 7.5 trillion every month. In 2012, Eurex Clearing cleared around 1.7 billion derivatives contracts – nearly half of which were traded off-exchange (over-the-counter, OTC).

Eurex Group is comprised of Eurex Exchange, the International Securities Exchange (ISE), the European Energy Exchange (EEX), Eurex Clearing, Eurex Bonds and Eurex Repo.

Eurex Group is owned by Deutsche Börse AG (Xetra: DB1).

**About SL-x ([www.sl-x.com](http://www.sl-x.com))**

SL-x's electronic SBL platform is due to launch in 17 European capital markets during the final quarter of 2013, subject to regulatory approval, with a global roll-out following during 2014. The platform will provide an electronic trading marketplace for securities lending transactions between investment banks representing stock borrowers such as hedge funds, and custodian banks acting for lenders of stocks such as pension funds. As well as clearing transactions through Eurex Clearing's Lending CCP, the platform will also allow banks to continue trading via the current OTC markets where central clearing is not yet available for certain stocks.

Under development for over two years, the SL-x platform incorporates innovative social networking features that reflect and build upon the existing relationship-based market model. The system, which is based on patent-pending technology, also uses an advanced web-based user interface that simplifies implementation in client sites.

SL-x was founded in 2011 by its CEO, Peter Fenichel, together with its Chief Technology Officer Nazaar Molokhia and its Chief Operating Officer Hank Mlynarski. Each has several decades of experience in the operation of electronic capital markets trading platforms and clearing houses, and in technology platform architecture. SL-x is backed by Palamon Capital Partners, a leading UK-based private equity firm.