

Eurex Circular 041/19

Dividend derivatives: Introduction of a Liquidity Provider scheme for Options on EURO STOXX 50[®] Index Dividend (OEXD) and Futures on EURO STOXX[®] Banks Dividend (FEBD)

The Management Board of Eurex Deutschland took the following decision, effective **8 April 2019**:

- Introduction of a Liquidity Provider scheme for Options on EURO STOXX 50[®] Index Dividend (OEXD) and Futures on EURO STOXX[®] Banks Dividend (FEBD)

For details on the Liquidity Provider schemes, please refer to the attached Product Specific Supplements (PSS). The PSS will be made available on the effective date 8 April 2019. They will be provided as single PDF files on the Eurex website www.eurexchange.com under the following link:

[Trading > Market-Making and Liquidity provisioning](#)

Attachments:

- 1a./1b.: Product Specific Supplement for Options on EURO STOXX 50[®] Index Dividend (OEXD)
- 2a./2b.: Product Specific Supplement for Futures on EURO STOXX[®] Banks Dividend (FEBD)

Date: 5 April 2019

Recipients:

All Trading Participants of Eurex Deutschland and Vendors

Authorized by:

Michael Peters

Target group:

- All departments

Contact:

Lorena Dishnica,
Equity & Index Product Design
T +44-207-862-72 42
lorena.dishnica@eurexchange.com

Liquidity Provider Scheme for Options on EURO STOXX 50® Index Dividend

Validity: 8th April 2019 – 1st May 2019

Contact: Lorena Dishnica, Product R&D Equity and Index, T +44-207-862-72 42, lorena.dishnica@eurexchange.com

Preamble

This Product Specific Supplement for Options on EURO STOXX 50® Index Dividend (hereinafter referred to as "Product Specific Supplement") forms an integral part of the LPA. For the avoidance of doubt, Sec. 1 of the LPA applies.

A Liquidity Provider scheme for Options on EURO STOXX 50® Index Dividend is offered.

1. Applicable Building Blocks

Pursuant to Sec. 2.3 of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

| Scheme | Product ID | Basis | Package | Strategy | Larger Size | Tighter Spread | Stress Presence | Revenue Sharing |
|--------|------------|-------|---------|----------|-------------|----------------|-----------------|-----------------|
| | | BBB | PBB | CBB | LBB | TBB | SBB | |
| OEXD1 | OEXD | ✓ | | | | | | |

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in section 3 of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

| Execution type | Building Block | OEXD1 |
|----------------|-----------------|-------|
| Order book | Basis | 50% |
| | Package | - |
| | Strategy | - |
| | Larger Size | - |
| | Tighter Spread | - |
| | Stress Presence | 0% |
| | Total | 50% |
| Off-book* | Basis | 50% |
| | Package | - |
| | Strategy | - |
| | Total | 50% |

* Only off-book block and multilateral transactions are eligible for off-book rebates for Liquidity Provisioning

3. Building Block Requirements

3.1. Basis Block Requirements

In order to receive the Liquidity Provider rebates pursuant to Sec. 2 above, the following quotation requirements shall apply:

| | OEXD1 |
|------------------------------------|---|
| Quotation Period: | 09:00 – 17:30 CE(S)T |
| Required Coverage: | 70% |
| Maturity Range: | The first four expirations need to be quoted |
| Strike Price Window: | 5 out of 9 Asymmetric quotation is allowed |
| Response to Quote Requests: | Quote requests do not have to be answered |
| Minimum Quote Size: | 50 contracts on the bid and ask side |
| Maximum Spread: | Spread Class "OEXD1" (cp. Sec 4.1) |

4. Quotation Requirements

4.1. Available Spread Classes

| Spread Class | Bid up to | Maximum Spread | | Unit |
|--------------|-----------|----------------|--------|---------|
| | | Exp. 1-3 | Exp. 4 | |
| OEXD1 | 3.99 | 0.80 | 1.00 | points |
| | 19.99 | 20% | 25% | percent |
| | >20.00 | 4.00 | 5.00 | points |

Liquidity Provider Scheme for Options on EURO STOXX 50® Index Dividend

Validity: 2nd May 2019 – 31st December 2019

Contact: Lorena Dishnica, Product R&D Equity and Index, T +44-207-862-72 42, lorena.dishnica@eurexchange.com

Preamble

This Product Specific Supplement for Options on EURO STOXX 50® Index Dividend (hereinafter referred to as "Product Specific Supplement") forms an integral part of the Liquidity Provider Agreement (LPA).

A Liquidity Provider scheme for Options on EURO STOXX 50® Index Dividend is offered.

1. Applicable Building Blocks

Pursuant to Sec. 2.3 of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

| Scheme | Product ID | Basis | Package | Strategy | Larger Size | Tighter Spread | Stress Presence | Eurex EnLight | Revenue Sharing |
|--------|------------|-------|---------|----------|-------------|----------------|-----------------|---------------|-----------------|
| | | BBB | PBB | CBB | LBB | TBB | SBB | EBB | |
| OECD1 | OECD | ✓ | | | | | | | |

The requirements for Strategy Building Block, Larger Building Block, Tighter Spread Building Block, Stress Building Block and Eurex EnLight Building Block are product group specific and can be found in section 2.3 of the General Supplement to the LPA.

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in section 3 of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

| Execution type | Building Block | Upon fulfilment of requirements |
|----------------|-----------------|---------------------------------|
| Order book | Basis | 50% |
| | Package | - |
| | Strategy | - |
| | Larger Size | - |
| | Tighter Spread | - |
| | Stress Presence | - |
| | Total | 50% |
| Eurex EnLight | Basis | - |
| | Package | - |
| | Strategy | - |
| | Eurex EnLight | - |
| | Total | - |
| TES | Basis | 50% |
| | Package | - |
| | Strategy | - |
| | Eurex EnLight | - |
| | Total | 50% |

3. Building Block Requirements

3.1. Basis Block Requirements

In order to receive the Liquidity Provider rebates pursuant to Sec. 2 above, the following quotation requirements shall apply:

| | OEXD1 |
|------------------------------------|---|
| Quotation Time: | 09:00 – 17:30 CE(S)T |
| Required Coverage: | 70% |
| Maturity Range: | The first four expirations need to be quoted |
| Strike Price Window: | 5 out of 9 Asymmetric quotation is allowed |
| Response to Quote Requests: | Quote requests do not have to be answered |
| Minimum Quote Size: | 50 contracts on the bid and ask side |
| Maximum Spread: | Spread Class "OEXD1" (cp. Sec 4.1) |

4. Quotation Requirements

4.1. Available Spread Classes

| Spread Class | Bid up to | Maximum Spread | | Unit |
|--------------|-----------|----------------|--------|---------|
| | | Exp. 1-3 | Exp. 4 | |
| OEXD1 | 3.99 | 0.80 | 1.00 | points |
| | 19.99 | 20% | 25% | percent |
| | >20.00 | 4.00 | 5.00 | points |

Liquidity Provider Scheme for Futures on EURO STOXX® Banks Index Dividend

Validity: 8th April 2019 – 1st May 2019

Contact: Lorena Dishnica, Product R&D Equity and Index, T +44-207-862-72 42, lorena.dishnica@eurexchange.com

Preamble

This Product Specific Supplement for Futures on EURO STOXX® Banks Index Dividend (hereinafter referred to as "Product Specific Supplement") forms an integral part of the LPA. For the avoidance of doubt, Sec. 1 of the LPA applies.

A Liquidity Provider scheme for Futures on EURO STOXX® Banks Index Dividend is offered.

1. Applicable Building Blocks

Pursuant to Sec. 2.3 of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

| Scheme | Product ID | Basis BBB | Package PBB | Strategy CBB | Larger Size LBB | Tighter Spread TBB | Stress Presence SBB | Revenue Sharing |
|--------|------------|--------------|----------------|-----------------|-----------------------|--------------------------|---------------------------|--------------------|
| FEBD | FEBD | ✓ | | | | | | |

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in section 3 of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

| Execution type | Building Block | FEBD |
|----------------|-----------------|------|
| Order book | Basis | 40% |
| | Package | - |
| | Strategy | - |
| | Larger Size | - |
| | Tighter Spread | - |
| | Stress Presence | 0% |
| | Total | 40% |
| Off-book* | Basis | 40% |
| | Package | - |
| | Strategy | - |
| | Total | 40% |

* Only off-book block and multilateral transactions are eligible for off-book rebates for Liquidity Provisioning

3. Building Block Requirements

3.1. Basis Block Requirements

In order to receive the Liquidity Provider rebates pursuant to Sec. 2 above, the following quotation requirements shall apply:

| | FEBD |
|----------------------------|---|
| Quotation Period: | 09:00 – 17:30 CE(S)T |
| Required Coverage: | 80% |
| Maturity Range: | The first five expirations need to be quoted |
| Minimum Quote Size: | 50 contracts on the bid and ask side |
| Maximum Spread: | 3% for expirations 1-3; 5% for expirations 4-5 |

Product Specific Supplement for Futures on EURO STOXX® Banks Index Dividend

Validity: 2nd May 2019 – 31st December 2019

Contact: Lorena Dishnica, Product R&D Equity and Index, T +44-207-862-72 42, lorena.dishnica@eurexchange.com

Preamble

This Product Specific Supplement for Futures on EURO STOXX® Banks Index Dividend (hereinafter referred to as “Product Specific Supplement”) forms an integral part of the Liquidity Provider Agreement (LPA).

A Liquidity Provider scheme for Futures on EURO STOXX® banks Index Dividend is offered.

1. Applicable Building Blocks

Pursuant to Sec. 2.3 of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

| Scheme | Product ID | Basis | Package | Strategy | Larger Size | Tighter Spread | Stress Presence | Eurex EnLight | Revenue Sharing |
|--------|------------|-------|---------|----------|-------------|----------------|-----------------|---------------|-----------------|
| | | BBB | PBB | CBB | LBB | TBB | SBB | EBB | |
| FEBD | FEBD | ✓ | | | | | | | |

The requirements for Strategy Building Block, Larger Building Block, Tighter Spread Building Block, Stress Building Block and Eurex EnLight Building Block are product group specific and can be found in section 2.3 of the General Supplement to the LPA.

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in section 3 of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

| Execution type | Building Block | Upon fulfilment of requirements |
|----------------|-----------------|---------------------------------|
| Order book | Basis | 40% |
| | Package | - |
| | Strategy | - |
| | Larger Size | - |
| | Tighter Spread | - |
| | Stress Presence | - |
| | Total | 40% |
| Eurex EnLight | Basis | - |
| | Package | - |
| | Strategy | - |
| | Eurex EnLight | - |
| | Total | - |
| TES | Basis | 40% |
| | Package | - |
| | Strategy | - |
| | Eurex EnLight | - |
| | Total | 40% |

3. Building Block Requirements

3.1. Basis Block Requirements

In order to receive the Liquidity Provider rebates pursuant to Sec. 2 above, the following quotation requirements shall apply:

| | FEBD |
|----------------------------|---|
| Quotation Time: | 09:00 – 17:30 CE(S)T |
| Required Coverage: | 80% |
| Maturity Range: | The first five expirations need to be quoted |
| Minimum Quote Size: | 50 contracts on the bid and ask side |
| Maximum Spread: | 3% for expirations 1-3; 5% for expirations 4-5 |