

Product Specific Supplement for Three-Month SARON® Futures

Validity: 29th October 2018 to 31st December 2020

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Preamble

This Product Specific Supplement for Three-Month SARON® Futures (hereinafter referred to as “Product Specific Supplement”) forms an integral part of the Liquidity Provider Agreement (LPA).

Under this Product Specific Supplement a Liquidity Provider scheme for Three-Month SARON® Futures is offered. Additionally a Revenue Sharing and an Initial Supporter Incentive are offered. The Initial Supporter Incentive will run from 1st November 2018 until 30th April 2019. Following expiry of the Initial Supporter Incentive a Further Supporter Incentive will be offered from 3rd June 2019 until 30th November 2019. [Following expiry of the Further Supporter Incentive an Additional Supporter Incentive will be offered from 2nd December 2019 until 30th May 2020.](#) In addition, the Building Block Requirements will be changed effective as of 3rd June 2019 and as outlined under 3.1 below.

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	
Three-Month SARON® Futures	FSO3	✓							✓

The requirements for Strategy Building Block, Larger Size Building Block, Tighter Spread Building Block, Stress Presence 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	100%
	Package	-
	Strategy	-
	Larger Size	-
	Tighter Spread	-
	Stress Presence	-
	Total	100%
Eurex EnLight	Basis	-
	Package	-
	Strategy	-
	Eurex EnLight	-
	Total	-
TES	Basis	100%
	Package	-
	Strategy	-
	Eurex EnLight	-
	Total	100%

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:

	White Months	Red Months	Green Months
Product ID	FSO3		
Quotation Period	08:00-17:00 CET		
Required Coverage	70%		
Maturity Range	Exp. 1-4	Exp. 5-8	Exp. 9-12
Minimum Quote Size	Until 31 May 2019: 150 From 3 June 2019: 75	Until 31 May 2019: 75 From 3 June 2019: 50	Until 31 May 2019: 50 From 3 June 2019: 25
Maximum Spread (Ticks)	2	Until 31 May 2019: 3 From 3 June 2019: 5	Until 31 May 2019: 4 From 3 June 2019: 10

4. Other monetary incentive schemes

4.1. Revenue Sharing

A revenue sharing scheme for Three-Month SARON[®] Futures is offered as of 29 October 2018 until 31 December 2020 in accordance with section 3.1.2 of the General Supplement to the LPA.

The evaluation takes place on a monthly basis.

	FSO3
Revenue Sharing Pool:	Up to 50% of the net revenues of the product FSO3
Participation Condition:	Fulfilment of Basis Block requirements
Number of Participants:	Up to 5
Qualification criterion:	The top 5 fulfilling Liquidity Providers participate; ranked according to their share of trading volume in M-accounts (order book and TES) of all fulfilling Liquidity Providers
Distribution Method:	50% of the net revenues will be distributed proportionally among all qualifying Liquidity Providers according to their share of trading volume in M-accounts (order book and TES)

VAT on the Revenue Sharing amounts shall be borne by the Liquidity Provider, if applicable, and will be offset against any due and unpaid Revenue Sharing amount.

4.2. Additional Supporter Incentive

Starting ~~3rd June 2019~~ 2nd December 2019 until and including 30th ~~May 2020~~ November 2019, a further incentive of a monthly stipend of a maximum EUR 10,000, net of VAT, will be offered to the top 3 Liquidity Providers; ranked according to their cumulative Quotation Time in the Basis Block Requirements, for the respective fulfilment month.

In order to receive the monthly ~~stipends of EUR 10,000~~ stipend the Liquidity Provider must fulfil the Basis Block Requirements on a monthly basis. The size of the stipend payment will be determined by the percentage of fulfilment of the Basis Block Requirement by the Liquidity Provider, in the following way:

- If the Liquidity Provider fulfils above 95% to 100% of the requirements - they would be eligible for a EUR 10,000 stipend payment.

- If the Liquidity Provider fulfils above 50% to 55%; above 55% to 60%; above 60% to 65%; above 65% to 70%; above 70% to 75%; above 75% to 80%; above 80% to 85%; above 85% to 90%; or above 90% to 95% of the requirements - they would be eligible for EUR 5,500; EUR 6,000; EUR 6,500; EUR 7,000; EUR 7,500; EUR 8,000; EUR 8,500; EUR 9,000 and EUR 9,500 respectively.
- If the Liquidity Provider fulfils 50% or below the requirement – they would not be eligible for a stipend payment.

Eurex Clearing shall be entitled to pay the stipends to the account of the Clearing Member of the respective Liquidity Provider that has qualified for the stipends payment according to this section 4.2.
The Liquidity Provider shall authorise its Clearing Member to collect payment of stipends on its behalf.