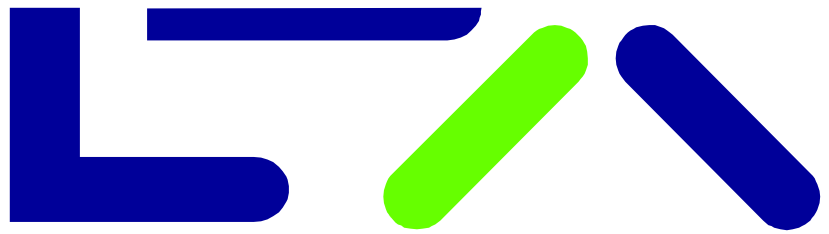


X-pand into the Future



eurex circular 182/15

Date: 14 October 2015
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Mehtap Dinc

Euro-BONO-Futures: Introduction of futures contracts on long-term Spanish government bonds:

- 1. Tradability for participants in the U.S. as of start of trading of the new product**
- 2. Vendor product codes**
- 3. Adjustment of Market-Making Scheme**

Related Eurex Circular: 158/15

Contact: Joachim Heinz, T +49-69-211-1 59 55, joachim.heinz@eurexchange.com
Jutta Frey-Hartenberger, T +49-69-211-1 49 88, jutta.frey-hartenberger@eurexchange.com

Content may be most important for:

☞ All departments

Attachments:

1. Designated Market-Making Scheme
2. Designated Market Maker Agreement

Summary:

The Euro-BONO-Futures (Eurex product code: FBON) on long-term Spanish government bonds will be available to participants domiciled in the U.S. effective start of trading on **26 October 2015**.

This circular contains information regarding the new product assignment group for Euro-BONO Futures, the vendor product codes and the adjusted Market-Making scheme.

If you have any questions or require further information, please contact Joachim Heinz or Jutta Frey-Hartenberger.



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Euro-BONO-Futures: Introduction of futures contracts on long-term Spanish government bonds:

1. Tradability for participants in the U.S. as of start of trading of the new product

2. Vendor product codes

3. Adjustment of Market-Making Scheme

1. Product group

The Euro-BONO-Futures (Eurex product code: FBON) on long-term Spanish government bonds will be available to participants domiciled in the U.S. effective start of trading on 26 October 2015.

Accordingly, the product group will change. The Euro-BONO-Future will now be assigned to the following product group:

Product group	Settlement location unit	Regulatory status	Settlement type	Product type	Product segment	Product currency	Product code					
							N	F	P	H	I	E
F & O on phys.settled Bonds-US approved	NBON	F	F	F/O	Interest Rate	EUR	N	F	P	H	I	E

If not done yet, please assign traders admitted for trading Euro-BONO-Futures this product group. Please make sure to assign all trading authorizations and transaction size limits.

2. Vendor codes

Vendor codes for the new product will be as follows:

Vendor	Code
Bloomberg:	KOAA Comdty Des <Go>
Reuters:	<0#FBON:>
CQG:	FBON
Telekurs:	TK29670158
Interactivedata:	F:FBON\MY e.g. F:FBON\Z15

Also, as of start of trading, vendor codes for the new product can be obtained from the Eurex website www.eurexchange.com under the following link:

Products > Vendor product codes

3. Market-Making

As Designated Market Makers (DMM) in Euro-BONO-Futures, Eurex participants agree to supply bid and ask prices (quotes) for a determined minimum number of contracts while observing defined maximum spreads on a monthly basis within a determined period of time.

Designated Market-Making will run from 26 October 2015 to 30 September 2016 (Commitment Period). Quoting of calendar spreads was adjusted, i.e. Designated Market Makers are no longer obliged to quote calendar spreads but may choose between quoting the front or backmonth contract.

For details and the exact parameters of the Market-Making Scheme (Quote Obligations), please refer to attachment 1.

Participants interested in participating in the scheme are requested to fill in, sign and return the form in attachment 2 ("Designated Market Maker Agreement") to Joachim Heinz, Global Product R&D, fax +49-69-211-61 59 55 or Jutta Frey-Hartenberger, Global Product R&D, fax +49-69-211-61 49 88 by 23 October 2015.

If you have any questions or require further information, please contact Jutta Frey-Hartenberger at tel. +49-69-211-1 49 88 or e-mail: jutta.frey-hartenberger@eurexchange.com, or Joachim Heinz at tel. +49-69-211-1 59 55 or e-mail: joachim.heinz@eurexchange.com.

14 October 2015

Designated Market-Making (DMM) Scheme for Euro-Bono Futures:

Quotation Size:

50 contracts on the bid and ask side

Average Spread:

0.08 percent of par value (price quotation)

Committed Quotation Time:

80 percent of core trading hours of Spanish government bonds (9:00 a.m. to 5:30 P.m. CET) on a monthly average.

Market makers will be obliged to supply bid and ask quotes only in the front month contracts until five exchange trading days immediately preceding the last trading day of the front month contract; afterwards market makers have the choice of quoting the front or the next contract month. ~~In the last five days before expiry, market makers also have to quote the calendar spreads (same obligations as in outrights).~~

Fast Market:

In fast market conditions (definition and announcement by the Exchange) the spread will be doubled and the number of contracts to be quoted will be halved.

Designated Market Making Programm and Incentives:

Upon fulfillment of obligations, Designated Market Maker firms will receive a total refund of trading fees for Euro-BONO Futures contracts traded on the M-accounts during the liquidity commitment period (October 26, 2015* until September 30, 2016) on a monthly basis.

If the obligations are fulfilled in 9 out of 12 months during the liquidity commitment period, the exchange fee rebates on the M-account will be extended until June 30, 2017.

A revenue sharing of 50% of Eurex net trading revenues in Euro-BONO-Futures from October 26, 2015* until September 30, 2016 are distributed on a quarterly basis to the seven leading market makers according to their proprietary trading share (on- and off-exchange volumes traded on P- and M-accounts) in the respective quarter within the group of market makers, provided that the obligations are fulfilled on a quarterly basis.

If the obligations were fulfilled in the whole period from October 26, 2015* until September 30, 2016, the revenue sharing will be extended until June 30, 2017.

* October 2015 is counted as a full month

Please return by fax to:

Jutta Frey-Hartenberger

Fax no. +49-69-211-61 49 88 or +49-69-211-61 59 55**Designated Market Maker Agreement for Euro-BONO-Futures**

dated as of: _____

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)

(Name of Participant/Member ID)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) under the conditions outlined below with respect to the following products:

Eurex product	Eurex product code	Please tick (✓) the appropriate box
Euro-BONO-Futures	FBON	<input type="checkbox"/>

for the period from **26 October 2015 until 30 June 2017**.

2. The Participant will
- Fulfil the Market-Making Obligations as set out by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG (“Eurex Market-Making Obligations”) and published via Eurex circular. The current Eurex Market-Making Obligations for Euro-BONO-Futures are published in Eurex circular 182/15 and can be amended from time to time.
 - Provide EFAG with the name of a manager, who has the authorisation and expertise necessary to fulfil the commitments required under the Eurex Market-Making Obligations.
 - Provide EFAG with the name of a manager who has the authorisation and expertise necessary to make decisions and act as coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement.
 - Inform EFAG in the event the Participant is or will be unable to fulfil the Eurex Market-Making Obligations without undue delay and at the latest within one business day.

3. ECAG will
- a) Refund 100 percent of all transaction fees for the contracts traded by the Market Makers on M-accounts in Euro-BONO-Futures from **26 October 2015*** until **30 September 2016** (“liquidity commitment period”). The refund for the respective month will be calculated at the beginning of the subsequent month. Refunds will be paid in full only if the Eurex Market-Making Obligations have been fulfilled in the month prior to the month in which they are applicable. No refunds will be made for contracts traded on A- or P-accounts. If the obligations are fulfilled in 9 out of 12 months during the liquidity commitment period, the exchange fee rebates on the M-accounts will be extended until **30 June 2017**.
 - b) Offer a revenue sharing of 50% of Eurex net trading revenues in Euro-BONO-Futures from **26 October 2015** until **30 September 2016**, provided that the obligations were fulfilled on a quarterly basis.
50% of Eurex net trading revenues in Euro-BONO-Futures are distributed on a quarterly basis to the seven leading market makers according to their proprietary trading share (on- and off-exchange volumes traded on P- and M-accounts) in the respective quarter within the group of MM, provided that the obligations as stated in attachment 3 are fulfilled. For those Market Makers who have fulfilled their obligations in the whole period from 26 October 2015* until 30 September 2016, the revenue sharing will be extended until **30 June 2017**.
- * October 2015 is counted as a full month
4. EFAG shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
- a) The Participant does not comply with the Eurex Market-Making Obligations for four consecutive months counted as of the date of this Agreement. Conformance of the Participant with the Eurex Market-Making Obligations shall be monitored by EFAG. EFAG will determine in its sole discretion whether the Participant has fulfilled the Eurex Market-Making Obligations.
 - b) The Participant does not comply with any other of its obligations stated under No. 2 above.
5. The Participant shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
- 1. A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for the aforementioned products.
 - 2. A significant change to the Eurex Market-Making Obligations.
6. The Participant and EFAG and ECAG shall be entitled to terminate this Agreement without giving any reason with one calendar month’s prior notice.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

Place, date

Name

Position

Phone

Fax

(Signature/Stamp of the company)

E-mail address

Please send the completed Agreement to the fax number indicated above.