X-pand into the Future

eurex circular 068/16

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Michael Peters

High priority

Draft Contract Specifications for Index Total Return Futures: EURO STOXX 50® Index Total Return Futures (TESX)

Related Eurex Circular: 048/16

Related Eurex Clearing Circular: 099/16

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Content may be most important for:	**Attachment:**
➲ All departments	Draft Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Summary:

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG agreed draft changes of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich (Contract Specifications) to prepare the introduction of EURO STOXX 50® Index Total Return Futures.

This circular contains draft information on the introduction of the new EURO STOXX 50® Index Total Return Futures and the draft amendments of the Contract Specifications.

Subject to final board approval, the Contract Specifications in relation to EURO STOXX 50® Index Total Return Futures will become effective at the launch date of the new product which will be communicated in a subsequent Eurex circular.

Information on clearing of the new product as well as the draft amendments of the relevant Rules and Regulations of Eurex Clearing AG are contained in Eurex Clearing circular 099/16.

The enhancement of trading functionality for Total Return Futures will be incorporated within T7 Release 4.0 which Eurex Exchange is planning to launch on 21 November 2016. Consequently the introduction of EURO STOXX 50® Index Total Return Futures will not be prior to this date.

Draft Contract Specifications for Index Total Return Futures: EURO STOXX 50® Index Total Return Futures (TESX)

1. Legal framework

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG agreed draft changes of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich (Contract Specifications) prior to the introduction of EURO STOXX 50® Index Total Return Futures. Subject to final board approval, the effective date of amendments to the Contract Specifications and launch date of the product will be communicated by Eurex circular at a later date.

The enhancement of trading functionality for Total Return Futures will be incorporated within T7 Release 4.0 which the Eurex Exchanges are planning to launch on 21 November 2016. Consequently the introduction of EURO STOXX 50® Index Total Return Futures will not be prior to this date.

2. Overview

EURO STOXX 50® Index Total Return Futures will represent the theoretical borrowing of cash to purchase the underlying index (i.e. its component basket) at trade date assuming holding to expiry, i.e. there is immediate exposure to the cash leg of the underlying index. The holder of a long position will therefore receive the distributions associated with holding the cash basket – against which they will pay the funding associated with this purchase. The cost of funding will be made up in part by the overnight funding rate and the determined traded "spread". This spread represents the additional rate required, over the overnight benchmark funding rate, by the seller, until expiry.

EURO STOXX 50® Index Total Return Futures will reference the following underlying instruments:

Underlying instruments					
Index	**Currency**	**Index type**	**ISIN**	**Bloomberg**	**Reuters**
EURO STOXX 50® Index	EUR	Price index	EU0009658145	SX5E Index	.SX5E
EURO STOXX 50® Distribution Point Index	EUR	DVP Index	tbc	tbc	tbc
EONIA®	EUR				

EURO STOXX 50® Index Total Return Futures will have the following product code:

Eurex product					
Futures	**Currency**	**Index type**	**ISIN**	**Product code**	**Product type**
Total Return Futures on EURO STOXX 50® Index	EUR	Price index + DVP Index	tbc	TESX	FINX

3. Contract specifications

The main features of EURO STOXX 50® Index Total Return Futures are described in the following table:

Specification	Description
Contract Name	EURO STOXX 50® Total Return Futures
Product ID	TESX
Underlying Indices	EURO STOXX 50® Index (SX5E), EURO STOXX 50® Distribution Point Index (SX5EDD), Euro OverNight Index Average (EONIA®)
Contract Multiplier	EUR 10.00 per index point
Quotation (TRF Spread)	TRF Spread as annualised rate expressed in basis points with one decimal (+ / - / 0)
Minimum TRF Spread Change	+/- 0.5 basis points (1 basis point = 0.0001)
Trading vs. Clearing Notation	The TRF Spread in basis points ("**trading notation**") will be converted by the T7 trading system into the TRF futures price expressed in index points ("**clearing notation**"). Off-book (TES trades), on-exchange orders and quotes are entered and maintained in the T7 trading system exclusively in trading notation. Once executed, the TRF Spread is converted into clearing notation before it is sent to the C7 clearing system. **Only the futures price in index points is sent and maintained in the C7 clearing system, similar to existing handling for Variance Futures**.
Trade Types	• Trade at Index Close ("TAIC") with an index level based on the daily EURO STOXX 50® Index Close • Trade at Market ("TAM") with a custom-defined index level
Accrued Distributions & Accrued Funding (index points)	The distribution and funding rate payments will be accumulated from the TESX product launch and added to the TRF futures price in index points. The daily changes in distributions and funding payments are paid out via variation margin.
Contract Months	Up to 5 years and 3 months – the 21 nearest quarterly months of the March, June, September and December cycle
Settlement	Cash settlement, due on the first exchange trading day after final settlement day
Daily Settlement TRF Spread (basis points)	Used to calculate the daily settlement price and determined as follows: • The TRF Spread traded via the closing auction between 17:25 and 17:30 CET. • Should no trades be executed in the closing auction, then the Daily Settlement TRF Spread will be determined based on the average bid-ask spread of the respective contract month. • In case no average bid-ask spread can be calculated , the Daily Settlement TRF Spread will be determined as the volume-weighted average TRF Spread of all transactions executed during the last 30 minutes of continuous trading before 17:30 CET on each scheduled trading day. • Should no price be determined according to the aforementioned procedure, the Daily Settlement TRF Spread will be determined based on a theoretic (fair) TRF Spread for the respective contract.
Daily settlement price (index points)	Established on the current exchange trading day based on the following components: Close SX5E, Daily Settlement TRF Spread, Accrued Distributions and Accrued Funding which have been accumulated from the product launch until the current date.
Expiration day	The third Friday of each contract month, if this is an exchange trading day at the Eurex Exchanges, otherwise the exchange trading day immediately preceding that day.
Last trading day	The exchange trading day at the Eurex Exchanges immediately preceding the expiration day.

Specification	Description
Final settlement price (index points)	Established by the Eurex Exchanges on expiration day and it is based the following components: final settlement price of EURO STOXX 50® Index Futures (FESX), Accrued Distributions and Accrued Funding from the product launch until the expiry date.

For the detailed draft contract specifications please see attachment 1.

4. New EURO STOXX 50® Distribution Point Index (SX5EDD)

The EURO STOXX 50® Distribution Point Index (SX5EDD) reflects the performance of all dividends and stock distributions of the EURO STOXX® 50 companies on a gross basis, including all stock dividends in index point equivalents. The SX5EDD index is calculated as the sum of all distributions, measured in distribution points, of the EURO STOXX® 50 constituents cumulated over time. Where a distribution under STOXX® rules leads to an adjustment to the underlying EURO STOXX 50® Index (SX5E) on a net of withholding tax basis, the withholding tax element will be incorporated into the EURO STOXX 50® Distribution Point Index (SX5EDD).

5. Summary terminology for EURO STOXX 50® Total Return Futures

- Underlying Index is the EURO STOXX 50® (SX5E)
- Distribution Index is the EURO STOXX 50® Distribution Point Index (SX5EDD)
- Funding Rate is EONIA®

a) Trade at Index Close (TAIC)

Traded Futures Price(t) = Close SX5E(t) + Accrued Distributions(t) – Accrued Funding(t) + Traded Basis(t)

Where:

t = current exchange trading day
t-1 = exchange trading day immediately preceding current exchange trading day

Accrued Distributions(t) = Accrued Distributions(t-1) + Daily Distributions(t)

Where:

Daily Distributions(t) = SX5EDD (t) - SX5EDD (t-1)

Accrued Funding(t) = Accrued Funding(t-1) + Daily Funding(t)

Where:

Daily Funding(t) = Close SX5E(t-1) * EONIA®(t-1) * (Funding Days(t) / 360)
Funding Days(t) = [t + 2 settlement days] - [(t -1)+ 2 settlement days]

Traded Basis(t) = Close SX5E(t) * [Traded TRF Spread(t) * 0.0001] * (Days to Maturity(t) / 360)

Where:

Days to Maturity(t) = [expiration date + 2 settlement days] - [t + 2 settlement days]

b) Trade at Market (TAM)

Traded Futures Price(t) = Custom Index(t) + Accrued Distributions(t) – Accrued Funding(t) + Traded Basis(t)

Where:

Custom Index(t) = custom-defined level of SX5E

All other terms as for Trade at Index Close in (a) above apply accordingly.

6. Trading hours (CET)

Product	Pre-trading period	Continuous Trading	Post-trading Full Period	EurexTES Block-Trading	Last trading day
Total Return Futures on EURO STOXX 50® Index (TESX)	07:30-07:50	07:50-17:30	17:30-22:00	07:30-22:00 Trade At Index Close (TAIC) 07:30-18:00	17:30

7. Trading calendar

EURO STOXX 50® Index Total Return Futures are available for trading on each trading day at the Eurex Exchanges. The exact trading days can be found in the trading calendar which has been published on the Eurex website under the link:

Trading > Trading calendar

8. Further information

Please find information on EURO STOXX 50® Index Total Return Futures, which is further detailed in Eurex Clearing circular 099/16.

8.1 Draft amendments to Conditions for Utilization of the Eurex Trade Entry Services

EURO STOXX 50® Index Total Return Futures will be admitted to the Eurex Trade Entry Services with a minimum block trade size of 100 contracts.

The usage for the Eurex Trade Entry Services will be possible within the following trading hours (CET):

Product	Product-ID	Start-End
Index Total Return Futures Contracts on EURO STOXX 50®	TESX	Trade at Market (TAM): 07:30–22:00
		Trade at Index Close (TAIC): 07:30–18:00

8.2 Draft amendments to the Price List of Eurex Clearing AG

8.2.1 Transaction fees

Fees for trading and clearing for Total Return Futures on STOXX® Indices are shown in the following table:

Contract	Currency	**Standard fee per contract** (contract number ≤ threshold value)	**Reduced fee per contract** (contract number > threshold value)	**Threshold value A-accounts** (contract number)	**Threshold value P-accounts** (contract number)
Order book transactions					
Total Return Futures on STOXX® Indices	EUR	M- & P-account: 0.60 A-account: 0.60	n. a.	n. a.	n. a.
Off-book transactions					
Total Return Futures on STOXX® Indices	EUR	M- & P-account: 0.60 A-account: 0.60	n. a.	n. a.	n. a.

8.2.2 Maintenance fees

For open positions, Eurex Clearing AG will charge maintenance fees. The daily maintenance fee for Total Return Futures on STOXX® Indices are shown in the following table:

Contract	Currency	Account	Daily Standard Fee per Contract
Total Return Futures on STOXX® Indices	EUR	P- & A- account	0.002000

Note: The introduction of maintenance fees for Total Return Futures is not scheduled prior to January 2018. Once introduced the maintenance fee shall be determined on a daily basis and calculated at the end of a calendar month.

8.3 Eligibility for Eurex Clearing Prisma

Index Total Return Futures will be set up and margined solely in Eurex Clearing Prisma. Subject to regulatory approval, offsetting margin effects will be granted for Index Total Return Futures and Dividend Derivatives within the Listed Equity (Index) Derivatives Liquidation Group (PEQ01).

26 July 2016

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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1. Part: Contract Specifications for Futures Contracts

[...]

1.23 Subpart: Contract Specifications for Index Total Return Futures Contracts

The following subpart contains contract specifications for Total Return Futures contracts on indices ("Index Total Return Futures Contracts").

1.23.1 Subject Matter of Contract

(1) An Index Total Return Futures Contract is a total return futures contract on a specific index.

(2) Index Total Return Futures Contracts on the following indices are available for trading at the Eurex Exchanges such that the publication of the enclosed institutions shall determine the composition, weighting and calculation:

- EURO STOXX 50® Index (SX5E) (Stoxx Limited)

1.23.2 Obligation for Performance

After the close of trading in the contract, the seller of an Index Total Return Futures Contract shall pay in cash any difference between the agreed price and the higher final settlement price (Chapter II Part 2 Number 2.23.3 of the Clearing Conditions of Eurex Clearing AG). The purchaser shall pay in cash any difference between the agreed price and the lower final settlement price.

1.23.3 Term

For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX), terms expiring on the final settlement day (subsection 1.23.4 Paragraph 2) of the next, twenty-one succeeding quarter-end months (March, June, September, December) are available for trading at the Eurex Exchanges.

1.23.4 Last Trading Day, Final Settlement Day, Close of Trading

(1) The last trading day of the Index Total Return Futures Contracts shall generally be the trading day immediately preceding the final settlement day provided that such

day is a trading day at the Eurex Exchanges; otherwise, it shall be the trading day immediately preceding such day.

(2) The final settlement day of the Index Total Return Futures Contracts is generally the third Friday of the expiration month provided that such day is a trading day at the Eurex Exchanges; otherwise, it shall be the trading day immediately preceding such day.

(3) For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) close of trading on the last trading day shall be at 17:30 p.m. CET.

1.23.5 Performance, Cash Settlement

(1) The performance day for Index Total Return Futures Contracts shall be the exchange day after the final settlement day of the contract.

(2) Index Total Return Futures Contracts shall be performed by cash settlement between the Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling the cash settlements with the Non-Clearing Members served by it and its own customers; the handling of cash settlements by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

1.23.6 Trading Conventions

1.23.6.1 Exchange Trading

Index Total Return Futures Contracts are traded in Total Return Spread ("TRF Spread"). The TRF Spread is an annualised rate expressed in basis points. The TRF Spread represents the spread financing leg over a Funding Rate (as defined in Number 1.23.6.3).

The TRF Spread will be used in conjunction with both the applicable index level and the time to maturity to calculate a Traded Basis in index points.

The Traded Basis will be used in conjunction with Accrued Distributions and Accrued Funding to calculate the Traded Futures Price in index points.

The calculation of Traded Basis is completed according to 1.23.8.1, Accrued Distributions and Accrued Funding according to 1.23.8.2 and Traded Futures Price according to 1.23.8.3.

1.23.6.2 TRF Spread Gradations

The TRF Spread of Index Total Return Futures Contracts shall be quoted in basis points. The minimum change of the TRF Spread shall be:

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX): 0.5 basis points.

1.23.6.3 Funding Rate

The Funding Rate applicable to Index Total Return Futures Contracts represents the benchmark overnight funding rate over which the TRF Spread quoted and traded is applicable ("Funding Rate"):

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) the Funding Rate is Eonia® (as a percentage) provided by EMMI a.i.s.b.l.

1.23.6.4 Day Count Convention

The Index Total Return Futures Contracts shall incorporate the time to maturity within the calculation of the Traded Basis in index points. In relation to the calculation of the time to maturity the following day count conventions shall be applicable:

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) the day count convention is Actual/360 (Act/360) which represents the actual number of days in the period referenced for calculation divided by 360 (360 being the Annualisation Factor ("Annualisation Factor"))

1.23.6.5 Days to Maturity, Funding Days

The Index Total Return Futures Contracts shall incorporate the days to maturity within the calculation of time to maturity. In relation to the calculation of the days to maturity the following shall be applicable:

Days to Maturity(t) = [expiry date + x settlement days] – [t + x settlement days]

Where:

t = current exchange trading day

The Index Total Return Futures Contracts shall also incorporate the number of Funding Days within the calculation. In relation to the calculation of the Funding Days the following shall be applicable ("Funding Days"):

Funding Days(t) = [t + x settlement days] – [(t -1)+ x settlement days]

Where:

t = current exchange trading day

t-1 = exchange trading day immediately preceding current exchange trading day

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) Days to Maturity and Funding Days expressed as actual number of days are based on the settlement dates of the underlying component equities (i.e. on a t+2 settlement basis), therefore:

  x settlement days = **2** settlement days

1.23.7 Trading Modalities

Index Total Return Futures Contracts will be traded in 2 modalities:

- Trade at Index Close (TAIC) where the calculated Traded Basis in index points will be based on index close level,
- Trade at Market (TAM) where the calculated Traded Basis in index points will be based on an index level predetermined and entered by the Exchange Participant ("Custom Index Level").

The contracts executed as TAIC and TAM trades are fully fungible and the same product code shall be used regardless the modality of trading used (TAIC and TAM).

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) Trade at Index Close (TAIC) will be available for both continuous trading and trades entered via Eurex Trade Entry ServicesTrade at Market (TAM) will only be available via Eurex Trade Entry Services.

1.23.8 Conversion Parameters and Prices

1.23.8.1 Traded Basis

The traded TRF Spread in basis points is converted to Traded Basis in index points according to the following formulae ("Traded Basis"):

- Trade at Index Close (TAIC):

  Traded Basis(t) = Index Close(t) * [traded TRF Spread(t) * 0.0001] * (Days to Maturity(t) / Annualisation Factor)

Where:

t = current exchange trading day

Index Close (t) = the closing level of the index calculated by the respective index provider ("Index Close")

- Trade at Market (TAM)

  Traded Basis(t) = Custom Index(t) * [traded TRF Spread(t) / *0.0001] * (Days to Maturity(t) / Annualisation Factor)

- For Index Total Return Futures on EURO STOXX 50® (Product ID: TESX):
  - Index Close is the daily closing level of EURO STOXX 50® (SX5E) as calculated by Stoxx Ltd.,
  - Custom Index is an index level of the EURO STOXX 50® (SX5E) as predetermined and entered by the Exchange Participant ("Custom Index").

1.23.8.2 Distributions and Funding

The Traded Futures Price is calculated using the Traded Basis as well as the Accrued Distributions and Accrued Funding. The Accrued Distributions and Accrued Funding

are calculated daily and reflect the total amounts since product launch (i.e. the launch of the Index Total Return Futures)

1.23.8.2.1 Accrued Distributions

Where an Index Total Return Futures Contracts references an underlying price index (an index which excludes distributions made by the underlying constituents – such as dividends) then a calculation is required to determine the distributions.

The following Index Total Return Futures Contracts reference an underlying price index

- Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX).

Accrued Distributions are calculated according to the following formulae:

Accrued Distributions (t) = Accrued Distributions (t-1) + Daily Distributions (t)

Where:

t = current exchange trading day

t-1 = exchange trading day immediately preceding current exchange trading day

Daily Distributions are calculated by product from the difference between the value of the current exchange trading day Distribution Index value and the previous exchange trading day Distribution Index value according to the following formulae:

Daily Distributions (t) = Distribution Index (t) – Distribution Index (t-1)

Where:

t = current exchange trading day

t-1 = exchange trading day immediately preceding current exchange trading day

Distribution Index(t) = all dividends and stock distributions of the index' constituent companies going ex on day t expressed in index point:

- For Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX): Distribution Index is the daily level of EURO STOXX 50® Distribution Index (SX5EDD) as calculated by Stoxx Ltd..

Where an Index Total Return Futures Contract references a underlying index which incorporates distributions within its calculation methodology then no additional calculation is required, i.e. Accrued Distributions(t) = 0.

1.23.8.2.2 Accrued Funding

For Index Total Return Futures Contracts the value Accrued Funding is calculated according to the following formulae:

Accrued Funding (t) = Accrued Funding (t-1) + Daily Funding (t)

Where:

t = current exchange trading day

t-1 = exchange trading day immediately preceding current exchange trading day

Daily Funding is calculated by product for the current exchange trading day (t) according to the following formula:

Daily Funding (t) = Index Close (t-1) * Funding Rate (t-1) * (Funding Days (t) / Annualisation Factor)

Where:

t = current exchange trading day

t-1 = exchange trading day immediately preceding current exchange trading day

1.23.8.3 Traded Futures Price

For Index Total Return Futures Contracts the Traded Basis in index points is converted, in conjunction with Accrued Distributions and Accrued Funding into the Traded Futures Price according to the following formulae:

- Trade at Index Close (TAIC)

  Traded Futures Price (t) = Index Close (t) + Accrued Distribution (t) – Accrued Funding (t) + Traded Basis (t)

- Trade at Market (TAM)

  Traded Futures Price (t) = Custom Index (t) + Accrued Distribution (t) – Accrued Funding (t) + Traded Basis (t)

1.23.8.4 Daily Settlement Price

The daily settlement price of Index Total Return Futures Contracts is calculated in index points using the same methodology described in 1.23.8.1 and 1.23.8.3 for Trade at Index Close (TAIC) above. Instead of traded TRF Spread a Daily Settlement TRF Spread will be determined and used with both the applicable index level and the time to maturity to calculate a Settlement Basis (as defined in Chapter II Part 2 Number 2.23.2 of the Clearing Conditions of Eurex Clearing AG) in index points. The Settlement Basis will be used in conjunction with Accrued Distributions and Accrued Funding to calculate the daily settlement price in index points.

1.23.8.5 Final Settlement Price

The final settlement price of Index Total Return Futures Contracts is calculated in index points using the same methodology described in 1.23.8.1 and 1.23.8.3 for Trade at Index Close (TAIC) above and according to the following: (i) At final settlement the Traded Basis is zero as on expiration the Days to Maturity is zero, and (ii) Index Close will be replaced by the Final Settlement Index.

- For Index Total Return Futures on EURO STOXX 50® (Product ID: TESX):

  The Final Settlement Index will be the final settlement price of the Index Futures on the EURO STOXX 50® (Product ID: FESX) as determined under Chapter II

Part 2 Number 2.4.2 of the Clearing Conditions of Eurex Clearing AG ("Final Settlement Index").

1.23.9 Market Disruption

1.23.9.1 Market Disruption Event

(1) A market disruption event for Index Total Return Futures Contracts include, but is not limited to the occurrence or existence of at least one of the following situations on a trading day: (i) disruption in delivery of a given index or Funding Rate by its respective provider ("Disruption in Delivery"), or (ii) disruption in the exchange trading for listed derivatives on a given index ("Disruption in the Exchange Trading for Listed Derivatives").

(2) For Index Total Return Futures on EURO STOXX 50® (Product ID: TESX) the following may constitute a market disruption event regarding Disruption in Delivery:

a) Stoxx Ltd. does not publish the effective EURO STOXX 50® distribution (SX5EDD) index level prior to the start of trading;
b) Stoxx Ltd. does publish the effective EURO STOXX 50® distribution (SX5EDD) index level prior to the start of trading but then subsequently amends and re-publishes after the start of trading;
c) EMMI a.i.s.b.l. as index provider does not calculate and publish an Eonia® level for the previous trading day prior to the start of trading or subsequently amends and re-publishes after the start of trading;
d) Stoxx Ltd. does not publish a EURO STOXX 50® (SX5E) Index Close;
e) Stoxx Ltd. does publish a EURO STOXX 50® (SX5E) Index Close but then subsequently amends and re-publishes the Index Close.

(3) For Index Total Return Futures on EURO STOXX 50® (Product ID: TESX) the following may constitute a market disruption event regarding Disruption in the Exchange Trading for Listed Derivatives:

a) Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX) are not open for all or part of the day;
b) The Eurex Exchanges are not open for trading on a scheduled trading day during the period between 16:30 and 17:30 CET;

(4) Independent from the Paragraphs 1 – 3 of this section, the Management Boards of the Eurex Exchanges determine situations where orderly price or spread determination is not possible and a market disruption event has occurred.

1.23.9.2 Market Disruption Calculation of Input Parameters

(1) Disruptions of the parameters required for the pricing calculation may lead to a market disruption event as stipulated in Number 1.23.9.1. The following methodology regarding the calculation of input parameters leading to a market disruption shall apply:

For Index Total Return Futures Contracts in order to calculate both the Traded Futures Price for Trade at Index Close (TAIC) and the daily settlement price on trading day (t) the following input parameters are required:

- Prior to trading

  Distribution Index (t) and Funding Rate (t-1)

- End of day

  Index Close (t) and Daily Settlement TRF Spread (t)

(2) For Index Total Return Futures Contracts the criteria mentioned in Paragraph 1 of this Section regarding the calculation of a market disruption event specifically mean:

a) Distribution Index (t)

If the index provider does not publish the effective Distribution Index prior to the start of trading then the Management Boards of the Eurex Exchanges can at their discretion delay the start of trading for that contract until either the index provider delivers the Distribution Index or the Management Boards of the Eurex Exchanges determine the Distribution Index value.

If the index provider does publish the effective Distribution Index prior to the start of trading but then subsequently amends and re-publishes after the start of trading and prior to the end of the post trade period then the amended Distribution Index will be used. In addition the amended Distribution Index will be used to calculate the difference applicable to impacted trades in relation to their originally calculated Traded Futures Price and determine the corresponding adjustment based on the amended Distribution Index. These adjustments will be applied on the next trading day.

If the index provider subsequently amends and re-publishes the Distribution Index after the end of the post trade period then the amended Distribution Index will not be used to recalculate the daily settlement price and no adjustments will be made in relation to the Traded Futures Price.

b) Funding Rate (t-1)

If the provider of the benchmark overnight funding rate does not calculate and publish the overnight Funding Rate level prior to start of trading, or subsequently amends and re-publishes, then the last overnight Funding Rate available prior to start of trading will be used.

c) Index Close (t)

If the index provider does not publish an Index Close at the expected time then the Management Boards of the Eurex Exchanges can at their discretion delay the input of the Index Close for that contract up to the end of the post trade period,

until either the index provider delivers the Index Close or the Management Boards of the Eurex Exchanges determine the Index Close.

If the Index Close is unavailable at the end of the post trade period the last available index value will be used.

If the index provider does publish an Index Close but then subsequently amends and re-publishes the Index Close prior to the end of the post trade period then the amended Index Close will be used to recalculate the daily settlement price. In addition the amended Index Close will be used to calculate the difference applicable to impacted trades in relation to their originally calculated Traded Futures Price and determine the corresponding adjustment based on the amended Index Close. These adjustments will be applied on the next trading day.

If the index provider subsequently amends and re-publishes the Index Close after the end of the post trade period then the amended Index Close will not be used to recalculate the daily settlement price and no adjustments will be made in relation to the Traded Futures Price.

d) Daily Settlement TRF Spread (t)

If the Index Total Return Futures are not open for trading on the Eurex Exchanges for all or part of the day then the Management Boards of the Eurex Exchanges can at their discretion determine the Daily Settlement TRF Spread based upon either the previous Daily Settlement TRF Spread or the last spread determined from available market data or at a level determined by the Management Boards of the Eurex Exchanges to reflect the fair value.

1.23.10 Distribution Recovery Event

(1) For Index Total Return Futures Contracts that use a Distribution Index to determine Accrued Distributions the declared distributions, such as dividends, are incorporated into the Distribution Index calculation on the ex-date of such a distribution. Subsequently if, in relation to a declared distribution, which is incorporated into the Distribution Index:

a) the actual amount deemed by the Eurex Exchanges as paid or to be paid differs from the declared distribution,
b) no such payment is deemed by the Eurex Exchanges as made or to be made,
c) a declared distribution is subject to a) or b) above but is subsequently deemed by the Eurex Exchanges that the actual amount will or has been paid,

then the Management Boards of the Eurex Exchanges determine whether the actual amount paid differs to the declared distribution and a distribution recovery event has occurred. A declared distribution may be subject to one or more distribution recovery events.

(2) In the event of a distribution recovery event the Management Boards of the Eurex Exchanges can at their discretion determine an appropriate adjustment. This adjustment will be based upon:

a) the open positions at the close on the trading day immediately preceding the ex-date of the declared distribution,
b) the difference in value between the declared distribution and the actual amount deemed as paid or to be paid by the Eurex Exchanges,
c) the value of any adjustments previously made due to a distribution recovery event,
d) the treatment if any of such a distribution recovery event by the index provider of the Distribution Index.

In the event that the declared distribution is greater than the actual amount deemed as paid or to be paid by the Eurex Exchanges and where no prior adjustment has been made, then the holders of long open positions, as held at the close of business on the exchange day prior to the ex-date of a distribution subject to Paragraph 1 lit. a) of this this Section will be debited by the adjustment and the holders of short positions will be credited. These adjustments will be applied on the next trading day following the determined adjustment date, or as soon as practicable afterwards.

Where a previous adjustment has been made then the Management Boards of the Eurex Exchanges will determine the application of any subsequent adjustment to holders of open positions, as held at the close of business on the exchange day prior to the ex-date of a distribution subject to Paragraph 1 lit. a) of this Section.

The Management Boards of the Eurex Exchanges will determine the date any such adjustment should be made. In particular the Management Boards of the Eurex Exchanges can at its discretion apply distribution recovery events up to and including 100 days after the Index Total Return Futures Contracts expiration date.

2. Part: Contract Specifications for Options Contracts

[...]

Annex C in relation to Contract Specifications:

Trading Hours Futures Contracts

[…]

Index Futures Contracts

Product	Product-ID	Pre-Trading-Period	Continuous Trading	Post-Trading Full-Period	TES Block Trading	Last Trading Day	
						Trading until	

Product	Product-ID	Pre-Trading-Period	Continuous Trading	Post-Trading Full-Period	TES Block Trading	Last Trading Day	
						Trading until	
Total Return Futures on EURO STOXX 50® Index	TESX	07:30-07:50	07:50-17:30	17:30-22:00	07:30-22:00 Trade At Index Close (TAIC) 07:30-18:00	17:30	

All times CET

Annex D in relation to subsection 1.14 of the Contract Specifications

[...]

Annex E Allocation Scheme (Part A Section 2.5 Paragraph 3 of the Conditions for Trading) and Path Priority (Part A Section 2.5 Paragraph 2 of the Conditions for Trading) *

Product Class	Allocation Scheme	Path Priority
Index Total Return Futures	Time	Direct Path Priority

Annex F Products on the new trading architecture („New Trading Architecture“)

Currently all products are traded on the new trading architecture. Therefore Annex F is no longer applicable.

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