X-pand into the Future

eurex *circular 135/14*

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Authorized by: Mehtap Dinc

Foreign exchange (FX) derivatives: Market-Making scheme for FX futures and FX options

Related Eurex circular: 105/14

Related Eurex Clearing circulars: 067/14, 076/14, 079/14

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Content may be most important for:

Ü All departments

Attachments:

1. FX futures Designated Market Maker scheme
2. FX futures Designated Market Maker application form
3. FX options Advanced Market Maker scheme
4. FX options Advanced Market Maker application form

Summary:

To facilitate liquidity in FX derivatives, Eurex Exchange will offer a Market-Making scheme including revenue sharing and transaction fee rebates until the end of 2017 for FX futures and FX options.

This circular announces the Market-Making scheme for FX futures and FX options.

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Foreign exchange (FX) derivatives: Market-Making scheme for FX futures and FX options

To facilitate liquidity in FX derivatives, Eurex Exchange will offer a Market-Making scheme including revenue sharing and transaction fee rebates until the end of 2017 for FX futures and FX options.

This circular announces the Market-Making scheme for FX futures and FX options.

1. Market-Making in FX futures

Details of the FX futures' Advanced Market-Making (AMM) scheme are included in attachment 1 to this circular. Please use the form provided in attachment 2 to participate in the Market-Making scheme for FX futures.

2. Market-Making in FX options

Details of the FX options Market-Making scheme are included in attachment 3 to this circular. Please use the form provided in attachment 4 to participate in the Market-Making scheme for FX options.

The updated Market Maker obligations will be available on the Eurex website www.eurexchange.com at the start of trading under the following link:

Trading > Market model > Market Making > Market Maker obligations

If you have any questions or if you are interested in market-making in these products, please contact Christian Csomos, Product Development, T +49-69-211-1 40 75, e-mail: christian.csomos@eurexchange.com, or Reny Morsch, Sales, T +44-207-8 62-72 24, e-mail: reny.morsch@eurexchange.com.

20 June 2014

Advanced Designated Market Maker Scheme for FX Futures

1. Advanced Designated Market Making (ADM) in FX Futures – Quote Obligations

As ADM in FX futures, Eurex participants undertake to provide quotes on the bid and ask side for a specified minimum number of contracts while committing to maximum spreads and a predefined quotation period.

Market-Making obligations have to be fulfilled in two out of three products of one package which qualifies the market maker for a fee reduction in all three products of the package as well as for the revenue sharing.

For Expirations		EURUSD	EURGBP	GBPUSD	EURCHF	USDCHF	GBPCHF	Min. Coverage
M1, M2, M3 (first three monthly expirations)	Min quote size* [bid / ask contracts]	50 / 50	20 / 20	30 / 30	20 / 20	20 /20	10 / 10	all of these three monthly expirations M1, M2, M3 **must** be quoted
	Maximum quote spreads* relative to bid price [ticks / absolute]	10 0.0005 USD	12 0.0006 GBP	14 0.0007 USD	14 0.0007 CHF	18 0.0009 CHF	24 0.0012 CHF	
	Quoting period [% of trading hours per day]	70	70	70	70	70	70	

*The minimum quote size will be reduced by 50% and the maximum quote spreads will be doubled during fast market conditions

These Market Maker quote obligations are subject to a semi-annual review.

2. Available Packages (ADM) for FX Futures

Participants can act as Advanced Designated Market Maker in one or in several packages.

Package 1		Package 2		Package 3		Package 4	
Product	Weighting Factor	Product	Weighting Factor	Product	Weighting Factor	Product	Weighting Factor
EURUSD	**1**	**EURUSD**	**1**	**EURGBP**	**1.5**	**EURCHF**	**2**
EURCHF	**2**	**GBPUSD**	**1.5**	**GBPUSD**	**1.5**	**GBPCHF**	**3**
EURGBP	**1.5**	**USDCHF**	**2**	**GBPCHF**	**3**	**USDCHF**	**2**

3. FX Futures Incentive Scheme

The FX futures incentive scheme consists of two elements:

FX Futures Incentives	7 Jul 2014 – 31 Dec 2014	1 Jan 2015 – 31 Dec 2015	1 Jan 2016 – 31 Dec 2016	1 Jan 2017 – 31 Dec 2017
MM transaction fee rebates [%]*	100	100	50	50
Revenue sharing [% of FX futures net revenues from fulfilled package]**	75	50	50	25

Top Tier ADM	Futures Revenue Distribution***
Ranking 1- 10	Pro-rata volume

*** Reviewed on a monthly basis

* If MM obligation are fulfilled
** MM who sign and return the MM application form before 01 Oct 2014 will be rewarded until 31 Dec 2017,
whereas MM who sign and return the MM application form between 01 Oct 2014 and 30 Nov 2014 will be rewarded until 31 Dec 2016

a. **Reduced Transaction Fees** for Advanced Designated Market Maker

Advanced Designated Market Maker (ADM) will benefit from reduced transaction fees as follows:

Eurex will **refund:**

- 100 percent of all transaction fees for the contracts traded by the Advanced Designated Market Makers on M-accounts (order book trades and OTC block trades) between 7 July 2014 and 31 December 2015 and
- 50 percent of all transaction fees for the contracts traded by the Advanced Designated Market Makers on M-accounts (order book trades and OTC block trades) between 1 January 2016 and 31 December 2017.
- 100 percent of the OTC EFP-fees for trades of market makers that fulfill their market-making obligations, between 7 July 2014 and 31 December 2014

The refund for the respective month will be calculated at the beginning of the subsequent month. No refunds will be made for contracts traded on A- or P-accounts or if quote obligations are not fulfilled.

The reimbursement will take place on a monthly basis, if Market Maker obligations have been fulfilled.

b. **Revenue Sharing** based on volumes that have been created by the Market Maker in at least one FX Futures package (order-book) on a pro-rata basis:

- Top 10 market makers that quote at least in one package will qualify for the revenue sharing
- Order-book and OTC Wholesale net revenues (defined as transaction fees net of rebates) will be shared
- Revenue distribution refers to the monthly pro-rata order-book traded volume of the fulfilling market maker

Revenue sharing conditions

- To participate in the revenue sharing scheme the application form has to be signed and submitted to Eurex before 1 December 2014. Eurex will share net revenues (defined as transaction fees net of rebates) generated from FX futures in the fulfilled package on a monthly basis as follows:
    - if the application is received by Eurex before 1 October 2014, share FX futures net revenues generated from the fulfilled package:
        - 75% between 7 July 2014 and 31 December 2014,
        - 50% between 1 January 2015 and 31 December 2015,
        - 50% between 1 January 2016 and 31 December 2016,
        - 25% between 1 January 2017 and 31 December 2017,

- if application is received by Eurex between 1 October 2014 and 30 November 2014 share FX futures net revenues generated from the fulfilled package:
  - 75% between 7 July 2014 and 31 December 2014,
  - 50% between 1 January 2015 and 31 December 2015,
  - 50% between 1 January 2016 and 31 December 2016.

- FX futures and FX options performance will be evaluated separately (2 different funds)
- Only market makers who fulfil their MM obligations qualify for the revenue sharing (measured on a monthly basis)
- Market makers need to apply for at least one package to participate in the revenue sharing program
- If Market Makers who have signed and returned the application form to Eurex by the 30 November 2014 at the latest, have for three consecutive months between 1 January 2015 and 31 March 2015 not fulfilled their quote obligations in at least one of the packages they signed up for, these Market Makers will lose their entitlement to the revenue sharing from the Market Making program.
- Market Makers, who have signed and returned the application form to Eurex by the 30 September 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2017, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.
- Market Makers, who have signed and returned the application form to Eurex between 1 October 2014 and 30 November 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2016, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

Calculation of the participation in the revenue sharing fund

- Volume that has been traded on M-accounts in the order book (number of contracts) is considered for the ranking and thus for the determination of the participation in the revenue sharing fund. In case of a multiple package support, the pair which is included manifold is only considered once.
- In order to determine the market maker ranking the traded volume will be weighted differently, reflecting the liquidity in the spot market. The current weighting factors are detailed under point 2. above (detailing the packages and weightings); the weighting factors will be reviewed regularly.

Market participants who wish to register as Advanced Designated Market Makers (ADM) are requested to sign and return to Eurex the attached application form (Attachment 2).

Application Form – FX Futures Advanced Designated Market Maker (ADM) Scheme

To Eurex
Product Development
Christian Csomos

Fax no. +49 (0)69 2 11-61 40 75

Application for the Status of Advanced Designated Market Maker for FX futures:
(FX futures on EURUSD, EURCHF, EURGBP, GBPUSD, GBPCHF, USDCHF)

1. We _____
(name of Member)

herewith apply for the status of Designated Market Maker in FX futures in accordance with the terms and conditions stated in the Quote Obligations (Attachment 1), for the following FX futures product packages:

package 1	**p**	package 2	**p**
package 3	**p**	package 4	**p**.

2. As an Advanced Designated Market Maker

a) we will provide bid and ask quotes on both sides of the market

- for the minimum number of contracts specified in the Quote Obligations;
- in compliance with the maximum spread specified in the Quote Obligations; and
- for the period of time specified in the Quote Obligations (also, and in particular, on a daily basis at the beginning of trading and at the end of trading in the contract;

b) we will give you the name of a manager who has the authorization and expertise necessary to make decisions and act as the coordinator in our firm, who will be available for Eurex with respect to this agreement;

c) we will ensure that a Eurex trading screen and a qualified trader are available for Advanced Designated Market Makers; and

d) we will inform Eurex within one business day in the event that we find ourselves no longer in a position to fulfill these obligations.

3. Eurex will in return

a) - refund 100 percent of all transaction fees for the contracts traded by the Designated Market Makers on M-accounts (order book trades and OTC block trades) between 7 July 2014 up to and including 31 December 2015 and

- refund 50 percent of all transaction fees for the contracts traded by the Designated Market Makers on M-accounts (order book trades and OTC block trades) between 1 January 2016 and 31 December 2017 and

- refund 100 percent of the OTC EFP-fees for trades of market makers that fulfill their market-making obligations, between 7 July 2014 and 31 December 2014

The refund for the respective month will be calculated at the beginning of the subsequent month.

No refunds will be made for contracts traded on A- or P-accounts or if Quote Obligations are not fulfilled;

b) mention the name of the Eurex Member with the Advanced Designated Market Maker status in advertising and informative material in connection with the contracts;

c) make Eurex speakers and printed material available for seminars organized by the Advanced Designated Market Makers regarding FX futures, if desired.

d) share net revenues (defined as transaction fees net of rebates) generated from FX futures in the fulfilled package on a monthly basis as follows:

- if the application is received by Eurex before 1 October 2014, share FX futures net revenues generated from the fulfilled package:
  - 75% between 7 July 2014 and 31 December 2014,
  - 50% between 1 January 2015 and 31 December 2015,
  - 50% between 1 January 2016 and 31 December 2016,
  - 25% between 1 January 2017 and 31 December 2017,
- if application is received by Eurex between 1 October 2014 and 30 November 2014 share FX futures net revenues generated from the fulfilled package:
  - 75% between 7 July 2014 and 31 December 2014,
  - 50% between 1 January 2015 and 31 December 2015,
  - 50% between 1 January 2016 and 31 December 2016.

4. Compliance with the obligations stated under No. 2 shall be monitored by Eurex.

   In the event that the obligations stated under No. 2 are not met by us, Eurex shall have the right to terminate the agreement and to publicly disclose the termination of the Advanced Designated Market Maker status at Eurex' discretion. In this case, Eurex shall be released from its obligations pursuant to No. 3 with immediate effect.

5. In the event of a significant change in the Contract Specifications for the contract or due to a revision of the law or rules with respect to the contract, we as well as Eurex have the right to terminate this agreement with immediate effect or to renegotiate the requirements indicated in paragraph 2 and/or in the associated Quote Obligations.

6. Eurex shall have the right to amend or expand one or more of the conditions laid down in this agreement for limited periods of time at its sole discretion with validity for all Advanced Designated Market Makers, if it deems this appropriate (for example, in circumstances which lead to high market volatility or if such amendments or expansion is not expected to have an adverse effect on market quality). In the event that Eurex amends or expands one or more condition(s), the Advanced Designated Market Makers must, for their part, ensure that they can be contacted so that they can be promptly advised that this situation has ceased to exist.

7. Other than the aforementioned measures, no special status at Eurex shall be accorded to the participant in conjunction with the Advanced Designated Market Maker status, which expires depending on the time of registration. After that time, the title "Advanced Designated Market Maker" can no longer be used unless otherwise agreed with Eurex.

8. The associated Quote Obligations for FX futures (Attachment 1) are an integral part of this application and are subject for review by Eurex on a semi-annual basis.

9. If Market Makers who have signed and returned the application form to Eurex by the 30 November 2014 at the latest, have for three consecutive months between 1 January 2015 and 31 March 2015 not fulfilled their quote obligations in at least one of the packages they signed up for, these Market Makers will lose their entitlement to the revenue sharing from the Market Making program.

10. Market Makers, who have signed and returned the application form to Eurex by the 30 September 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2017, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

11. Market Makers, who have signed and returned the application form to Eurex between 1 October 2014 and 30 November 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2016, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

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 application for the status of Advanced Designated Market Maker to the indicated fax number.

Advanced Market Maker Scheme for FX Options

1. Advanced Market-Making (AMM) in FX Options – Quote Obligations

As AMM, Eurex participants undertake to provide quotes on the bid and ask side for a specified minimum number of contracts while committing to maximum spreads.

Market-Making obligations have to be fulfilled in two out of three products of one package which qualifies the market maker for a fee reduction in all three products of the package as well as for the revenue sharing.

For Expirations		EURUSD	EURGBP	GBPUSD	EURCHF	USDCHF	GBPCHF	Min. Coverage
M1, M2, M3 (first three monthly expirations)	Min quote size* [bid / ask]	50 / 50 contracts	20 / 20 contracts	30 / 30 contracts	20 / 20 contracts	20 / 20 contracts	10 / 10 contracts	four out of the following six expirations **must** be quoted: M1, M2, M3, Q1, Q2, Q3
	Number of strikes to be quoted around at-the-money (asymmetric quotation is allowed)	9 of 15	9 of 15	9 of 15	9 of 15	9 of 15	9 of 15	
	Bid prices / maximum spreads* 0 – 0.01 0.01005 – 0.15 > 0.15	 0.001 10 % 0.015	 0.001 10 % 0.015	 0.001 10 % 0.015	 0.001 10 % 0.015	 0.001 10 % 0.015	 0.001 10 % 0.015	
	Quoting period / [% of trading hours]	70	70	70	70	70	70	
Q1, Q2, Q3 (next three quarterly expirations)	Min quote size* [bid / ask]	50 / 50 contracts	20 / 20 contracts	30 / 30 contracts	20 / 20 contracts	20 / 20 contracts	10 / 10 contracts	
	Number of strikes to be quoted around at-the-money (asymmetric quotation is allowed)	5 of 15	5 of 15	5 of 15	5 of 15	5 of 15	5 of 15	
	Bid prices / maximum spreads* 0 – 0.01 0.01005 – 0.15 > 0.15	 0.002 20 % 0.03	 0.002 20 % 0.03	 0.002 20 % 0.03	 0.002 20 % 0.03	 0.002 20 % 0.03	 0.002 20 % 0.03	
	Quoting period / [% of trading hours]	70	70	70	70	70	70	

*The minimum quote size will be reduced by 50% and the maximum quote spreads will be doubled during fast market conditions

These Market Maker quote obligations are subject to a semi-annual review.

2. Available Packages (AMM) for FX Options

Participants can act as Advanced Market Maker in one or in several packages.

Package 1		Package 2		Package 3		Package 4	
Product	Weighting Factor	Product	Weighting Factor	Product	Weighting Factor	Product	Weighting Factor
EURUSD	**1**	**EURUSD**	**1**	**EURGBP**	**1.5**	**EURCHF**	**2**
EURCHF	**2**	**GBPUSD**	**1.5**	**GBPUSD**	**1.5**	**GBPCHF**	**3**
EURGBP	**1.5**	**USDCHF**	**2**	**GBPCHF**	**3**	**USDCHF**	**2**

3. FX Options Incentive Scheme

The FX options incentive scheme consists of two elements:

FX Options Incentives	7 Jul 2014 – 31 Dec 2014	1 Jan 2015 – 31 Dec 2015	1 Jan 2016 – 31 Dec 2016	1 Jan 2017 – 31 Dec 2017
MM transaction fee rebates [%]*	100	100	50	50
Revenue sharing [% of FX options net revenues from fulfilled package]**	75	50	50	25

Top Tier AMM	Options Revenue Distribution***
Ranking 1- 10	Pro-rata volume

*** Reviewed on a monthly basis

* If MM obligations are fulfilled
** MM who sign and return the MM application form before 01 Oct 2014 will be rewarded until 31 Dec 2017, whereas MM who sign and return the MM application form between 01 Oct 2014 and 30 Nov 2014 will be rewarded until 31 Dec 2016

- **Reduced Transaction Fees** for AMM Market Maker

  Advanced Market Maker (AMM) will benefit from reduced transaction fees as follows:

  Eurex will **refund**:

  - 100 percent of all transaction fees for the contracts traded by the AMM Market Makers on M-accounts (order book trades and OTC block trades) between 7 July 2014 and 31 December 2015 and
  - 50 percent of all transaction fees for the contracts traded by the AMM Market Makers on M-accounts (order book trades and OTC block trades) between 1 January 2016 and 31 December 2017.

The refund for the respective month will be calculated at the beginning of the subsequent month. No refunds will be made for contracts traded on A- or P-accounts or if Quote Obligations are not fulfilled.

The reimbursement will take place on a monthly basis, if Market Maker Obligations have been fulfilled.

- **Revenue Sharing** based on volumes that have been created by the market maker (AMM) in the FX options (order-book) on a pro-rata basis:
  - Top 10 market makers will be awarded
  - Order book and OTC Whole-Sales net revenues (defined as transaction fees net of rebates) will be shared
  - Revenue distribution refers to the pro-rata traded volume of the fulfilling market maker

Revenue Sharing Conditions

- To participate in the revenue sharing scheme the application form has to be signed and submitted to Eurex before 1 December 2014. Eurex will share net revenues (defined as transaction fees net of rebates) generated from FX options in the fulfilled package on a monthly basis as follows:
    - if the application is received by Eurex before 1 October 2014, share FX options net revenues generated from the fulfilled package:
        - 75% between 7 July 2014 and 31 December 2014,
        - 50% between 1 January 2015 and 31 December 2015,
        - 50% between 1 January 2016 and 31 December 2016,
        - 25% between 1 January 2017 and 31 December 2017,
    - if the application is received by Eurex between 1 October 2014 and 30 November 2014, share FX options net revenues generated from the fulfilled package:
        - 75% between 7 July 2014 and 31 December 2014,
        - 50% between 1 January 2015 and 31 December 2015,
        - 50% between 1 January 2016 and 31 December 2016.
- FX Futures and FX Options performance will be evaluated separately (two different funds).
- Only market makers who fulfil their MM obligations qualify for the revenue sharing (measured on a monthly basis).
- Market makers need to apply for at least one package to participate in the revenue sharing program.
- If Market Makers who have signed and returned the application form to Eurex by the 30 November 2014 at the latest, have for three consecutive months between 1 January 2015 and 31 March 2015 not fulfilled their quote obligations in at least one of the packages they signed up for, these Market Makers will lose their entitlement to the revenue sharing from the Market Making program.
- Market Makers, who have signed and returned the application form to Eurex by the 30 September 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2017, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.
- Market Makers, who have signed and returned the application form to Eurex between 1 October 2014 and 30 November 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2016, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

Calculation of the revenue sharing fund

- Volume that has been traded on M-accounts in the order book (number of contracts) is considered for the ranking and thus for the determination of the participation in the revenue sharing fund. In case of a multiple package support, the pair which is included manifold is only considered once.
- In order to determine the market maker ranking the traded volume will be weighted differently, reflecting the liquidity in the spot market. The current weighting factors are detailed under point 2. above (detailing the packages and weightings); the weighting factors will be reviewed regularly.

Market participants who wish to register as AMM Market Makers are requested to sign and return to Eurex the attached application form (Attachment 4).

Application Form – FX Options Advanced Market Maker (AMM) Scheme

To Eurex
Product Development
Christian Csomos

Fax no. +49 (0)69 2 11-61 40 75

Application for the Status of Advanced Market Maker for FX options:
(Options on EURUSD, EURCHF, EURGBP, GBPUSD, GBPCHF, USDCHF)

1. We _____
(name of member)

herewith apply for the status of Advanced Market Maker in FX options in accordance with the terms and conditions stated in the Quote Obligations for FX options (Attachment 3), for the following FX options product packages:

package 1	**p**	package 2	**p**
package 3	**p**	package 4	**p**.

2. As an Advanced Market Maker for FX options

a) we will provide bid and ask quotes on both sides of the market

- for the minimum number of contracts specified in the FX options Quote Obligations
- in compliance with the maximum spread specified in the FX options Quote Obligations and
- for the period of time specified in the Quote Obligations (also, and in particular, on a daily basis at the beginning of trading and at the end of trading in the contract and in response to quote requests;

b) we will give you the name of a manager who has the authorization and expertise necessary to make decisions and act as the coordinator in our firm, who will be available for Eurex with respect to this agreement;

c) we will ensure that a Eurex trading screen and a qualified trader are available for Advanced Market Makers in FX options; and

d) we will inform Eurex within one business day in the event that we find ourselves no longer in a position to fulfill these obligations.

3. Eurex will in return

a) - refund 100 percent of all transaction fees for the contracts traded by the AMM Market Makers on M-accounts (order book trades and OTC block trades) between 7 July 2014 up to and including 31 December 2015 and

- refund 50 percent of all transaction fees for the contracts traded by the AMM Market Makers on M-accounts (order book trades and OTC block trades) between 1 January 2016 and 31 December 2017.

The refund for the respective month will be calculated at the beginning of the subsequent month.

No refunds will be made for contracts traded on A- or P-accounts or if Quote Obligations are not fulfilled;

b) mention the name of the Eurex Member with the AMM status in advertising and informative material in connection with the contracts;

c) make Eurex speakers and printed material available for seminars organized by the Market Makers regarding FX options, if desired.

d) share net revenues (defined as transaction fees net of rebates) generated from FX options in the fulfilled package on a monthly basis as follows:

- if the application is received by Eurex before 1 October 2014, share FX options net revenues generated from the fulfilled package:
  - 75% between 7 July 2014 and 31 December 2014,
  - 50% between 1 January 2015 and 31 December 2015,
  - 50% between 1 January 2016 and 31 December 2016,
  - 25% between 1 January 2017 and 31 December 2017,
- if the application is received by Eurex between 1 October 2014 and and 30 November 2014, share FX options net revenues generated from the fulfilled package:
  - 75% between 7 July 2014 and 30 December 2014,
  - 50% between 1 January 2015 and 30 December 2015,
  - 50% between 1 January 2016 and 30 December 2016.

4. Compliance with the obligations stated under No. 2 shall be monitored by Eurex.

   In the event that the obligations stated under No. 2 are not met by us, Eurex shall have the right to terminate the agreement and to publicly disclose the termination of Advanced Market Maker status at Eurex' discretion. In this case, Eurex shall be released from its obligations pursuant to No. 3 with immediate effect.

5. In the event of a significant change in the Contract Specifications for the contract or due to a revision of the law or rules with respect to the contract, we as well as Eurex have the right to terminate this agreement with immediate effect or to renegotiate the requirements indicated in paragraph 2 and/or in the associated Quote Obligations.

6. Eurex shall have the right to amend or expand one or more of the conditions laid down in this agreement for limited periods of time at its sole discretion with validity for all Market Makers, if it deems this appropriate (for example, in circumstances which lead to high market volatility or if such amendments or expansion is not expected to have an adverse effect on market quality). In the event that Eurex amends or expands one or more condition(s), the Market Makers must, for their part, ensure that they can be contacted so that they can be promptly advised that this situation has ceased to exist.

7. Other than the aforementioned measures, no special status at Eurex shall be accorded to the participant in conjunction with the Advanced Market Maker status, which expires depending on the time of registration. After that time, the title "Advanced Market Maker" can no longer be used unless otherwise agreed with Eurex.

8. The associated Quote Obligations for FX options (Attachment 3) are an integral part of this application and are subject for review by Eurex on a semi-annual basis.

9. If Market Makers who have signed and returned the application form to Eurex by the 30 November 2014 at the latest, have for three consecutive months between 1 January 2015 and 31 March 2015 not fulfilled their quote obligations in at least one of the packages they signed up for, these Market Makers will lose their entitlement to the revenue sharing from the Market Making program.

10. Market Makers, who have signed and returned the application form to Eurex by the 30 September 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2017, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

11. Market Makers, who have signed and returned the application form to Eurex between 1 October 2014 and 30 November 2014, can apply for additional packages at a later date and will be entitled to the revenue sharing from the Market Making program also for these additional packages upon fulfillment of the Market Making obligations in these additional packages until 31 December 2016, provided that at the time of application for additional packages the Market Maker is still entitled to the revenue sharing from the Market Making program.

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 application for the status of Advanced Market Maker to the indicated fax number.