X-pand into the Future

e u r e x *circular 280/12*

Date: 19 December 2012
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Peter Reitz

Single Stock Dividend Futures (SSDFs): Extension of Designated Market-Making schemes for SSDFs on the constituents of the EURO STOXX 50® Index and Swiss and British SSDFs; new Designated Market-Making scheme for SSDFs on the non-constituents of the EURO STOXX 50® Index

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Content may be most important for:	**Attachments:**
Ü All departments	1. Designated Market-Making Scheme Obligations 2. Designated Market Maker Application Form

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG decided to extend the Designated Market Making scheme for Single Stock Dividend Futures (SSDFs) on the constituents of EURO STOXX 50® Index, Swiss SSDFs and British SSDFs until **31 December 2013**. In addition, as of **1 January 2013** until **31 December 2013,** a new Designated Market-Making scheme for SSDFs on the non-constituents of EURO STOXX 50® Index will be introduced.

Eurex offers interested participants the opportunity to become Designated Market Makers for the various SSDFs packages. Designated Market Makers will ensure ongoing liquidity by providing quotes on the bid and ask side, subject to maximum spreads, for a specified minimum number of contracts in a defined number of products for a predefined period of time. In addition, Designated Market Makers will take over further obligations as to the efficient operation of the market by providing price information and be available for additional price verification at times as requested by Eurex.

In return, Eurex will grant its Designated Market Makers in each SSDFs package reimbursement of 50 percent of transaction fees for all transactions executed on M-accounts up to and including **31 December 2013**.

For more details on the scheme, please refer to attachment 1. To register as a Designated Market Maker, please apply using the attached form (attachment 2).

Eurex will accept new applicants to these Designated Market-Making schemes until 15 February 2013, unless otherwise notified.

1. Designated Market-Making scheme for Single Stock Dividend Futures on the constituents of the EURO STOXX 50® Index

Outline

This Designated Market-Making scheme covers those Single Stock Dividend Futures (SSDFs) whose underlying shares are constituents of the EURO STOXX 50®.

The Designated Market Maker will be obliged to provide two-way quotes only for a certain number of these 50 constituents in order to receive the fee rebates detailed.

The quote size obligation for the third expiry is lower than those for the first and second expiries – no obligation is in place to quote longer expirations.

The spread and size classification will be reviewed on a quarterly basis.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 1** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **70 percent** of the quotation period of the trading day, from 09:00 to 17:30 CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in regards of **30 out of 50 constituents**

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 1

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
Air Liquide S.A.	A3IR	20%	20%	30%	30	30	15
Allianz SE	A2LV	15%	15%	25%	30	30	15
Anheuser-Bush InBev N.V./S.A.	I2TK	15%	15%	25%	50	50	25
ArcelorMittal S.A.	I2SP	25%	25%	35%	50	50	25
ASML Holding N.V.	A2SM	30%	30%	40%	50	50	25
Assicurazioni Generali S.p.A.	A2SG	25%	25%	35%	50	50	25
AXA S.A.	A2XA	20%	20%	30%	50	50	25
Banco Bilbao Vizcaya Argentaria S.A.	B3BV	20%	20%	30%	50	50	25
Banco Santander S.A.	S2SD	20%	20%	30%	50	50	25
BASF AG	B2AS	15%	15%	25%	30	30	15
Bayer AG	B2AY	15%	15%	25%	50	50	25
BMW AG	B2MW	15%	15%	25%	30	30	15
BNP Paribas S.A.	B2NP	20%	20%	30%	50	50	25
Carrefour S.A.	C3AR	30%	30%	40%	50	50	25
Compagnie de Saint-Gobain S.A.	G2OB	20%	20%	30%	50	50	25
CRH PLC	C2RG	30%	30%	40%	50	50	25
DAIMLER AG	D2AI	15%	15%	25%	30	30	15
Danone S.A.	B2SN	20%	20%	30%	50	50	25
Deutsche Bank AG	D2BK	20%	20%	30%	50	50	25
Deutsche Telekom AG	D2TE	20%	20%	30%	50	50	25
E.ON AG	E2OA	15%	15%	25%	50	50	25
ENEL S.p.A.	E2NL	25%	25%	35%	50	50	25
ENI S.p.A.	E2NT	15%	15%	25%	50	50	25
Essilor International S.A.	E2SL	25%	25%	35%	50	50	25
France Télécom	F2TE	20%	20%	30%	50	50	25
GDF SUEZ S.A.	G2ZF	15%	15%	25%	50	50	25
Iberdrola S.A.	I2BE	25%	25%	35%	50	50	25
Inditex	I3XD	20%	20%	30%	50	50	25
ING Groep N.V.	I2NN	100%	100%	100%	50	50	25
Intesa Sanpaolo S.p.A.	I3ES	100%	100%	100%	50	50	25
Koninklijke Philips Electronics N.V.	P2HI	20%	20%	30%	50	50	25
L'Oréal S.A.	L2OR	20%	20%	30%	30	30	15
LVMH Moët Hennessy Louis Vuitton S.A.	M2OH	20%	20%	30%	30	30	15
Münchener Rückversicherungs-Gesellschaft AG	M2UV	15%	15%	25%	30	30	15
Nokia Corp. Ojy	N2OA	100%	100%	100%	50	50	25
Repsol YPF S.A.	R2EP	25%	25%	35%	50	50	25
RWE AG	R3WE	15%	15%	25%	30	30	15
Sanofi-Aventis S.A.	S2NW	15%	15%	25%	30	30	15
SAP AG	S3AP	20%	20%	30%	50	50	25
Schneider Electric S.A.	S3ND	20%	20%	30%	50	50	25
Siemens AG	S2IE	15%	15%	25%	30	30	15
Société Générale S.A.	S2GE	25%	25%	35%	50	50	25
Telefónica S.A.	T2NE	25%	25%	35%	50	50	25
TOTAL S.A.	T2OT	15%	15%	25%	30	30	15

Product Name	Product ID	Maximum Spreads 1st Expiry	Maximum Spreads 2nd Expiry	Maximum Spreads 3rd Expiry	Minimum Size 1st Expiry	Minimum Size 2nd Expiry	Minimum Size 3rd Expiry
Unibail-Rodamco S.A.	U2BL	20%	20%	30%	30	30	15
UniCredit S.p.A.	C3RI	100%	100%	100%	50	50	25
Unilever N.V.	U2NI	20%	20%	30%	50	50	25
VINCI S.A.	S2QU	20%	20%	30%	30	30	15
Vivendi S.A.	V3VU	20%	20%	30%	50	50	25
Volkswagen Vz.	V2W3	15%	15%	25%	30	30	15

2. Designated Market-Making scheme for Single Stock Dividend Futures on non-constituents of the EURO STOXX 50® Index (non-EURO STOXX 50® package)

Outline

This Designated Market-Making scheme covers those Single Stock Dividend Futures (excluding Swiss and British SSDFs) on European stocks whose underlying shares are not constituents of the EURO STOXX 50®, combined in the non-EURO STOXX 50® package. The package allocation will be reviewed as and when additional SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes for 50 percent of the SSDFs contained in the non-EURO STOXX 50® package in order to receive the fee rebates detailed.

The quote size obligation for the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 2** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **50 percent** of the quotation period of the trading day, from 09:00 to 17:30 CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in **50 percent** of the products in the non-EURO STOXX 50® package

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 2

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
AEGON Dividend Futures	A2EN	100%	100%	100%	30	30	15
ALSTOM Dividend Futures	A2OM	20%	20%	30%	30	30	15
Deutsche Börse Dividend Futures	D3B1	20%	20%	30%	30	30	15
Royal KPN Dividend Futures	K2PN	15%	15%	25%	30	30	15
Telecom Italia Dividend Futures	T2QI	30%	30%	40%	30	30	15
Crédit Agricole Dividend Futures	X2CA	100%	100%	100%	30	30	15

3. Designated Market-Making scheme for British Single Stock Dividend Futures

Outline

This Designated Market-Making scheme covers Single Stock Dividend Futures (SSDFs) on British stocks which are combined in the British SSDFs package for Designated Market-Making. The package allocation will be reviewed as and when additional British SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes only on a certain percentage of the SSDFs contained in the British package.

The quote size obligation of the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 3** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **70 percent** of the quotation period of the trading day, from 09:00 a.m. to 17:30 p.m. (CET), calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in **50 percent** of the products in the British SSDFs package (i.e. 7 out of 13 products)

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision Pricing Requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 3

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
Anglo American Dividend Futures	A2AL	100%	100%	100%	50	50	25
AstraZeneca Dividend Futures	A2ZN	40%	45%	55%	50	50	25
Barclays Dividend Futures	B2AR	200%	200%	200%	50	50	25
BHP Billiton Dividend Futures	B2LT	100%	100%	100%	50	50	25
BP Dividend Futures	B2P	100%	100%	100%	50	50	25
BT Group Dividend Futures	B2T	40%	45%	55%	50	50	25
Diageo Dividend Futures	D2GE	40%	45%	55%	50	50	25
GlaxoSmithKline Dividend Futures	G3SK	40%	45%	55%	50	50	25

Product Name	Product ID	Maximum Spreads 1st Expiry	Maximum Spreads 2nd Expiry	Maximum Spreads 3rd Expiry	Minimum Size 1st Expiry	Minimum Size 2nd Expiry	Minimum Size 3rd Expiry
HSBC Dividend Futures	H2SB	100%	100%	100%	50	50	25
Royal Dutch Shell Dividend Futures	R2DA	20%	25%	35%	50	50	25
Rio Tinto Dividend Futures	R2TZ	100%	100%	100%	50	50	25
Tesco Dividend Futures	T2SC	20%	25%	35%	50	50	25
Vodafone Group Dividend Futures	V3O	20%	25%	35%	50	50	25

4. Designated Market-Making scheme for Swiss Single Stock Dividend Futures

Outline

This Designated Market-Making scheme covers Single Stock Dividend Futures (SSDFs) on Swiss stocks which are combined in the Swiss SSDFs package for Designated Market-Making. The package allocation will be reviewed as and when additional Swiss SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes only on a certain percentage of the SSDFs contained in the Swiss package.

The quote size obligation of the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 4** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **70 percent** of the quotation period of the trading day, from 09:00 to 17:30CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in **50 percent** of the products in the Swiss SSDFs package

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 4

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
UBS Dividend Futures	U2BS	200%	200%	200%	50	50	25
Cie Financière Richemont Dividend Futures	C2FR	40%	45%	55%	50	50	25
ABB Dividend Futures	A2BB	40%	45%	55%	50	50	25
Credit Suisse Group Dividend Futures	C3SG	20%	25%	35%	50	50	25
Nestlé Dividend Futures	N2ES	20%	25%	35%	30	30	15
Novartis Dividend Futures	N2OV	20%	25%	35%	30	30	15
Swiss Re Dividend Futures	S2RE	20%	25%	35%	30	30	15
Roche Holding Dividend Futures	R2OG	20%	25%	35%	5	5	2
Zurich Financial Services Dividend Futures	Z2UR	20%	25%	35%	5	5	2
Swisscom Dividend Futures	S2CM	20%	25%	35%	5	5	2

For the avoidance of doubt:

Where the first expiry in the contract series is December 2013 and the permissible percentage spread is noted as 20 percent for that expiry - then to fulfil the obligations the offer price must be no greater than the bid price plus 20 percent of that bid price.

For example: If the quoted bid is 3.50 and the permissible percentage spread is 20 percent then the offer price must be no greater than 4.20.

If a successor product in one of the underlying instruments is admitted for trading with a standard contract size due to a corporate action, the successor product will become part of the Quotation Requirements with effect from the first trading day of the next calendar month. This shall also apply if any index component is changed.

Application Form – Designated Market Maker Scheme

To Eurex
Product Development
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Application for the Status of Designated Market Maker
in Single Stock Dividend Futures
on dividends of constituents of EURO STOXX 50® Index, non-constituents of EURO STOXX 50® Index, Swiss Stocks and British Stocks

1. We _____
(name of participant)

hereby apply for the status of Designated Market Maker in Single Stock Dividend Futures contracts on dividends of:

- ¨ **Constituents of EURO STOXX 50® Index**
- ¨ **Non-constituents of EURO STOXX 50® Index**
- ¨ **Swiss Stocks**
- ¨ **British Stocks**

for the period from **1 January 2013 until 31 December 2013** in accordance with the terms and conditions stated in the Scheme Obligations (attachment 1).

2. As a Designated Market Maker

a) we will fulfil the obligation by provision of two way quotes for each of the contracts in the series

- for the minimum number of contracts specified in the Scheme Obligations
- in compliance with the maximum spread specified in the Scheme Obligations; and
- in compliance with the times specified in the Scheme Obligations.

b) we will give you the name of a manager, and an alternate, who has the authorization and expertise necessary to fulfil the commitments required under the Scheme Obligations to Eurex Market Supervision

c) 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

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

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

3. Eurex will in return

a) refund 50 percent of all trading and clearing fees for the contracts traded by the Designated Market Makers on M-accounts up to and including 31 December 2013. 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 Scheme Obligations have been fulfilled in the month prior to the one in which they are applicable. No refunds will be made for contracts traded on A- or P-accounts;

b) mention the name of the Eurex member with the Designated Market Maker status in advertising and informative material in connection with the contracts, if desired;

c) make Eurex speakers and printed material available for seminars organized by the Designated Market Makers regarding Single Stock Dividend Futures, if desired; and

d) consult the Designated Market Makers as a deliberative body on any proposed material changes to this product and its Contract Specifications, notwithstanding any legal obligations of Eurex, and only action the proposed material changes upon a quorum of those responding Designated Market Makers who deem such changes to be acceptable.

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 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 Scheme 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 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 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 Designated Market Maker status, which expires on 31 December 2013. After that time, the title "Designated Market Maker" can no longer be used unless otherwise agreed with Eurex.

8. The associated Scheme Obligations (attachment 1) are an integral part of this application.

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 Designated Market Maker to the indicated fax number.