X-pand into the Future

eurex circular 016/16

Date: 28 January 2016
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Mehtap Dinc

High priority

EURO STOXX 50® and SMI® Index Dividend Futures: Extension of Designated Market-Making scheme

Related Eurex circular: 014/15

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Content may be most important for:

➲ All departments

Attachments:

1. Designated Market-Making Scheme for Futures on EURO STOXX 50® and SMI® Index Dividends - Quote Obligations
2. Eurex Clearing circular 006/16

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG decided to extend the Designated Market-Making scheme for EURO STOXX 50® (FEXD) and SMI® (FSMD) Index Dividend Futures. The scheme will be offered for the period from **1 February 2016 to 31 December 2016.**

Eurex Exchange offers interested participants the possibility to become Designated Market Makers for the products FEXD and FSMD. 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 for a predefined period of time.

In return, Eurex Exchange will grant its Designated Market Makers for FEXD and FSMD a reimbursement of 50 percent of transaction fees for all transactions in FEXD and FSMD executed on M-accounts up to and including **31 December 2016.**

For more details on the scheme, please refer to attachment 1. To register as a Designated Market Maker, please apply using the form which is attached to Eurex Clearing circular 006/16.

Eurex Exchange will accept applicants to this Designated Market-Making Scheme until 19 February 2016 unless otherwise notified.

Designated Market Maker Scheme for Futures on EURO STOXX 50® Index Dividends

Quote Obligations

Eurex Code: FEXD

In the order book:

Two-way quote provision:	Provision of two way quotes for the **first, second and third expiry** contracts in the series • with a minimum size of **100 contracts** on the bid and ask side • with a maximum spread of **1.0 percent** (based on bid price) for the **fourth, fifth and sixth expiry** contracts in the series • with a minimum size of **50 contracts** on the bid and ask side • with a maximum spread of **2.0 percent** (based on the bid price) for the **seventh, eighth, ninth and tenth expiry** contracts in the series • with a minimum size of **50 contracts** on the bid and ask side • with a maximum spread of **3.0 percent** (based on the bid price) The spread and size classification will be reviewed on a quarterly basis.
Quotation Period:	**80 percent** of the quotation period of the trading day, from 09:00 a.m. to 17:30 p.m. (CET), on a monthly average.
Designated Market Maker Fees:	**1 February 2016 up to 31 December 2016** refund of 50 percent of the transaction fees for contracts traded on M-accounts (order book and off-book-transactions on Eurex Exchange) upon fulfilment of all obligations
Fast Market (definition and announcement by the Exchange)	Quote provisions - maximum spreads will be increased by 100 percent and the minimum quote size will be reduced by 50 percent.
Delay or Failure of the Underlying Index	Quote provision may be suspended until the delay is rectified or the Failed Index is calculated (or re-calculated) subject to the exchanges rules

To Eurex Market Supervision:

Respond to Daily Pricing Requests	Designated Market Maker must respond to all Eurex Pricing Requests up to a maximum of 2 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

Designated Market Maker Scheme for Futures on SMI® Index Dividends

Quote Obligations

Eurex Code: FSMD

In the order book:

Two-way quote provision	Provision of two way quotes for the **first, second and third expiry** contracts in the series • with a minimum size of **25 contracts** on the bid and ask side • with a maximum spread of **2.0 percent** for the **fourth and fifth contracts** in the series • with a minimum size of **25 contracts** on the bid and ask side • with a maximum spread of **4.0 percent** Provision of two way quotes for each of the contracts in the series
Quotation Period:	50 percent of the quotation period of the trading day, from 09:00 a.m. to 17:30 p.m. (CET), on a monthly average.
Designated Market Maker Fees:	**1 February 2016 up to 31 December 2016** refund of 50 percent of the transaction fees for contracts traded on M-Accounts (order book and off-book-transactions on Eurex Exchange) upon fulfilment of all obligations
Fast Market (definition and announcement by the Exchange)	Quote provisions - maximum spreads will be increased by 100 percent and the minimum quote size will be reduced by 50 percent.
Delay or Failure of the Underlying Index	Quote provision may be suspended until the delay is rectified or the Failed Index is calculated (or re-calculated) subject to the exchanges rules

To Eurex Market Supervision:

Respond to Daily Pricing Requests	Designated Market Maker must respond to all Eurex Pricing Requests up to a maximum of 2 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

clear to trade

eurex clearing *circular 006/16*

Date: 28 January 2016
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

EURO STOXX 50® and SMI® index dividend futures: Extension of Designated Market-Making scheme

Related Eurex circular: 016/16

Contact: Derivatives Clearing Supervision, T +49-69-211-1 12 50, clearing@eurexclearing.com,
Risk Control, T +49-69-211-1 24 52, risk@eurexclearing.com

Content may be most important for:	**Attachment:**
➲ All departments	Designated Market Maker Agreement in EURO STOXX 50® (FEXD) and SMI® (FSMD) Index Dividend Futures

Effective 1 February 2016, Eurex Clearing AG took the following measures:

- Extension of the Designated Market-Making scheme for EURO STOXX 50® (FEXD) and SMI® (FSMD) index dividend futures for the period from **1 February 2016 to 31 December 2016**.
- 50 percent reimbursement of transaction fees for Designated Market Makers in FEXD and FSMD. This applies to all transactions in FEXD and FSMD executed by Designated Market Makers on M-accounts up to and including 31 December 2016.

The conditions and details as well as the exact parameters of the EURO STOXX 50® (FEXD) and SMI® (FSMD) index dividend futures scheme can be retrieved from Eurex circular 016/16.

If you wish to register as Designated Market Maker, please fill in and sign the form in the attachment and return it until 19 February 2016 to Christine Heyde, fax number +49-69-211-61 56 98 or e-mail christine.heyde@eurexchange.com.

Please return by fax or e-mail to:

Christine Heyde
Fax no. +49-69-211-61 56 98
E-mail: christine.heyde@eurexchange.com

Designated Market Maker Agreement for Futures on EURO STOXX® 50 and SMI® Index Dividends

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") for the period from **1 February 2016 to 31 December 2016** under the conditions outlined below with respect to the following products (please tick the appropriate box):

☐ **EURO STOXX® 50 Index Dividends Futures Contracts (FEXD)**

☐ **SMI® Index Dividends Futures Contracts (FSMD)**

2. The Participant will

a) Fulfil the Market-Making obligations as set out by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich ("Eurex Market-Making Obligations") and published via Eurex circular. The current Eurex Market-Making Obligations for Futures on EURO STOXX® 50 and SMI® Index Dividends were published in Eurex circular 016/16 and can be amended from time to time.

b) 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.

c) 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.

d) 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 50 percent of all transaction fees (order book and off-book-transactions on Eurex Exchange) for the contracts traded by the Designated Market Makers on M-accounts in the respective products up to and including **31 December 2016.** 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.

4. EFAG and ECAG 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 severally 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.