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eurex clearing *circular 077/14*

Date: 13 June 2014
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

EURIBOR initiative: Revenue sharing programme, introduction and extension of various Market Maker programmes for options and futures on the EURIBOR

Related Eurex Circulars: 126/14, 127/14

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Content may be most important for:	**Attachment:**
➲ All departments	Updated sections of the Price List for Eurex Clearing AG

Summary:

On **1 July 2014**, the following measures of Eurex Clearing will come into effect:

1. Extension of the existing Market-Making price model in EURIBOR Futures (FEU3),
2. Introduction of Spread Market-Making in EURIBOR Futures (FEU3),
3. Introduction of a long-term revenue sharing component in EURIBOR Futures (FEU3) for Spread Market Makers,
4. Introduction of a new Market-Making price model in EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4),
5. Introduction of a Market Maker volume rebate model for EURIBOR Options (OEU3),
6. Introduction of long-term revenue sharing scheme for EURIBOR Options (OEU3) and EURIBOR Mid Curve options (OEM1, OEM2, OEM3, OEM4) for Market Makers,
7. Introduction of long-term revenue sharing scheme in EURIBOR Futures for Marker Makers in EURIBOR Options.

The conditions and details as well as the exact parameters of the respective programmes in den corresponding products are contained in Eurex circulars 126/14 and 127/14.

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Aktiengesellschaft mit Sitz in Frankfurt/Main
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EURIBOR initiative: Revenue sharing programme, introduction and extension of various Market Maker programmes for options and futures on the EURIBOR

On 1 July 2014, the following measures of Eurex Clearing will come into effect:

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3. Introduction of a long-term revenue sharing component in EURIBOR Futures (FEU3) for Spread Market Makers,
4. Introduction of a new Market-Making price model in EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4),
5. Introduction of a Market Maker volume rebate model for EURIBOR Options (OEU3),
6. Introduction of long-term revenue sharing scheme for EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4) for Market Makers,
7. Introduction of long-term revenue sharing scheme in EURIBOR Futures for EURIBOR Options Marker Makers.

The conditions and details as well as the exact parameters of the respective schemes in the corresponding products are contained in Eurex circulars 126/14 and 127/14.

1. Extension of the existing Market-Making price model in EURIBOR Futures (FEU3)

Between 1 July 2014 and 31 December 2014, 100 percent of the transaction fees will be rebated on M-accounts upon fulfilment of the quote obligations (Outrights) in EURIBOR Futures (FEU3).

In combination with the fulfillment of the quote obligations, Eurex Exchange will offer further incentives for Market Makers for the creation of open interest. The detailled parameters of the Designated Market-Making scheme are contained in attachment 2 of Eurex circular 127/14.

2. Introduction of Spread Market-Making in EURIBOR Futures (FEU3)

Between 1 July 2014 and 31 December 2019, 100 percent of the transaction fees will be rebated on M-accounts upon fulfilment of the spread quote obligations in EURIBOR Futures (FEU3) Calendar Spreads.

3. Introduction of a long-term revenue sharing component in EURIBOR Futures (FEU3) for Spread Market Makers

Upon fulfilment of the respective obligations, revenue sharing will be granted between 2014 and 2019 from the defined pools of revenues for EURIBOR Futures (FEU3) on P- and M-accounts. The detailed parameters of the revenue sharing scheme are contained in attachment 2 of Eurex circular 127/14.

4. Introduction of a new Market-Making price model in EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4)

Between 1 July 2014 and 31 December 2015, between 80 and 95 percent of the transaction fees will be rebated on M-accounts upon fulfilment of the quote obligations (quotation on request and Permanent Market-Making) in EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4). Details on this scheme are contained in the attached Price List for Eurex Clearing AG (Price List).

5. Introduction of a Market Maker volume rebate model for EURIBOR Options (OEU3)

Between 1 July 2014 and 31 December 2015, between 80 and 95 percent of the transaction fees according to the traded volume in EURIBOR Options will be rebated on P-accounts and M-accounts upon fulfilment of the additional volume rebates for Market Makers in EURIBOR Options (OEU3). Details on this scheme are contained in the attached Price List.

6. Introduction of long-term revenue sharing for EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4) for Market Makers in EURIBOR Options

Between 2014 and 2019, revenue sharing will take place from the defined revenue pools of EURIBOR Options (OEU3) and EURIBOR Mid Curve Options (OEM1, OEM2, OEM3, OEM4) on P- and M-accounts upon fulfilment of the respective obligations by Market Makers in EURIBOR Options.

7. Introduction of long-term revenue sharing in EURIBOR Futures for Market Makers in EURIBOR Options

Between 2014 and 2019, revenue sharing will take place from the defined revenue pools of EURIBOR Futures (FEU3) on P- and M-accounts upon fulfillment of the respective obligations by Market Makers in EURIBOR Options. The detailed parameters of the revenue sharing scheme can be found in attachment 2 of Eurex circular 126/14.

Pursuant to Number 16 Paragraph 3 of the Price List, the amendments and additions to the Price List as communicated with this circular shall be deemed to have been accepted by the respective Clearing Member unless such Clearing Member's written objection is submitted to Eurex Clearing AG within ten (10) business days after publication.

13 June 2014

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3.2 Rebates

3.2.1 Market Making Rebates for Products without Market Making in Option Strategies

Upon fulfilment of the published Market Making Obligations, parts of the fees pursuant to Numbers 3.1.1, 3.1.3 and 3.7 for transactions correctly booked on M-Accounts are refunded on a monthly basis. The rebate levels are as follows, however, taking into consideration Number 3.2.2 with regard to products with Market Making in Option Strategies:

Product / Product Group	**RMM and PMM schemes**		**AMM schemes**	
	Order Book and Exercises	OTC entries	Order Book and Exercises	OTC entries
Equity Index Options without Market Making in Option Strategies	55 %	40 %	80 %	60 %
Equity Options without Market Making in Option Strategies	55 %	40 %	80 %	60 %
Dow Jones-UBS Optionen	50 %	50 %	n. a.	n. a.
Eurex-KOSPI-Daily-Futures-Contracts	50 %	50 %	n. a.	n. a.
Daily Futures on TAIEX Options	50 %	50 %	n. a.	n. a.
FX-Futures FX-Options	50%	50%	50%	50%
Product / Product Group	**RMM and PMM schemes**		**AMM schemes**	
	Order Book and Exercises	OTC entries	Order Book and Exercises	OTC entries
Gold-Futures, Silver-Futures, Gold-Options, Silver-Options	75 %	n. a.	n. a.	n. a.
Options on Exchange Traded Index Fund Shares	50 %	50 %	75 %	75 %
~~Options on Three-Month EURIBOR Future, One-Year, Two-Year, Three-Year and Four-Year EURIBOR Mid-Curve~~	~~80 %~~	~~80 %~~	~~n. a.~~	~~n. a.~~

~~Options on Three-Month EURIBOR Future~~				
Xetra-Gold®-Options	50 %	n. a.	n. a.	n. a.

Product / Product Group	**RMM Schemes**			**PMM Schemes**		
	Minimum Volume per Month	Order Book and Exercises	OTC entries	Minimum Volume per Month	Order Book and Exercises	OTC entries
Options on Three-Month EURIBOR Future	2,000	80%	80%	n.a.	90%	90%
One-Year and Two-Year EURIBOR Mid-Curve Options on Three-Month EURIBOR Future	2,000	80%	80%	n.a.	90%	90%
Three-Year and Four-Year EURIBOR Mid-Curve Options on Three-Month EURIBOR Future	500	85%	85%	n.a.	95%	95%

For OTC-Entries via the Flexible Options facility, market making rebates are not granted.