

Eurex Bonds

Pricing Model

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1 Introduction

The pricing model in its respectively valid version is part of the Connection Agreement between Eurex Bonds GmbH and any Market Participant of Eurex Bonds.

All fees according to this pricing model are net fees. Since value added taxes vary for different services and member locations, they are calculated individually for each service and each member location on Eurex Bonds invoices.

2 Pricing Model

The Eurex Bonds Pricing Model differentiates between five different kinds of fees: annual fees, transaction fees, connection fees, mistrade fees and training fees.

2.1 Annual Fees

Eurex Bonds charges an annual fee for providing the software, the releases and technical and functional support. The applicable time-frame for the annual fee is the calendar year.

- All Eurex Bonds members who are shareholders are charged an annual fee of € 100,000.
- All Eurex Bonds members who are not shareholders are charged an annual fee of € 40,000.
- All Eurex Bonds members who are admitted for trading in the Denmark segment only are charged an annual fee of € 5,000.

The annual fee is billed once a year and is included in the first monthly invoice for the current calendar year.

2.2 Transaction Fees

The transaction fees per million traded volume for a given trade depend on three factors:

- Shareholder / Non-Shareholder
- Aggressor / Non-Aggressor (on a per trade level)
- Trading segment

In the following sections the three factors are defined in detail. A table with the fee per million for each relevant factor combination is provided thereafter.

Transaction fees are calculated on the basis of the nominal value of each cash bond trade and cash leg out of a basis trade, and of the nominal value of each cash leg of a break even trade.

2.2.1 Factor 1: Shareholder / Non-Shareholder

For order book trades members who are shareholders in Eurex Bonds are charged lower transaction fees than members who are not shareholders.

Depending on a member being shareholder or non-shareholder for the current trade a different row in the table in section 2.2.4 is applied.

2.2.2 Factor 2: Aggressor / Non-Aggressor

For order book trades for each trade, the "non-aggressor" is the counterparty which has first entered the quote or order into the system. The "aggressor" is the counterparty which accepts the existing quote or order by entering a quote or order himself.

For trades executed via an auction both counterparties are considered as aggressors and are charged according to the pricing table in section 2.2.4.

2.2.3 Factor 3: Trading Segment

The trading segment to which the instrument traded belongs determines the applicable row in the pricing table in section 2.2.4.

2.2.4 Pricing Table

This pricing table is applicable to all order book trades, request for quote (RFQ) trades, request for order (RFO) trades as well as those pre-arranged trades which do not qualify as "Block Pre-arranged Trades" according to the definition in section 2.2.5

Fees per million traded for each side in trading currency	Shareholder		Non-Shareholder	
	Non-Aggressor	Aggressor	Non-Aggressor	Aggressor
Eligible Segments (currently Germany, Netherlands, Austria, Finland) and other Government Bonds except Italy and Denmark	**-20**	**30**	**-10**	**30**
Tesoro Italiana and **Denmark Government Bonds**	**- 15**	**25**	**-15**	**25**
Other Bonds and specials (Covered Bonds, agencies, Corporate Bonds, Basis, Break Even)	**- 10**	**20**	**-5**	**25**
RFQ / RFO / Pre-arranged trades	Depends on maturity bucket			
	≤2 years	7		
	>2-7 years	10		
	>7-12 years	15		
	>12 years	20		

The table shows the fees in traded currency per million traded nominal volume (denominated currency). Negative fees indicate payments from Eurex Bonds to the participant.

The applicable row depends on the trading segment. The applicable column depends on whether the participant is shareholder or not and whether he is aggressor or non-aggressor for a trade (as defined in 2.2.2).

Transaction fees are charged to the Trading Member in Euro. The conversion of the transaction fees into the invoice currency shall take place at the last exchange rate of the European Central Bank published in the invoice month.

The calculation of the residual maturity and the allocation of the securities to their appropriate buckets take place by Eurex Bonds on basis of the difference between the trade date and the maturity date of the traded securities.

2.2.5 Block Pre-arranged Trades

Pre-arranged trades which fulfil both conditions as specified below are considered Block Pre-arranged Trades

Condition 1:

(a) The nominal trade size is at least 30 million in denominated currency and the traded instrument is either a government-issued instrument or a basis instrument

or

(b) the nominal trade size is at least 15 million in denominated currency and the traded instrument is neither a government-issued instrument nor a basis instrument,

Condition 2: The counterparties to the trade are neither the issuer of the instrument* nor acting on behalf of the issuer*.

** For basis trades: issuer of the underlying bond*

"Block Pre-arranged Trades" are charged according to the following pricing table (in trading currency per million traded nominal volume):

	Shareholder	Non-Shareholder
All segments	**2**	**3**

2.2.6 Additional Regulations

Eurex Bonds transaction fees do not include any clearing and settlement fees. Furthermore, fees for futures leg execution of basis trades are charged separately by Eurex Clearing AG according to the Eurex Clearing AG price list.

Clearing, e.g. the Fixed-Income-CCP functionality is an additional service by Deutsche Börse® Group and therefore, clearing fees are billed separately by Eurex Clearing AG.

Eurex Bonds transaction fees are charged directly to every trading member of Eurex Bonds, regardless of whether the member is a Eurex Clearing member or not.

Eurex Bonds transaction fees are not linked to any Exchange Fees of the exchanges of Deutsche Börse Group (e.g. FWB, Eurex Deutschland) and cannot be offset against any such exchange fees.

2.3 Connection Fees

A Eurex Bonds Trading Member needs access to the Xetra network of Deutsche Börse Group. Using an existing line to the T7 and Xetra trading systems for connectivity to the Eurex Bonds trading system is free of charge for the Eurex Bonds Trading Member.

Through technically connecting to the Eurex Bonds trading system the member is automatically provided with access to price and order book information of the Eurex Bonds trading system without additional charges[1].

Provision and termination of a connection component is offered without charges. Terminations are possible to the end of a month.

Monthly fees for a connection component to the Eurex Bonds trading system are charged starting with the calendar month following the technical implementation of the connection. This applies regardless of whether the Trading Member or Multi-Member Service Provider has already used the connection or has made a functional test.

1 This does not apply for 10 Gbit/s transaction connections in Co-Location.

2.3.1 Bandwidths

Connections listed in the following table allow access to the Eurex Bonds trading system.

Connection	Bandwidth (Mbit/s)	Price (EUR / connection and month)				
		Co-Location (Equinix)	Leased Line in Tier A	Leased Line in Tier B	Leased Line in Tier C	iAccess
Eurex Bonds Multi-Interface Channel (MIC)	≤ 7	1.500	1.500	1.500	1.500	750
	80	3.000	4.200	R	R	-
	200	4.000	5.400	R	R	-
Eurex Bonds GUI-Channel (in combination with MIC)	1	40	60	100	110	-
	3	110	170	300	340	
	10	380	600	1.000	1.100	
	40	1.500	2.300	R	R	
Eurex Bonds GUI via Internet	n/a	500[X1]				
Dedicated Eurex Bonds GUI- Channel (without MIC)	7	-	1.500	1.500	1.500	-
	40	-	2.300	R	R	

Legend	
Tier A	Metro areas of Amsterdam, Frankfurt, London, Milan, Paris and Zurich
Tier B	Austria, France, Germany, the Netherlands, Switzerland and UK
Tier C	Belgium, Denmark, Finland, Ireland, Italy, Luxembourg, Portugal, Spain and Sweden
R and other locations	High-bandwidth MIC (80 Mbit/s, 200 Mbit/s) and Xetra GUI Channel in other locations available upon request (connection fee will be at least Tier A)
X1	Eurex Bonds GUI via Internet is free of charge for participants with a MIC, a GUI-Channel or if a connection via a service provider is used.

2.3.2 Sessions and Session-based Connections

For sessions required for trading on Eurex Bonds via Enhanced Transaction Solution or for session-based connections required via the FIX Gateway the following monthly fees are charged:

	Monthly price
Enhanced Transaction Solution trading session (150 txn/s)	500 € each
Enhanced Transaction Solution trading session light (50 txn/s)	250 € each
FIX trading session-based connection	250 € each
FIX Back Office session-based connection	100 € each

Sessions and FIX session-based connections for the equivalent monthly value of up to 1,000 € per Trading Member are free of charge. Sessions and session-based connections beyond this value are charged at the above-mentioned monthly fees.

FIX session-based connections to the Eurex Bonds RFQ system are free of charge.

2.3.3 Tokens and Certificates

For the access to Eurex Bonds via GUI Connections a token device or certificate is required. The following monthly fees are charged:

	Trading Members with GUI Connection	
	not via dedicated leased line or via internet	via dedicated leased line
Token/Certificate	€ 300	€ 100

Trading Members connected in Co-Location, via leased lines or receive up to five tokens or certificates free of charge.

2.3.4 Multi-Member Service Provider

Trading Members have the opportunity to connect to the Eurex Bonds trading system via a Multi-Member Service Provider. In this case, fees according to section 2.3.1 are not charged to the Trading Member but to the provider of the Multi-Member connection.

Using an existing line to the T7 and Xetra trading systems for connectivity to the Eurex Bonds trading system is free of charge for the Multi-Member Service Provider.

2.4 Mistrade Fees

A Mistrade Transaction can be cancelled by Eurex Bonds as specified in the "Terms and Conditions for Participation and Trading on Eurex Bonds". The participant who filed a Mistrade Application shall be charged a handling fee of € 500.

All transaction and clearing fees associated with the cancelled Mistrade Transaction shall be cancelled.

2.5 Training Fees

Participants in Eurex Bonds are offered a variety of different training possibilities:

- Functional training for traders
- Technical training for system administrators

Training fees are not included in this pricing model. Please contact Eurex Bonds at the address given below if you are interested. Eurex Bonds sponsors these training sessions.

2.6 Excessive System Usage

In general, no fees are invoiced for order/quote transactions (entries, modifications, deletions) and inquiry transactions (e.g. inquire inside market, inquire trade). However, a fee for excessive system usage for transactions at Eurex Bonds is charged as follows:

If a limit of transactions per day, defined for instrument group or segment, is exceeded, a graded fee is invoiced for excessive system usage. This free of charge limit of transactions per day is derived from the respectively higher value of either the so-called “base load per day” or the product of the number of executed trades per day and the so-called “ratio”. The “ratio” indicates the number of transactions to executed trades up to which transactions are free of charge.

For transactions above this limit (“Excess TA“), a fee for excessive system usage according to the degree of excess (up to 50 percent, more than 50 percent up to 100 percent, more than 100 percent) is charged.

The fee for excessive system usage according to this section is refunded, if the fees were generated by the Trading Member on not more than five trading days within the calendar month and the Trading Member explains vis-à-vis Eurex Bonds within one week after distribution of the relevant Eurex Bonds invoice in a plausible way that the excessive usage was not due to intentional or grossly negligent behaviour. Such notification has to be submitted by e-mail to the address: info@eurex-bonds.com.

Parameters for calculation of Excessive System Usage Fee:

Segment	Instrument groups *	Base load per day	Ratio	Excess TA <= 50% in Eurocent	Excess TA 50-100% in Eurocent	Excess TA > 100% in Eurocent
German Government Bonds	BOND	1,500,000	200,000	0.005	0.01	0.015
German Government Bonds	BILL	1,500,000	200,000	0.005	0.01	0.015
Other Government Bonds	EGOV	1,500,000	200,000	0.005	0.01	0.015
Other Government Bonds	IGOV	1,500,000	200,000	0.005	0.01	0.015
Other Government Bonds	GODK	1,500,000	200,000	0.005	0.01	0.015
Other Government Bonds	GOUS	1,500,000	200,000	0.005	0.01	0.015
Non Government Bonds	All other instrument groups	1,500,000	200,000	0.005	0.01	0.015

* The fee for excessive system usage is also charged for new instrument groups not mentioned here which are assigned to the existing segments.

3 Closing Remarks

Eurex Bonds reserves the right to introduce changes or enhancements to this pricing model. Price increases will be announced 6 weeks in advance in accordance with the connection agreement.

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