



eurex clearing circular 126/15

Date: 30 October 2015
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

Mini Futures on VSTOXX®: Change of Market-Making scheme

Related Eurex circular: 195/15

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 Risk Control, T +49-69-211-1 24 52, risk@eurexclearing.com

Content may be most important for:

☞ All departments

Attachment:

Designated Market Maker Agreement for Mini Futures on VSTOXX® Index

Summary:

Effective **2 November 2015**, Eurex Clearing will modify the Designated Market-Making scheme for Mini Futures on VSTOXX® (FVS).

The conditions and details as well as the exact parameters of the scheme in the corresponding products are contained in Eurex circular 195/15.



Mini Futures on VSTOXX®: Change of Market-Making scheme

Effective 2 November 2015, Eurex Clearing will modify the Designated Market-Making scheme for Mini Futures on VSTOXX® (FVS).

The conditions and details as well as the exact parameters of the scheme in the corresponding products are contained in Eurex circular 195/15.

Designated Market-Making scheme

Eurex Clearing will take the following measures with respect to the Designated Market-Making scheme of Eurex Deutschland and Eurex Zürich AG in Mini Futures on VSTOXX® (FVS) valid in the period from 2 November 2015 until 31 December 2016 including:

- Provided the selected Designated Market-Making (DMM) quote obligations according to scheme 1, 2 or 3 in Mini Futures on VSTOXX® (FVS) were fulfilled, DMMs will receive a refund of all transaction fees for trades in Mini Futures on VSTOXX® concluded on M-accounts (order book and off-book transactions). Refunds will be distributed on a monthly basis.
- In addition, a revenue sharing scheme for Market-Making in Mini Futures on VSTOXX® according to scheme 2 will be offered. Thereby, 30 percent of the net transaction fees in Mini Futures on VSTOXX® will be distributed among the top three Market Makers on a monthly basis according to a ranking of the volume of one single Market Maker out of the total trading volume of the top three Market Makers (based on M-account order book and off-book volumes). The top Market Maker will receive 15 percent of the net transaction fees, while ten percent and five percent of the net transaction fees will be shared with the Market Makers ranked two and three. If less than three Market Makers qualify for the revenue sharing, the top ranked Market Maker receives 20 percent and the second-ranked Market Maker receives ten percent of the net transaction fees. If only one Market Maker qualifies, this Market Maker receives 30 percent of the net transaction fees.

Revenue sharing will be granted monthly whenever the Market Maker Obligations according to scheme 2 have been fulfilled.

If you wish to register as Designated Market Maker, please fill in and sign the form in the attachment and return it to Sascha Semroch, fax number +49-69-2 11-61 50 78 or e-mail ascha.semroch@eurexchange.com.

Please refer to Eurex circular 195/15 for further details of the Designated Market-Making scheme.

If you have any questions or require further information, please contact Derivatives Clearing Supervision at tel. +49-69-211-1 12 50 or send an e-mail to: clearing@eurexclearing.com. Alternatively, Risk Control is available at tel. +49-69-211-1 24 52 or via e-mail to: risk@eurexclearing.com.

30 October 2015

Please return by fax to:

Sascha Semroch

Fax no.: +49-69-211-61 50 78**Designated Market Maker Agreement for Mini Futures on VSTOXX[®] Index**

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)
(name of participant)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) under the conditions as outlined below with respect to Mini Futures on VSTOXX[®] Index for the period from **2 November 2015 until 31 December 2016** for the following schemes:

Product	Eurex product code	Please tick (✓) if applicable
Mini Future on VSTOXX [®] - scheme 1	FVS	<input type="checkbox"/>
Mini Future on VSTOXX [®] - scheme 2	FVS	<input type="checkbox"/>
Mini Future on VSTOXX [®] - scheme 3	FVS	<input type="checkbox"/>

in accordance with the terms and conditions stated in the Quote Obligations in their most recent version.

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 AG (“Eurex Market-Making Obligations”) and published via Eurex circular. The current Eurex Market-Making Obligations Mini Futures on the VSTOXX[®] Index are published in Eurex circular 195/15. The Quote Obligations are subject to a quarterly review and can be amended;
 - 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 authorization and expertise necessary to make decisions and act as the coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement and
 - 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 100 percent of all transaction fees (order book and off-book-transactions on the Eurex Exchanges) for the contracts traded by the Designated Market Makers on M-accounts in the respective product up to and including 31 December 2016. 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 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;
 - b) offer a revenue sharing to Market Makers fulfilling the Quotation Obligations under Scheme 2 up to 31 December 2016. 30 percent of the net transaction fees in Mini Futures on VSTOXX[®] will be distributed among the top three Market Makers on a monthly basis according to a ranking of the volume of one single Market Maker out of the total trading volume of the top three Market Makers in Mini Futures on VSTOXX[®] (based on M-account order book and off-book volumes). The top Market Maker will receive 15 percent of the net transaction fees, while ten percent and five percent of the net transaction fees will be shared with the Market Makers ranked two and three. If less than three Market Makers qualify for the revenue sharing, the top ranked Market Maker receives 20 percent and the second ranked Market Maker receives ten percent of the net transaction fees. If only one Market Maker qualifies, this Market Maker receives 30 percent of the net transaction fees.
4. EFAG and ECAG shall, upon the 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. The 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 the occurrence of one of the following events be entitled to terminate this Agreement:
 - a) A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for Single Stock Dividend Futures,
 - b) A significant change in 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.