

clear to trade



## eurex clearing circular 077/15

**Date:** 13 July 2015  
**Recipients:** All Clearing Members of Eurex Clearing AG and Vendors  
**Authorized by:** Heike Eckert

### Volatility derivatives: Market-Making scheme for EURO STOXX 50<sup>®</sup> Variance Futures

**Related Eurex circular:** 128/15

**Contact:** Derivatives Clearing Supervision, T +49-69-211-1 12 50, [clearing@eurexclearing.com](mailto:clearing@eurexclearing.com)

**Content may be most important for:**

☞ All departments

**Attachment:**

Market Maker Agreement

In conjunction with the Designated Market Making scheme of Eurex Deutschland and Eurex Zürich AG in EURO STOXX 50<sup>®</sup> Variance Futures (EVAR) for the period **1 August 2015 to 31 December 2016** Eurex Clearing takes the following measures:

- Upon fulfilment of the Designated Market-Making requirements in EURO STOXX 50<sup>®</sup> Variance Futures a reimbursement of 50 percent of the transaction fees for transactions in EURO STOXX 50<sup>®</sup> Variance Futures concluded on M-accounts in the respective products by Designated Market Makers (order book and off-book transactions) will be granted.
- Additionally, a revenue sharing scheme of up to 30 percent of the net revenues (transaction fees minus rebates) generated in EURO STOXX 50<sup>®</sup> Variance Futures will be offered. Distribution takes place on a quarterly basis (beginning in October 2015) to at most five registered Market Makers, provided that all Market Maker obligations were fulfilled. Ten percent of the net revenues are equally distributed between up to five fulfilling registered Market Makers. Up to 20 percent of the net revenues are distributed according to the ranking of the registered Market Maker. Participating Market Makers are ranked according to their individual quality contribution to Eurex Exchange's order book. Quality ranking, revenue sharing fund and the individual participation of Market Makers will be calculated on a monthly basis.

To register as a Designated Market Maker, please use the form attached and return it to Sascha Semroch at fax number +49-69-211-61 50 78 or e-mail: [sascha.semroch@eurexchange.com](mailto:sascha.semroch@eurexchange.com).



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Chairman of the  
Supervisory Board:  
Hugo Bänziger

Executive Board:  
Thomas Book (CEO),  
Heike Eckert, Matthias Graulich,  
Thomas Laux, Erik Tim Müller

Aktiengesellschaft mit  
Sitz in Frankfurt/Main  
HRB Nr. 44828  
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Frankfurt/Main



**Please return by fax or e-mail to:**

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Fax no. +49-69-211-61 50 78  
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**Designated Market Maker Agreement  
for EURO STOXX 50<sup>®</sup> Variance Futures**

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 August 2015 to 31 December 2016** under the conditions outlined below with respect to the following products (please tick the appropriate box):

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 Eurex Market-Making Obligations for EURO STOXX 50<sup>®</sup> Variance Futures can be amended from time to time.
  - b) provide EFAG with the name of a manager, who has the authorization 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 take 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 EURO STOXX 50<sup>®</sup> Variance Futures 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 payable. No refunds will be made for contracts traded on A- or P-accounts.
  - b) offer a revenue sharing for fulfilling the Market-Making Obligations for EURO STOXX 50<sup>®</sup> Variance Futures as detailed in Eurex circular 128/15.



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.
  
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.