



## eurex rundschreiben 110/16

**Datum:** 11. November 2016  
**Empfänger:** Alle Handelsteilnehmer der Eurex Deutschland und Eurex Zürich sowie Vendoren  
**Autorisiert von:** Mehtap Dinc

**EURO STOXX® Index Total Return Futures (TESX):**  
**Einführung eines Designated Market-Making-Programms, Vendorenkürzel**  
**und Mistrade-Parameter**

**Verweis auf Eurex-Rundschreiben:** 068/16, 099/16

**Verweis auf Eurex Clearing-Rundschreiben:** 099/16, 127/16, 137/16

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**Zielgruppe:**

☞ Alle Abteilungen

**Anhänge:**

(nur in Englisch)

1. EURO STOXX 50® Index Total Return Futures: Designated Market-Making Obligations
2. Designated Market Maker Agreement for EURO STOXX® Index Total Return Futures (TESX)

Die Geschäftsführung der Eurex Deutschland und die Geschäftsleitung der Eurex Zürich AG haben mit Wirkung zum **2. Dezember 2016** folgendes beschlossen:

- Einführung eines Designated Market-Making-Programms für EURO STOXX® Index Total Return Futures für den Zeitraum bis zum **31. Dezember 2017**
- Festlegung der Mistrade-Parameter auf 25,0 Basispunkte in Bezug auf EURO STOXX 50® Total Return Futures.

Details zu diesem Programm entnehmen Sie bitte Anhang 1. Handelsteilnehmer, die sich als Designated Market Maker anmelden möchten, senden hierfür bitte das ausgefüllte Formular in Anhang 2 zurück.

Die **Vendorenkürzel** für EURO STOXX 50® Index Total Return Futures sind:

Bloomberg: VHOA <Index>

Reuters: 0#TESX:

**Mistrade-Parameter:**

Die Mistrade Ranges für EURO STOXX 50® Total Return Futures stehen ab dem Handelsstart auf der Eurex-Website [www.eurexchange.com](http://www.eurexchange.com) unter folgendem Link zur Verfügung:

**Produkte > Aktienindexderivate > STOXX® Indizes**



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## **EURO STOXX 50<sup>®</sup> Index Total Return Futures: Designated Market-Making Obligations**

### **1. Regular Designated Market Maker (Package ID: TESX1)**

#### **a. Designated Market-Making Fees:**

Upon fulfilment of quotation requirements on a monthly basis, Eurex Clearing AG shall reimburse a percentage of the transaction fees for electronic order book and off-book transactions for all trades in EURO STOXX 50<sup>®</sup> Index Total Return Futures in the respective package concluded by Designated Market Makers on the M- account as follows:-

<b>From</b>	<b>To</b>	<b>Percentage Reimbursement</b>
2 December 2016	30 June 2017	100%
1 July 2017	31 December 2017	50%

#### **b. Quotation Requirements:**

Regular Designated Market Makers shall provide two-way prices or quotes in the order book and closing auction across all expirations in a specified amount of EURO STOXX 50<sup>®</sup> Index Total Return Futures. The quotation requirements shall be reviewed by Eurex Clearing AG on a quarterly basis and are subject to change.

##### **i. Order Book Quotation**

For the respective trading day, the minimum requirement is that at least forty (40) percent of the quotation period from **09:00 to 17:25 CET** calculated on a monthly average, shall be quoted by Regular Designated Market Makers. The quotes have to represent a minimum number of contracts quoted with a maximum bid-ask spread (Para 3.a.).

##### **ii. Closing Auction Participation**

In addition all Regular Designated Market Makers shall provide two-way quotes for a minimum of eight (8) expirations in a specified amount of EURO STOXX 50<sup>®</sup> Index Total Return Futures in the daily closing auctions. The quotes have to represent a minimum number of contracts quoted with a maximum bid-ask spread (Section 3(b)).

### **2. Enhanced Designated Market Maker (Package ID: TESX2)**

#### **a. Designated Market-Making Fees:**

Upon fulfilment of quotation requirements on a monthly basis, Eurex Clearing AG shall reimburse a percentage of the transaction fees for electronic order book and off-book transactions for all trades in EURO STOXX 50<sup>®</sup> Index Total Return Futures in the respective package concluded by Designated Market Makers on the M- account as follows:-

<b>From</b>	<b>To</b>	<b>Percentage Reimbursement</b>
2 December 2016	30 June 2017	100%
1 July 2017	31 December 2017	50%

For participants who fulfil enhanced quotation requirements (i.e. Section 3 Paragraph (II) of the Agreement in conjunction with this Section 2 – “**enhanced quotation requirements**”) for four (4) out of the first six (6) months of 2017 the **100%** reimbursement shall be extended to 31 December 2017.

**b. Revenue Sharing:**

Eurex Clearing AG shall allocate twenty (20) percent of net revenues (gross revenues less any market making rebates given under these Designated Market Making Obligations) of EURO STOXX 50<sup>®</sup> Index Total Return Futures in 2017 to an Enhanced Designated Market Maker revenue sharing pool.

**i. Eligibility**

Eligibility to participate in this revenue sharing pool shall be based upon:

1. Fulfilment of enhanced quotation requirements for at least nine (9) calendar months in 2017; **and**
2. Aggregated volumes of house accounts (M- & P- Accounts) of one hundred thousand (100,000) contracts volume of EURO STOXX 50<sup>®</sup> Index Total Return Futures or greater in the period 01 January 2017 to 31 December 2017; **and**
3. Aggregated volume share of house accounts (M- & P- Accounts) volume of EURO STOXX 50<sup>®</sup> Index Total Return Futures of ten (10) percent or greater of the total market volume of EURO STOXX 50<sup>®</sup> Index Total Return Futures on all house accounts (M- & P- Accounts).

**For the avoidance of doubt:**

A participant whose house accounts volume (M- & P- Accounts) of EURO STOXX 50<sup>®</sup> Index Total Return Futures is an aggregated 150,000 contracts and where the total market volume of EURO STOXX 50<sup>®</sup> Index Total Return Futures on **all** house accounts (M- & P- Accounts) is an aggregated 1,000,000 contracts then that participant would, at 15% of total market volume, fulfil requirements 2 and 3 in this Section 2 (b)(i).

**ii. Participation**

For those participants eligible from Section 2(b)(i) above, to participate in the revenue sharing pool then the revenue sharing amount for each eligible participant shall be determined pro-rata based upon:

1. the percentage volume share of each eligible participants house accounts (M- & P- Accounts) volume of EURO STOXX 50<sup>®</sup> Index Total Return Futures as compared to;
2. the total house accounts (M- & P- Accounts) volumes of EURO STOXX 50<sup>®</sup> Index Total Return Futures of all participants eligible from Section 2(b)(i) above.

**For the avoidance of doubt:**

Subject to eligibility, a participant whose house accounts volume (M- & P- Accounts) of EURO STOXX 50<sup>®</sup> Index Total Return Futures is 150,000 contracts and where the total house accounts volume (M- & P- Account) of all eligible participants of EURO STOXX 50<sup>®</sup> Index Total Return Futures is 300,000 contracts then that participant would be eligible for fifty (50) per cent share of the Enhanced Designated Market Maker revenue sharing pool.

**c. Quotation Requirements:**

Enhanced Designated Market Makers commit to provide two-way prices or quotes in the order book and closing auction for **all** expirations in a specified amount of EURO STOXX 50<sup>®</sup> Index Total Return Futures. The quotation requirements will be reviewed on a quarterly basis and are subject to change.

**i. Order Book Quotation**

To fulfil the enhanced quotation requirements applicable for eligibility to revenue sharing the minimum requirement is that at least **eighty (80) percent** of the quotation period from **09:00 to 17:25 CET** calculated on a monthly average, shall be quoted by Enhanced Designated Market Makers. The quotes shall represent a minimum number of contracts quoted with a maximum bid-ask spread (Section 3(a)).

## ii. Closing Auction Participation

To fulfil the enhanced quotation requirements applicable for eligibility to revenue sharing Enhanced Designated Market Makers shall provide two-way quotes for **all** expirations of EURO STOXX 50<sup>®</sup> Index Total Return Futures in the daily closing auctions. The quotes shall represent a minimum number of contracts quoted with a maximum bid-ask spread (Section 3(b)).

### 3. Quotation Parameters

#### a. Maximum percentage spreads and minimum quote size – Order Book

Table: EURO STOXX 50<sup>®</sup> Index Total Return Futures (Packages TESX1 + TESX2)

Expirations	Maximum Spread in Basis Points	Minimum Size in Contracts per Side
1 <sup>st</sup> Expiry (until 10 days prior to expiry)	10.0	50
2 <sup>nd</sup> Expiry	12.5	50
All Other Expirations	10.0	25

#### b. Maximum percentage spreads and minimum quote size – Closing Auction

Table: EURO STOXX 50<sup>®</sup> Index Total Return Futures (Packages TESX1 + TESX2)

Expirations	Maximum Spread in Basis Points	Minimum Size in Contracts per Side
1 <sup>st</sup> Expiry (until 10 days prior to expiry)	10.0	25
2 <sup>nd</sup> Expiry	12.5	25
All Other Expirations	10.0	10

The quotation parameters shall be reviewed by Eurex Clearing AG on a quarterly basis and are subject to change.

#### **For the avoidance of doubt:**

Where the first expiry in the contract series is December 2016 and the permissible spread is 10.0 basis points for that expiry – then to fulfil the obligations the offer price must be no greater than the bid price plus 10.0 basis points.

For example: If the quoted bid is 60.0 basis points and the permissible spread is 10.0 basis points then the offer price must be no greater than 70.0 basis points.

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

Stuart Heath

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**Designated Market Maker Agreement  
for EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX)**

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 2 December 2016 to 31 December 2017** under the conditions outlined below with respect to the following products:

<b>EURO STOXX 50<sup>®</sup> Index Total Return Futures</b>	<b>Eurex product code</b>	<b>Please tick (✓) the appropriate box</b>
Regular Designated Market Maker (Package ID: TESX1)	TESX	<input type="checkbox"/>
Enhanced Designated Market Maker (Package ID: TESX2)	TESX	<input type="checkbox"/>

2. The Participant shall
- 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 EURO STOXX 50<sup>®</sup> Index Total Return Futures were published in Eurex circular 110/16.
  - 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 shall

I. for a Regular Designated Market Maker

- a) Refund one hundred (100) percent of all transaction fees (order book on Eurex Exchanges) and one hundred (100) percent of all transaction fees (off-book-transactions entered into via the Trade Entry Services) for the contracts traded by the Participant on M-accounts in the respective products up to and including 30 June 2017.
- b) Refund fifty (50) percent of all transaction fees (order book on Eurex Exchanges) and fifty (50) percent of all transaction fees (off-book-transactions entered into via the Trade Entry Services) for the contracts traded by the Participant on M-accounts in the respective products from 1 July 2017 to and including 31 December 2017.
- c) 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.

II. for an Enhanced Designated Market Maker

- a) Refund one hundred (100) percent of all transaction fees (order book on Eurex Exchanges) and one hundred (100) percent of all transaction fees (off-book-transactions entered into via the Trade Entry Services) for the contracts traded by the Participant on M-accounts in the respective products up to and including 30 June 2017.
- b) If Eurex Market-Making Obligations have been fulfilled in four (4) out of the six (6) months from 1 January 2017 to and including 30 June 2017 refund one hundred (100) percent of all transaction fees (order book on Eurex Exchanges) and one hundred (100) percent of all transaction fees (off-book transactions entered into via the Trade Entry Services) for the contracts traded by the Participant on M-accounts in EURO STOXX 50<sup>®</sup> Index Total Return Futures from 1 July 2017 to and including 31 December 2017, otherwise refund fifty (50) percent of all transaction fees (order book on Eurex Exchanges) and fifty (50) percent of all transaction fees (off-book transactions entered into via the Trade Entry Services) for the contracts traded by the Participant on M-accounts in the respective products from 1 July 2017 to and including 31 December 2017.
- c) Refunds shall 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.
- d) Offer a revenue sharing where:
  - a. Eurex Market-Making Obligations have been fulfilled in nine (9) out of the twelve (12) months from 1 January 2017 to and including 31 December 2017 **and**
  - b. The Participant has traded one hundred thousand (100,000) contracts or greater on M- and P- accounts for the respective products from 1 January 2017 to and including 31 December 2017 **and**
  - c. The Participant has traded ten (10) percent or greater of total trades undertaken on M- and P- accounts for the respective products in comparison to the total volumes of EURO STOXX 50<sup>®</sup> Index Total Return Futures traded at Eurex Exchanges on M- and P- accounts from 1 January 2017 to and including 31 December 2017 **then:**
  - d. The Participant shall be entitled to a share of a Enhanced Designated Market Maker Revenue Pool of twenty (20) percent of Net Revenues for EURO STOXX 50<sup>®</sup> Index Total Return Futures; and the share shall be determined based upon the percentage volume the Participant has traded on M- and P- accounts for the respective products in comparison to the total volumes traded at on M- and P- accounts from 1 January

2017 to and including 31 December 2017 of all Enhanced Designated Market Makers eligible.

4. EFAG and ECAG shall, upon occurrence of one of the following events, be entitled to terminate this Agreement if:
  - 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 shall 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 Section 2 above.
5. The Participant shall, upon the occurrence of one of the following events be entitled to terminate this Agreement if:
  - 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 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.
7. The Participant shall be notified of any changes to this Agreement and the Eurex Market-Making Obligations at least three (3) business days prior to the effective date thereof. The Participant accepts the amendments, provided a written objection is not filed with ECAG within three (3) business days after the publication. ECAG and EFAG reserve the right to terminate the contract in case of non-acceptance of the amendments.
8. EFAG and ECAG offer this contractual agreement to interested Trading Participants. Through signature by the Trading Participant, this Agreement automatically becomes a binding contract, even without counter-signature by representatives of EFAG and ECAG.



**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 or e-mail indicated above.