



eurex clearing *circular 036/14*

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RDX[®] USD index derivatives: Extension of Designated Market-Making scheme and revenue sharing scheme

Related Eurex Clearing Circular: 069/12

Related Eurex Circular: 058/14

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Content may be most important for:

Ü All departments

Attachments:

none

Summary:

Effective **1 April 2014**, the following measures will become effective for futures and options on the RDX[®] USD index for the period **1 April 2014 to 31 March 2015**:

- Reduction of transaction fees for Market Makers in RDX[®] USD index derivatives,
- Extension of the revenue sharing scheme for Designated Market Makers (DMMs) and Permanent Market Makers (PMMs) by adjusting the conditions of the revenue sharing scheme.

The respective conditions and details as well as the exact parameters of the Designated Market-Making and Market-Making schemes in the respective products are contained in Eurex circular 058/14.

RDX® USD index derivatives: Extension of Designated Market-Making scheme and revenue sharing scheme

Effective 1 April 2014, the following measures will become effective for futures and options on the RDX® USD index for the period 1 April 2014 to 31 March 2015:

- Reduction of transaction fees for Market Makers in RDX® USD index derivatives,
- Extension of the revenue sharing scheme for Designated Market Makers (DMMs) and Permanent Market Makers (PMMs) by adjusting the conditions of the revenue sharing scheme.

The respective conditions and details as well as the exact parameters of the Designated Market-Making and Market-Making schemes in the respective products are contained in Eurex circular 058/14.

1. Reduction of transaction fees for Market Makers in RDX® USD index derivatives

The granted rebates of 90 percent of the fees for contracts concluded on M-accounts for DMMs and PMMs will be extended by 12 months provided that the Market Maker Obligations are fulfilled.

2. Extension of the revenue sharing scheme for Designated Market Makers (DMMs) and Permanent Market Makers (PMMs)

The existing revenue sharing scheme for DMMs and PMMs will be extended by 12 months, i.e. until 31 March 2015. The conditions of the revenue sharing scheme will be changed in the following way:

- The share in net revenue (transaction fees minus Market Maker rebates) is 30 percent (currently 40 percent) of the revenues generated in index futures or index options, respectively, on the RDX® USD index.
- Distribution takes place on a monthly basis to a maximum of three best Market Makers, provided all Market Maker obligations were fulfilled. The status "Initial Designated Market Maker" will not be considered for the calculation of the revenue share any longer.
- The revenue sharing fund will be split at the end of the month between the beneficiaries based on their market share in the M-account as follows:

| Number of DMMS/PMMs | 1 st ranked | 2 nd ranked | 3 rd ranked |
|---------------------|------------------------|------------------------|------------------------|
| 1 | 30% | 0% | 0% |
| 2 | 20% | 10% | 0% |
| 3 | 15% | 7.5% | 7.5% |

- The market share is defined as the percentage share of the Market Maker's volume in the cumulated volume (traded contracts) of all Market Makers participating in this revenue-sharing scheme. The traded contracts are calculated as follows:
 - **For futures on the RDX® USD index:**
the overall volume of order book transactions in the M-account is considered.

- **For options on the RDX[®] USD index:**
the overall volume of order book and EurexOTC transactions in the M-account is considered.

The respective conditions and details as well as the exact parameters of the Designated Market-Making and Market-Making schemes in the respective products are contained in Eurex circular 058/14.

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