X-pand into the Future

e u r e x *rundschreiben 003/14*

Datum: 2. Januar 2014
Empfänger: Alle Handelsteilnehmer der Eurex Deutschland und Eurex Zürich sowie Vendoren
Autorisiert von: Michael Peters

EURIBOR-Futures: Neues Designated Market-Making-Programm

Verweis auf Eurex-Rundschreiben: 114/13

Kontakt: Joachim Heinz, Eurex Product Development, T +49-69-211-1 59 55,
joachim.heinz@eurexchange.com

Zielgruppe:

Ü Alle Abteilungen

Anhänge:

nur in englischer Sprache:
1. Designated Market Maker Application Form
2. Designated Market Maker Quote Obligations

Zusammenfassung:

Die Geschäftsführung der Eurex Deutschland und die Geschäftsleitung der Eurex Zürich AG haben beschlossen, ein neues Designated Market-Making-Programm für EURIBOR-Futures einzuführen. Das Designated Market Making-Programm läuft vom **1. Januar 2014 bis zum 31. Dezember 2014**. Es soll die Liquidität im Orderbuch sicherstellen und weiter verbessern und wird das bestehende Programm, welches im Mai 2013 mit Eurex-Rundschreiben 114/13 angekündigt wurde, ersetzen.

Wenn Sie Fragen haben, wenden Sie sich bitte an Stuart Heath unter Tel. +44-207 862-72 53, oder stuart.heath@eurexchange.com, oder an Joachim Heinz unter Tel. +49-69-211-1 59 55 oder joachim.heinz@eurexchange.com.

EURIBOR-Futures: Neues Designated Market-Making-Programm

Die Geschäftsführung der Eurex Deutschland und die Geschäftsleitung der Eurex Zürich AG haben beschlossen, ein neues Designated Market-Making-Programm für EURIBOR-Futures mit Wirkung zum 1. Januar 2014 einzuführen. Durch das Programm soll die Liquidität im Orderbuch in EURIBOR-Futures garantiert und verbessert werden.

Als Designated Market Maker erklärt sich der Eurex-Teilnehmer bereit, für eine spezifizierte Mindestanzahl von Kontrakten unter Einhaltung von Maximum Spreads und im Rahmen einer festgelegten Zeitdauer Geld- und Briefkurse (Quotes) zu stellen. Das Designated Market-Making-Programm läuft vom 1. Januar 2014 bis zum 31. Dezember 2014 und wird das bestehende Programm, welches im Mai 2013 mit Eurex-Rundschreiben 114/13 angekündigt wurde, ersetzen.

Wenn ein Designated Market Maker seine Verpflichtungen erfüllt, erhält dieser im Gegenzug eine Rückerstattung von 100 Prozent der Handels- und Clearing-Entgelte für die auf M-Konten abgeschlossenen Kontrakte.

Zusätzlich bietet Eurex Exchange Market Makern, welche die Quotierungsverpflichtungen erfüllen, monatliche Fixzahlungen im Jahr 2014 an. Diese Fixzahlungen haben zunächst eine Laufzeit vom 1. Januar 2014 bis 31. Dezember 2014 und sind auf maximal fünf Market Maker pro Paket begrenzt. Im Falle mehrerer Bewerber behält sich Eurex Exchange das Recht vor, diese auf Basis ihrer Erfahrungen und Fähigkeiten und in eigenem Ermessen diskretionär auszuwählen. Für den Fall, dass einer der fünf möglichen Market Maker je Paket seinen Verpflichtungen nicht nachkommt, können andere Market Maker nachrücken.

In Kombination mit der Erfüllung der Quotierungsverpflichtungen wird Eurex Exchange weitere Anreize für den Aufbau offener Positionen für Market Maker bieten. Die detaillierten Parameter des Designated Market-Making-Programms finden Sie im Anhang 2.

An der Teilnahme interessierte Mitglieder bitten wir, den beigefügten Designated Market Maker-Antrag (Anhang 1) auszufüllen und bis spätestens 10. Januar 2014 an Joachim Heinz an die Faxnummer +49-69-211-61 59 55 oder joachim.heinz@eurexchange.com zurückzusenden.

2. Januar 2014

Application Form - Designated Market Making Scheme

To Eurex Product Development
Joachim Heinz
Mergenthalerallee 61
65670 Eschborn

Fax no.: +49-69-211-61 59 55

Application for the Status of Designated Market Maker in EURIBOR Futures

1. We _____
(name of participant)

herewith apply for the status of Designated Market Maker in the following contract in the EURIBOR-Futures (FEU3) for the period from **1 January 2014 until 31 December 2014 (commitment period)** in accordance with the terms and conditions stated in the Quote Obligations (attachment).

2. As a Designated Market Maker

   a) we will provide bid and ask quotes or orders on a continuous basis

      - for the minimum number of contracts specified in the quote obligations
      - in compliance with the Maximum Spreads specified in the quote obligations; and
      - for the period of time specified in the quote obligations
      - for following packs specified in the quote obligations:
        Outrights: PACK 1 ☐ PACK 2 ☐
        Spreads: PACK 3 ☐

   b) we will give you the name of a manager who has the authorization and expertise necessary to make decisions and act as the coordinator in our firm, who will be available for Eurex with respect to this agreement;

   c) we will ensure that a Eurex trading screen and a qualified trader are available for Designated Market Making; and

   d) we will inform Eurex within one business day in the event that we find ourselves no longer in a position to fulfil these obligations.

3. Eurex will in return

   a) – if wished - mention the name of the Eurex participant with the Designated Market Maker status in advertising and informative material in connection with the contracts;

   b) – if wished - make Eurex spokesmen and printed material available for seminars organized by the Designated Market Makers regarding the fixed income futures; and

   c) refund all trading and clearing fees for the contracts traded by the Designated Market Makers on Market Maker (M) - accounts up to 31 December 2014 upon fulfilment.

d) pay monthly stipends up to 30 June 2014 (reviewed for H2 2014) upon fulfilment:
a) 12,000 EUR for Pack 1 and 3,000 EUR for PACK 2

e) pay monthly incentive for Open Interest Held in M-Account up to 30 December 2014:

- 7,500 EUR for Open Interest in All Expiry Months between 10.000 – 29.999 contracts
- 15,000 EUR for Open Interest in All Expiry Months between 30.000 – 99.999 contracts
- 25,000 EUR for Open Interest in All Expiry Months above 100.000 contracts

Open Interest is considered as the sum of longs & shorts for netted expiry for Market-Makers. Open Interest is calculated on a monthly average basis.

4. Compliance with the obligations stated under No. 2 shall be monitored by Eurex. In the event that the obligations stated under No. 2 are not met by us, Eurex shall have the right to terminate the agreement. In this case, Eurex shall be released from its obligations pursuant to No. 3 with immediate effect.

5. In the event of a significant change in the Contract Specifications for the contract or due to a revision of the law or rules with respect to the contract, we as well as Eurex have the right to terminate this agreement with immediate effect or to renegotiate the requirements indicated in paragraph 2 and/or in the associated Quote Obligations.

6. Eurex shall have the right to amend or expand one or more of the conditions laid down in this agreement for limited periods of time at its sole discretion with validity for all Designated Market Makers, if it deems this appropriate (for example, in circumstances which lead to high market volatility or if such amendments or expansion is not expected to have an adverse effect on market quality). In the event that Eurex amends or expands one or more conditions, the Designated Market Makers must, for their part, ensure that the Designated Market Makers can also be promptly advised that this situation has ceased to exist.

7. Other than the aforementioned measures, no special status at Eurex shall be accorded to the participant in conjunction with the Designated Market Maker status, which expires on 31 December 2014. After that time, the title "Designated Market Maker" can no longer be used unless otherwise agreed with Eurex.

8. The associated Quote Obligations (attachment) are an integral part of this application.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

_____
Place, date

_____	_____
Name	Position
_____	_____
Phone	Fax
_____	_____
(Signature / Stamp of the firm)	E-mail address

Please send the completed application for the status of Designated Market Maker to the indicated fax number latest by 10 January 2014.

Quote Obligations for the Status of Designated Market Maker in EURIBOR Futures (Eurex Code FEU3):

Quote Obligations for Outrights & Incentives:

	Quote Obligations - Outrights					Incentive Package	
	Months	Expiry months	Spread	Minimum Size (Quarterly months)	Quotation Time	Fee Rebate 2013-2014	Stipends* 2014
PACK 1 (Outrights White, Reds & Greens)	White Months	exp1 - exp2 exp3 - exp4	1.0 bps	500 symmetrical	80% of the trading day (8:00 a.m. - 5:00 p.m.CET)	100%	€ 12.000 per member per calendar month
	Red Months	exp5 - exp6 exp7 - exp8	1.0 bps	250 symmetrical	80% of the trading day (8:00 a.m. - 5:00 p.m.CET)		
	Green Months	exp9 - exp10 exp11 - exp12	1.5 bps	100 symmetrical	60% of the trading day (8:00 a.m. - 5:00 p.m.CET)		
PACK 2 (Outrights Blues & Golds)	Blue Months	exp13 - exp16	2.0 bps	50 symmetrical	60% of the trading day (8:00 a.m. - 5:00 p.m.CET)	100%	€ 3.000 per member per calendar month
	Gold Months	exp17 - exp20	4.0 bps	50 symmetrical	60% of the trading day (8:00 a.m. - 5:00 p.m.CET)		

* Stipends limited to 5 members for outright quote obligation fulfillment (subject to minimum volume of 5.000 contracts for each member per calendar month). Stipends paid until 30th June 2014 and reviewed for H2 2014.

è In fast market conditions the spread will be doubled and the number of contracts will be halved.
è The commitment period starts 1 January 2014 and ends 31 December 2014.

Quote Obligations for Spreads & Incentives:

	Quote Obligations - Spreads					Incentive Package	
	Months	Expiry Months	Spread	Minimum Size (Quarterly months)	Quotation Time	Fee Rebate	Stipends
	SPREADS - Consecutive Calendar Expiry Months					2013 - 2014	2014
PACK 3	White & Red Months	exp1 v. exp2 exp2 v. exp3 ..... exp7 v. exp8	1.0 bps	500 symmetrical	80% of the trading day (8:00 a.m. - 05:00 p.m.CET)	100%	€ 0
	SPREADS - Non Consecutive Expiry Months					2013 - 2014	2014
	White & Red Months	exp1 v. exp3 exp1 v. exp4 ..... exp4 v. exp7 exp4 v. exp8	1.5 bps	250 symmetrical (6 months) 150 symmetrical (9 months) 100 symmetrical (12 months)	60% of the trading day (8:00 a.m. - 05:00 p.m.CET)	100%	€ 0

è In fast market conditions the spread will be doubled and the number of contracts will be halved.
è The commitment period starts 1 January 2014 and ends 31 December 2014.

M-Account Open Interest Incentives:

Open Interest* Held in M- Account			Incentive
Expiry Months	From (contracts)	To (contracts)	Total Monthly Incentive
All	0	9.999	€ 0
All	10.000	29.999	€ 7.500
All	30.000	99.999	€ 15.000
All	100.000	above	€ 25.000

*Open Interest is considered as the sum of longs & shorts for netted expiry
for Market-Makers Open Interest is calculated on a monthly average basis