



A n n o u n c e m e n t *o f E u r e x D e u t s c h l a n d*

Twenty-third Amendment Ordinance to the Conditions for Trading at Eurex Deutschland

On 25 March 2021, the Exchange Council of Eurex Deutschland approved the Twenty-third Amendment Ordinance to the Conditions for Trading at Eurex Deutschland.

It shall take effect on 29 March 2021 at the points in time specified in Article 2 of the Amendment Ordinance.

The Amendment Ordinance is available on the website of Eurex Deutschland (<http://www.eurexchange.com>) and has been deposited in the Eurex Deutschland folder (“Präsenzordner Regelwerke”), which can be obtained during general opening hours at the reception desk of the trading floor, Börsenplatz 4, 60313 Frankfurt/Main, Germany.

**Twenty-Third Amendment Ordinance
to the Conditions for Trading at Eurex Deutschland**

Article 1 *Amendment to the Conditions for Trading at Eurex Deutschland in the version dated 03 December 2012, last amended by the Amendment Ordinance dated 19 November 2020*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 4: Off-book Trading

As an element of exchange trading, Eurex Deutschland may provide Exchange Participants with the T7 Entry Service ("TES"), ~~and~~ the selective request for quote service ("Eurex EnLight") as well as the entry service for Portfolio Compression Trades ("Portfolio Compression Entry Service") to conclude off-book trades pursuant to Part 4 ("Off-book Trades" or "Off-book Trading") and permit the usage of third party information providers ("TPIP"). The Off-book Trades originate outside the central order book. Off-book Trades do not result in an exchange price. The provisions of Numbers 1.4 and 1.5 of Part 1, Numbers 2.4, 2.5, 2.6, 2.7 and 2.9 of Part 2 and Part 3 of these Trading Conditions do not apply to Off-book Trading.

[...]

4.2 Procedure for Off-book Trading

(1) Off-book trading period

Off-book Trades may be concluded during the off-book trading period as determined by the Management Board of Eurex Deutschland in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland ("Off-book Trading Period") by submitting entries into TES or Eurex EnLight and into the Portfolio Compression Entry Service pursuant to this Part 4. The Eurex Exchange system automatically deletes such entries including orders that are not fully executed by the end of the Off-book Trading Period.

[...]

4.3 Types of Off-book Trades

[...]

(8) Portfolio Compression Trades

Trades to reduce risk in which two or more counterparties wholly or partially terminate some or all of the derivatives submitted by those counterparties for inclusion in the portfolio compression and replace the terminated derivatives with another derivatives opened on Eurex Deutschland whose combined notional value is less than the combined notional value of the terminated derivatives pursuant to Article 2 Paragraph 1 Number 47, 31 of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 ("Portfolio Compression Trades").

[...]

4.6 Third Party Information Provider

(1) Differentiation

Exchange Participants may engage third party information providers, which have entered into the relevant connection agreements, ("TPIP") to enter Offer Conditions. TPIPs having entered into a standard connection agreement ("STPIP") may be engaged to make entries pursuant to Number 4.6 Paragraph 2. TPIPs having entered into a qualified connection agreement ("QTPIP") may be engaged to make entries pursuant to Number 4.6 Paragraph 3.

Exchange Participants may also commission TPIPs that have received the relevant approval pursuant to Number 4.7 Paragraph 1 as portfolio compressors.

TPIPs shall act exclusively on behalf of an Exchange Participant and are neither agents of Eurex Deutschland nor will they perform any obligations of Eurex Deutschland. TPIPs are not Exchange Participants and may not conclude Off-book Trades. They are notonly authorised to confirm enter Offer Conditions or Portfolio Compression Orders, not to confirm them.

[...]

4.7 Portfolio Compression Entry Service

Exchange Participants may commission Portfolio Compressors to provide portfolio compression pursuant to this Number 4.7.

(1) Portfolio Compressor

- a.) Exchange Participants and TPIPs that are subject to the scope of Article 31 of Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 and Articles 17, 18 of the Commission Delegated Regulation (EU) 2017/567 of 18 May 2016 or are registered with the register according to Article 48 of Article 48 of Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 and are subject to regulation equivalent to the aforementioned regulation are entitled, upon request and following approval of the Management Board of Eurex Deutschland ("Portfolio Compressor"), to initiate Portfolio Compression Trades pursuant to Number 4.7 Paragraph 2 and to confirm portfolio compression cycles pursuant to Number 4.7 Paragraph 4 as portfolio compressors if they have entered into an agreement with the Exchange Participants involved in the portfolio compression which complies with the requirements pursuant to Article 17 of the Commission Delegated Regulation (EU) 2017/567 of 18 May 2016. The Management Board decides on the approval on its best judgement. It shall determine details of the admission process and may determine further requirements for granting the approval.
- b.) The Management Board of Eurex Deutschland must be notified without undue delay of the conclusion, substantial amendments and the termination of an agreement pursuant to a). Upon request of the Management Board of Eurex Deutschland, the agreements pursuant to a) must be provided.
- c.) Portfolio compression according to Regulation (EU) No 600/2014 and Commission Delegated Regulation (EU) 2017/567 shall only be provided by the Portfolio Compressor and not by Eurex Deutschland. Portfolio Compression

Trades shall be reported by the respective Portfolio Compressor according to Article 31 (2) of Regulation (EU) No 600/2014. Portfolio compressors shall act exclusively on behalf of the Exchange Participants participating in a portfolio compression cycle and are neither authorised representatives of Eurex Deutschland nor do they perform any duties of Eurex Deutschland. They may not enter into Portfolio Compression Trades. They are only entitled to release a portfolio compression cycle pursuant to Number 4.7 Paragraph 4 and to enter Portfolio Compression Orders pursuant to Number 4.7 Paragraph 3, but not to confirm them.

d.) The Management Board of Eurex Deutschland may withdraw the approval according to the foregoing clause 4.7 (1) a, if

1. the conditions for granting the approval were not fulfilled in particular, if the approval was granted because of false or incomplete information of the applicant or
2. the conditions for granting the approval subsequently ceased to apply or
3. the Portfolio Compressor violates applicable statutory provisions on portfolio compression in particular Article 31 of Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 and Articles 17, 18 of the Commission Delegated Regulation (EU) 2017/567 of 18 May 2016 or
4. if an orderly provision and execution of Portfolio Compression Trades is not or cannot be ensured any more.

(2) Initiation of a Portfolio Compression Cycle

A Portfolio Compressor will initiate a portfolio compression cycle by entering the buy and sell orders required for any portfolio compression on behalf of the Exchange Participants participating in the portfolio compression cycle into the system of Eurex Deutschland ("Portfolio Compression Orders").

(3) Confirmation of Portfolio Compression Orders

Portfolio Compression Orders may only be executed if they have been confirmed electronically in the system of Eurex Deutschland in advance by the Exchange Participant on behalf of which they were entered into the system of Eurex Deutschland. Portfolio Compression Orders may only be confirmed by Exchange Traders admitted on behalf of the Exchange Participant for which the Portfolio Compression Orders have been entered.

(4) Conclusion of Portfolio Compression Trades

Portfolio Compression Trades are concluded between the Exchange Participants participating in a portfolio compression cycle after the relevant Portfolio Compression Orders have been executed against each other and have been saved in the system of Eurex Deutschland.

Portfolio Compression Orders will only be executed against each other if all Exchange Participants participating in a portfolio compression cycle have confirmed the Portfolio Compression Orders entered on their behalf pursuant to Number 4.7 Paragraph 3 above and the relevant portfolio compression cycle has been released in the system of Eurex Deutschland as complete and correct by the portfolio compressor having initiated the portfolio compression cycle. If the confirmations of the participants in a portfolio compression cycle as specified above have not been submitted and the portfolio compression cycle has not been released by the portfolio compressor until the end of the trading day on which the portfolio compression cycle was initiated, all Portfolio Compression Orders of the portfolio compression cycle will be deleted in the system of Eurex Deutschland and the portfolio compression cycle will be stopped.

4.87 Data Entry Obligation and to Obligation to Provide Evidence

~~Upon consummation of an Off-book Trade, all input fields for the entry of the respective TES Offer Conditions marked as mandatory shall be duly filled in.~~ The mandatory fields for the entering of Off-book Trades are determined by the Management Board of Eurex Deutschland in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland. Exchange Participants shall, on request, provide evidence to the Management Board of Eurex Deutschland that the requirements for EFP-F, EFP-I and EFS trades pursuant to Number 4.3 (2) to (4) have been met. In the case of EFP-F, EFP-I and EFS trades, Exchange Participants shall, on request, provide evidence that the trade is linked to a counter-trade defined as a reference transaction in the Contract Specifications at Eurex Deutschland. In the case of a trade at Index Close pursuant to Number 4.3 (3), the Exchange Participant shall provide evidence of the conclusion of any Trade at Index Close underlying the respective futures trade, which shall indicate the Guaranteed Price and the connection with the respective official closing price of the underlying index. The evidence pursuant to Sentences 3 to 5 shall be provided by the Exchange Participant on the day on which they are requested by the Management Board of Eurex Deutschland and may take the form of a screenshot from the front or back office system.

4.98 Cross Trades

In respect of Off-book Trades, the Exchange Trader of the Exchange Participant is prohibited to initiate or submit orders for trades under which the beneficial owner on both the buy and sell sides is identical. Within the meaning of this provision, beneficial owners are persons trading for their own account or for whose account an Exchange Participant trades.

4.910 Cancellation of Off-book Trades

The Management Board of Eurex Deutschland shall cancel an Off-book Trade if the following conditions are met.

4.9-10.1 Cancellation by all Exchange Participants involved in the Off-book Trade

The Management Board of Eurex Deutschland will cancel a TES Trade or an Eurex EnLightOff-book Trade if the Exchange Participants involved in the relevantOff-book

Trade assert without undue delay – however at the latest by the end of the Off-book Post Trading period for the Off-book Instrument in question – that they have erroneously or incorrectly entered the ~~Off-book~~relevant trade into the Eurex system and request a cancellation. In the case of a multilateral ~~Off-book~~Trade, the requirements pursuant to Sentence 1 shall be met by all of the Exchange Participants involved. Portfolio Compression Trades cannot be cancelled upon request. The Management Board of Eurex Deutschland may cancel transactions ex-officio, if required in order to guarantee an orderly exchange trading or if a transaction result from an error in the EDP system of Eurex Deutschland.

4.910.2 Cancellation of Eurex EnLight Trades upon Application of one Party

Without prejudice to Number 4.9.1, the Management Board of Eurex Deutschland will cancel an Eurex EnLight Trade by means of a notification if an Exchange Participant involved in the Eurex EnLight Trade has submitted an application for cancellation of an Eurex EnLight Trade to the Management Board of Eurex Deutschland on the trading day on which the Eurex EnLight Trade has been concluded, at the latest until the end of the relevant Eurex EnLight Trade's off-book post-trading period and if the price of the Eurex EnLight Trade exceeds the Eurex EnLight Reference Price relevant at the time of conclusion of the Eurex EnLight Trade by more than the Eurex EnLight Mistrade Range pursuant to Number 4.9.2 (2).

[...]

[...]

Article 2 Effectiveness

The amendments pursuant to Article 1 shall become effective on 29 March 2021.

The foregoing Twenty-Third Amendment Ordinance to the Conditions for Trading at Eurex Deutschland is hereby executed. Pursuant to the decision of the Exchange Council of Eurex Deutschland dated 25 March 2021, the Amendment Ordinance shall become effective at the points in time specified in Article 2 of the Amendment Ordinance.

The Amendment Ordinance shall be announced by notice in the reception area of the trading floor, Börsenplatz 4, 60313 Frankfurt/Main, Germany and by electronic publication on the internet, available on the website of Eurex (<http://www.eurexchange.com>).

Frankfurt/Main, 25 March 2021

Management Board of Eurex Deutschland

Dr. Randolph Roth

Michael Peters