Product Specific Supplement for Equity Options

Validity: Until further notice
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Preamble

This Product Specific Supplement for Equity Options (hereinafter referred to as “Product Specific Supplement”) forms an integral part of the Liquidity Provider Agreement (LPA).

1. Applicable Building Blocks for Equity Options and Selected Equity Index Options

Pursuant to Sec. 2.3. of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

Scheme	Product Scope	Building Blocks and Incentives applicable, as defined in section 2.3. of the General Supplement to the LPA								
		BBB	PBB	CBB	LBB	TBB	SBB	EBB	ABB	Milestone Incentive
Single Stock Options	All Single Stock Options, including Equity Options on Baskets	✓					✓*		✓	✓

* The Stress Presence Block applies to all equity options and equity index options with MMO-flag (see Sec. 2.3.6. of the General Supplement to the LPA)

The requirements for Strategy Building Block, Larger Size Building Block, Tighter Spread Building Block, Stress Presence Building Block, Eurex EnLight Building Block and Advanced Building Block are product group specific and can be found in Sec. 2.3. of the General Supplement to the LPA.

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in Sec. 3. of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

Execution type	Building Block	Single Stock Options
Order book	Basis	10%
	Package	
	Strategy	
	Larger Size	
	Tighter Spread	
	Advanced Building Block	0-90%
	Total	10% – 100%
Eurex EnLight	Basis	0%
	Package	
	Strategy	
	Eurex EnLight	
	Advanced Building Block	0%
	Total	0%
TES	Basis	0%
	Package	
	Strategy	
	Eurex EnLight	
	Advanced Building Block	0%
	Total	0%

3. Building Block Requirements

3.1 Basis Block Requirements

In order to receive the Liquidity Provider rebates pursuant to Section 2 above, the following quotation requirements shall apply to all products individually.

	Single Stock Options
Products:	All Single Stock Options, with contract size 100 according to the Contract Specifications of Eurex Deutschland*
Quotation Period:	09:00 – 17:30 CE(S)T and 09:00 – 17:20 CE(S)T for Swiss Equity Options
Required Coverage:	90%
Strike Price Window / Delta Strike Window:	15 out of 17 strikes (10 Out of the Money, 4 In the Money Strikes and the At the Money Strike required)
Maturity Range:	First 4 monthly expiries. Two additional weekly expiries are mandatory for select products defined in section 5.2
Minimum Quote Size:	1 contract
Maximum Spread:	See Spread Class Details section 5.1

Options listed on baskets of single stocks are included in requirements. Both American and European Style Exercise Options are included in requirements.

In avoidance of doubt, any rebates for an individual product will be paid out only for the respective building block fulfilment. Rebates gained from the Advanced Building Block will be paid out for all products with a Basic Building Block fulfilled.

3.2 Advanced Building Block Requirements Single Stock Options

Eurex offers an Advanced Building Block for liquidity provisioning in Single Stock Options as defined in Sec. 2.3.8. of the General Supplement to the LPA. The sliding scale for calculating the rebate of the Advanced Building Block in Single Stock Options is:

$$\boldsymbol{Rebate\% = 0.002 * \overline{SizeQuality} + 0.3 * \overline{SpreadQuality} + 0.015 * \sqrt{n} + 0.00025 * m + 0.2 * s}$$

The starting points for improvement measurements of Spread and Size Quality are defined in Section 5.1 of this document (basic building block spread requirements). Spread and Size Quality values calculated on a product level are averaged across all Single Stock Options, as defined in the general supplement section 2.3.8 (5), in all products the liquidity provider has fulfilled the basic building block in.

To account for differences in notional values of individual single stock option products, when it comes to the $\boldsymbol{\overline{SizeQuality}}$ aggregation, Eurex defines a Class Factor. The Class Factor is based on the 30-day Exponential Moving Average of the EUR-equivalent underlying close price of each individual single stock option ($\boldsymbol{Ref_i}$), and takes the values

$$\boldsymbol{ClassFactor_i = \begin{cases} 1, & Ref_i < 10 \\ 0.1, & 10 \leq Ref_i < 100 \\ 0.01, & 100 \leq Ref_i < 1000 \\ 0.001, & Ref_i \geq 1000 \end{cases}}$$

The class factor is assigned to each product alongside the appropriate Spread Class (section 5.1 of this document), in the last month of each calendar quarter, using data from the most recent completed calendar month. Class Factor assignment per product is effective as of the first trading day of each calendar quarter.

Variables n, m and s are defined in the General Supplement of the LPA Sec 2.3.8. Strategy RFQ requirements for Single Stock Options are parametrized in the General Supplement to the LPA Appendix Table.

4. Corporate Actions

In the case of a spin-off, where a basket option is created from the former product, the following applies:

- The basket will have the same Building Block requirements as the former product becoming effective the date of the listing of the basket.
- Upon re-listing of the former product, the re-listed product will have the same LP requirements as the former product becoming effective the date of the re-listing of the former product.

In case of a corporate action, e.g. a stock split, where the reference price of the underlying is adjusted, the spread class is reviewed to reflect the adjusted price while keeping the economics of the requirements unchanged, effective the first calendar day of the next calendar month. As part of the regular Corporate Action communication, the information about adjustments in Spread and Size class will be made available on the Eurex website under the following path:

Eurex Exchange > Rules & Regs > Corporate actions > Corporate action information

5. Quotation Parameters

5.1 Available Spread Classes

The following spread classes are available for equity options

Spread Class	Bid up to	Maximum Spread	Unit
OSTK 1 Liquid	1.5	0.3	absolute
	5	20%	percent
		1.0	absolute
OSTK 1 Illiquid	1.4	0.35	absolute
	5	25%	percent
		1.25	absolute
OSTK 2 Liquid	3	0.6	absolute
	25	20%	percent
		5	absolute
OSTK 2 Illiquid	2.5	0.63	absolute
	25	25%	percent
		6.25	absolute

Spread Class	Bid up to	Maximum Spread	Unit
OSTK 3 Liquid	75	15	absolute
	600	20%	percent
		120	absolute
OSTK 3 Illiquid	65	16.25	absolute
	600	25%	percent
		150	absolute
OSTK 4 Liquid	100	20	absolute
	1000	20%	percent
		200	absolute
OSTK 4 Illiquid	85	21.25	absolute
	1000	25%	percent
		250	absolute

Eurex assigns individual products to the available spread classes on a quarterly basis through an automated process. Any resulting reclassification becomes effective on the first trading day of the following quarter. The reclassification is conducted based on the following quantitative criteria:

1) Each product will be allocated into one of the 4 available spread classes OSTK 1-4 based on the value of its 30-day exponential moving average of the underlying close price ("UL" for future reference). The price class assessment is performed in the last month of each calendar quarter, using observations from the most recently completed calendar month.

Price Bucket	Spread Class
$0 \leq UL < 10$	OSTK 1
$10 \leq UL < 100$	OSTK 2
$100 \leq UL < 1{,}000$	OSTK 3
$UL \geq 1000$	OSTK 4

2) A further classification into sub-class Liquid or Illiquid is based on the Average Eurex Order Book Volume development in each individual product. For each price class, the average monthly EUR-equivalent Order Book notional volume over the last 6 completed calendar months is calculated ("Volume" in table below). The 80th percentile of this metric within each price class is used as the Liquidity Threshold ("LT" in table below), rounded up to the nearest EUR 100,000.

Spread Class	Volume Threshold	Sub Class
OSTK 1	$Volume \geq LT$	Liquid
	$Volume < LT$	Illiquid
OSTK 2	$Volume \geq LT$	Liquid
	$Volume < LT$	Illiquid
OSTK 3	$Volume \geq LT$	Liquid
	$Volume < LT$	Illiquid
OSTK 4	$Volume \geq LT$	Liquid
	$Volume < LT$	Illiquid

The reclassification is conducted between the 5th and 10th trading day of each closing month of each quarter.

The spread class to product assignment for all single stock options can be found in the CSV table on the Eurex website under the following path:

Eurex Exchange > Trading > Market Making and Liquidity Provisioning > Program, Product, Size and Spread details

Furthermore, a parameter file (90FILMMPARPUBLIYYYYMMDDXEUR.XML_ZIP) is available in the Common Report Engine for automatic parameter loading. Eurex will also deliver a short list of all products subject to change, alongside the newly assigned classes via the Common Report Engine 90RPTTD990MEMBRYYYYMMDDEUR.XML_ZIP for each reclassification period.

5.2 Product List with Mandatory Weekly Quotation

The following subset of products will have mandatory quotation of the first two weekly expiries in the maturity range.

Product ID	Product Name	Product ID	Product Name
BAS	BASF	BAY	Bayer
NESN	Nestlé	SAP	SAP
ENR	Siemens Energy	DAI	Mercedes-Benz Group
IFX	Infineon	UBSN	UBS
CBK	Commerzbank	DTE	Deutsche Telekom
DBK	Deutsche Bank	VO3	VW pref.
SIE	Siemens	RWE	RWE
NOVN	Novartis	ROG	Roche Holding
BMW	BMW	TOTB	TotalEnergies
DPW	Deutsche Post	ZURN	Zurich Insurance Group
RHM	Rheinmetall	LHA	Lufthansa
EOA	E.ON	ROY	Shell
ABBN	ABB	NOA3	Nokia

6. Milestone Incentive

To further promote activity within the Advanced Building Block defined in section 3.2 Eurex offers a Milestone Incentive program for a limited period of time, open to all qualifying Liquidity Providers.

	Milestone Incentive
Incentive Pool:	EUR 500,000
Duration:	01.11.2026 – 30.04.2027
Number of Participants:	Up to 10 participants
Qualification Criterion:	Liquidity Providers are ranked based on One-time and recurring, monthly Milestones defined in the Distribution method. Fulfilment of at least one basic building block per month is necessary to qualify for Milestone points in that month.
Distribution Method:	Distribution of the Incentive Pool will be done once based on the final point ladder board on 30.04.2027. Qualifying participants will receive points monthly based on the below defined criteria and will be ranked until the final distribution date
Distribution Cap:	The maximum payout one liquidity provider can achieve is EUR 100,000, while each of the top 10 qualifying liquidity providers will receive a minimum of EUR 10,000 of the incentive pool.
Reference Period (RefP)	Metrics are measured against the six-month reference period prior to 01.09.2026 called RefP. For participants with insufficient RefP activity, Eurex applies the longest period possible from the fulfilment of the first basic building block in any single stock option.

Recurring Milestones	Number of Points
Increase in Size	$\boldsymbol{Min\left(Max\left(\frac{\overline{SizeQuality} - RefP(\overline{SizeQuality})}{RefP(\overline{SizeQuality})}, 0\right), 1\right) * n}$
Tightening of Spread	$\boldsymbol{Max(\overline{SpreadQuality} - RefP(\overline{SpreadQuality}), 0) * n}$
Expansion in Products Quoted	$\boldsymbol{Max(n - RefP(n), 0) * 2}$
Expansion of Coverage Breadth	$\boldsymbol{Max(m - RefP(m), 0) * 0.1}$
RFQ Engagement	$\boldsymbol{Max(s * 25, 0)}$

One Time Milestones	Condition	Number of Points
EnLight Activation	Participant provides the first valid EnLight response versus its RefP in a single stock option	+15 points
Strategy Engagement	Participant achieves s ≥ 1 in eligible strategy RFQ engagement versus RefP, based only on valid RFQ activity	+15 points
Geographical Expansion	Participant fulfils the BBB in at least 3 eligible products from a country underlying group not covered by the participant during the RefP.	+15 points

Eurex Frankfurt AG will inform the qualifying Liquidity Providers eligible for a payment under the Milestone Incentive Program following completion of the six-month program period, final validation of the milestone results and determination of the final ranking and will advise on the respective payment amount. Any invoice for a given calendar year must be received by Eurex Frankfurt AG before 31 January of the following calendar year. In order to receive a payment, eligible Liquidity Providers will be required to provide an invoice for the payment amount, as advised by Eurex Frankfurt AG, to: Eurex Frankfurt AG, ETD Trading Liquidity Management, Mergenthalerallee 61, 65760 Eschborn, or via e-mail to: liquidity@eurex.com.