

Eurex Clearing Circular 015/18

Fee rebate programme and readiness reward for Eurex EnLight

Summary

Eurex Deutschland and Eurex Zürich (collectively: the Eurex Exchanges) have recently launched their electronic request-for-quote (RFQ) service called Eurex EnLight in order to provide Trading Participants a platform to electronically negotiate off-book transactions. With this service, the Eurex Exchanges aim to support Trading Participants in proving compliance with the “best execution-requirement” under MiFID II and to improve overall operational efficiencies and transparency.

Currently, Eurex EnLight is available for fixed income options and futures, whereas the product scope is planned to be extended in Q2 of 2018 to equity and equity index derivatives.

All Trading Participants can use Eurex EnLight with no requirement to enter into additional agreements with the Eurex Exchanges. Eurex EnLight can be accessed through the Eurex T7 GUI. For further questions regarding the operational set-up, please contact your Key Account Manager.

To further optimise the price formation process on Eurex EnLight, the following rebates will be introduced with this circular:

1. a fee rebate programme for the responders to fixed income RFQs received via Eurex EnLight, and
2. a readiness rebate programme for the first trading participants, demonstrating their readiness to respond to Eurex EnLight RFQs in an automated way.

The Eurex EnLight fee rebate for fixed income products and the Eurex EnLight readiness rebate are applicable **from 12 March 2018 until 31 December 2018**.

- **Attachments:**
none

Date: 7 February 2018

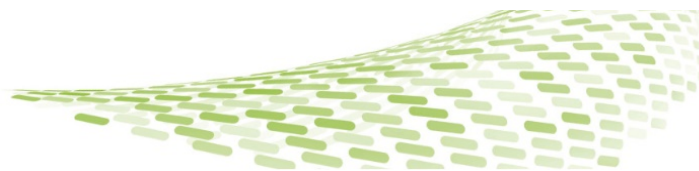
Recipients: All Clearing Members of Eurex Clearing AG and Vendors

Authorized by: Matthias Graulich

Target group:
All departments

Related Eurex circulars:
114/17, 145/17

Contact:
Vassily Pascalis,
vassily.pascalis@eurexexchange.com;
Philipp Schultze,
philipp.schultze@eurexexchange.com



Fee rebate programme and readiness reward for Eurex EnLight

Eurex Deutschland and Eurex Zürich (collectively: the Eurex Exchanges) have recently launched its electronic request-for-quote (RFQ) service called Eurex EnLight in order to provide Trading Participants a platform to electronically negotiate off-book transactions. With this service, the Eurex Exchanges aim to support Trading Participants in proving compliance with the “best execution-requirement” under MiFID II and to improve overall operational efficiencies and transparency.

Currently, Eurex EnLight is available for fixed income options and futures, whereas the product scope is planned to be extended in Q2 of 2018 to equity and equity index derivatives.

All Trading Participants can use Eurex EnLight with no requirement to enter into additional agreements with the Eurex Exchanges. Eurex EnLight can be accessed through the Eurex T7 GUI. For further questions regarding the operational set-up, please contact your Key Account Manager.

To further optimise the price formation process on Eurex EnLight, the following rebates will be introduced with this circular:

1. a fee rebate programme for the responders to fixed income RFQs received via Eurex EnLight, and
2. a readiness rebate programme for the first Trading Participants demonstrating their readiness to respond to Eurex EnLight RFQs in an automated way.

1. Fee rebate programme for responders to fixed income RFQs received via Eurex EnLight

To foster transparency and to improve efficiency around the negotiation of off-book transactions, Eurex Frankfurt AG aims to incentivise the usage of Eurex EnLight.

To achieve this, Eurex Frankfurt AG will introduce a fee rebate programme for Eurex T7 Entry Service (TES) trades in fixed income products, the details of which were arranged via Eurex EnLight. A Trading Participant responding to a fixed income RFQ received via Eurex EnLight (responder) is granted a rebate, if the response was provided within 30 seconds of the initial request, and if the response ultimately leads to a TES trade.

The rebate equals EUR 0.05 per contract arranged via Eurex EnLight and concluded as TES trade, to be deducted from the transaction fees charged by Eurex Clearing AG for the relevant fixed income product. The responder's maximum possible fee reduction equals the net transaction fees charged by Eurex Clearing AG per fixed income product in the relevant month.

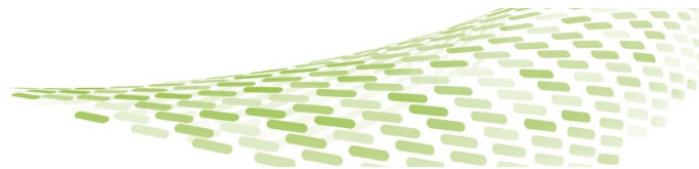
The Eurex EnLight fee rebate for fixed income products is applicable from **12 March 2018** until **31 December 2018**.

2. Readiness rebate programme for first Trading Participants, demonstrating readiness to respond to Eurex EnLight RFQs in an automated way

To optimise the price formation process on Eurex EnLight, Eurex Frankfurt AG aims to incentivise Trading Participants to build electronic quoting capabilities to respond to RFQs received via Eurex EnLight.

To compensate Trading Participants for the efforts to implement such electronic quoting capabilities, Eurex Frankfurt AG offers a readiness rebate programme to the first Trading Participants demonstrating their readiness to respond to Eurex EnLight RFQs in an automated way. Trading Participants demonstrate their readiness to respond to RFQs in an automated way, by arranging at least 5 deals on Eurex EnLight via ETI exclusively. The deals must result in TES trades.

Eligible Trading Participants are granted the following one-off readiness rebates, which will be deducted from the monthly transaction fees (possibly spread over more than one month):



- EUR 70,000 to the first Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 35,000 to the second Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 35,000 to the third Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 20,000 to the fourth Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 20,000 to the fifth Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 10,000 to the sixth Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way;
- EUR 10,000 to the seventh Trading Participant demonstrating readiness to respond to Eurex EnLight RFQs in an automated way.

The Eurex EnLight readiness rebate is applicable from **12 March 2018 until 31 December 2018**.

If you have any questions or need further information please contact Vassily Pascalis, via e-mail at: vassily.pascalis@eurexchange.com; or Philipp Schultze via e-mail at: philipp.schultze@eurexchange.com.

7 February 2018