



## eurex clearing circular 127/16

**Date:** 19 October 2016  
**Recipients:** All Clearing Members, Non-Clearing Members and Registered Customers of Eurex Clearing AG and Vendors  
**Authorized by:** Thomas Laux

### **Index Total Return Futures: Introduction of EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX)**

**Related Eurex Clearing circular:** 088/16

**Related Eurex circular:** 099/16

**Contact:** Derivatives Clearing Supervision, T +49-69-211-1 12 50, [clearing@eurexclearing.com](mailto:clearing@eurexclearing.com),  
 Risk Control, T +49-69-211-1 24 52, [risk@eurexclearing.com](mailto:risk@eurexclearing.com)

**Content may be most important for:**

☞ All departments

**Attachments:**

Updated sections of the following Rules and Regulations:

1. Clearing Conditions of Eurex Clearing AG, including Appendices 2–5 to the Clearing Conditions of Eurex Clearing AG
2. Price List of Eurex Clearing AG
3. Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation)

**Summary:**

Effective **2 December 2016**, Eurex Clearing will offer clearing services for Index Total Return Futures (TRF). The first product to be launched at Eurex Deutschland and Eurex Zürich (collectively the Eurex Exchanges) is EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX).

This circular contains information on clearing of the respective product and the updated sections of the relevant Rules and Regulations of Eurex Clearing AG which will come into effect on 2 December 2016.

Please refer to Eurex circular 099/16 for specific trading-related information on the TRF introduction as well as the updated sections of the relevant Rules and Regulations of the Eurex Deutschland and Eurex Zürich AG.

**Index Total Return Futures:**  
**Introduction of EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX)**

Effective 2 December 2016, Eurex Clearing will offer clearing services for Index Total Return Futures (TRF). The first product to be launched at Eurex Deutschland and Eurex Zürich (collectively the Eurex Exchanges) is EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX).

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**1. Overview**

EURO STOXX 50<sup>®</sup> Index Total Return Futures reference the following underlying instruments:

Underlying instruments					
Index	Currency	Index type	ISIN	Bloomberg	Reuters
EURO STOXX 50 <sup>®</sup> Index	EUR	Price index	EU0009658145	SX5E Index	.SX5E
EURO STOXX 50 <sup>®</sup> Distribution Point Index	EUR	DVP Index	CH0334725220	SX5EDD	SX5EDD
EONIA <sup>®</sup>	EUR	Funding Rate	EU0009659945	EONIA Index	EONIA=

EURO STOXX 50<sup>®</sup> Index Total Return Futures will have the following product code:

Eurex product					
Futures	Currency	Index type	ISIN	Product code	Product type
Total Return Futures on EURO STOXX 50 <sup>®</sup> Index	EUR	combined	DE000A2BMJ71	TESX	FINX

**2. Product group**

The product group assigned to the EURO STOXX 50<sup>®</sup> Index Total Return Futures is as follows:

Product	Product group	Settlement location unit	Regulatory status	Settlement type	Product type	Product currency	Product group code					
Total Return Futures on EURO STOXX 50 <sup>®</sup> Index	E/I Futures in EUR	No	Not approved for trading in the U.S.	cash	F	EUR	X	N	C	F	Q	E

### 3. Contract specifications

For the detailed Contract Specifications, please refer to Eurex circular 099/16.

Specification	Description
<b>Contract Name</b>	EURO STOXX 50 <sup>®</sup> Index Total Return Futures
<b>Product ID/Group</b>	Product ID: TESX Product Group: XNCFQE
<b>Underlying Indices</b>	EURO STOXX 50 <sup>®</sup> Index (SX5E), EURO STOXX 50 <sup>®</sup> Distribution Point Index (SX5EDD), Euro OverNight Index Average (EONIA <sup>®</sup> )
<b>Contract Multiplier</b>	EUR 10.00 per index point
<b>Quotation (TRF Spread)</b> (basis points)	TRF Spread as annualised rate expressed in basis points with one decimal (+ / - / 0)
<b>Minimum TRF Spread Change</b>	+/- 0.5 basis points (1 basis point = 0.0001)
<b>Trading vs. Clearing Notation</b>	The TRF Spread in basis points (" <b>trading notation</b> ") will be converted by the T7 trading system into the TRF futures price expressed in index points (" <b>clearing notation</b> "). The off-book (TES trades), on-exchange orders and quotes are entered and maintained in the T7 trading system exclusively in trading notation. Once executed, the TRF Spread is converted into clearing notation before it is sent to the C7 clearing system. <b>Only the futures price in index points is sent and maintained in the C7 clearing system, similar to existing handling for Variance Futures.</b>
<b>Trade Types</b>	<ul style="list-style-type: none"> <li>Trade at Index Close ("TAIC") with an index level based on the daily EURO STOXX 50<sup>®</sup> Index Close (for further details please refer to section 4 of this circular).</li> <li>Trade at Market ("TAM") with a custom-defined index level.</li> </ul>
<b>Accrued Distributions &amp; Accrued Funding</b> (index points)	The distributions and funding payments will be accumulated from the TESX product launch and added to the TRF futures price in index points. The daily changes in distributions and funding payments are paid out via variation margin.
<b>Contract Months</b>	Up to five years and three months – the 21 nearest quarterly months of the March, June, September and December cycle.
<b>Cash Settlement</b>	Cash settlement due on the first settlement day after final settlement day.
<b>Daily Settlement TRF Spread</b> (basis points)	Used to calculate the daily settlement price and determined as follows: <ul style="list-style-type: none"> <li>The Daily Settlement TRF Spread shall be based on the TRF Spread traded via the closing auction between 17:25 – 17:30 CET.</li> <li>Should no trades be executed in the closing auction, then the Daily Settlement TRF Spread shall be determined based on the average bid-ask spread of the respective contract month.</li> <li>Should no price be determined according to the aforementioned procedure, the Daily Settlement TRF Spread shall be determined based on a theoretic (fair) TRF Spread for the respective contract.</li> </ul>
<b>Daily Settlement Price</b> (index points)	Established on the current trading day based the following components: Close SX5E, Daily Settlement TRF Spread, Accrued Distributions and Accrued Funding which have been accumulated from the product launch until the current date.
<b>Final Settlement Day</b>	The third Friday of each contract month, if this is a trading day at the Eurex Exchanges, otherwise the trading day immediately preceding that day.

Specification	Description
<b>Last Trading Day</b>	The trading day at the Eurex Exchanges immediately preceding the expiration day.
<b>Final Settlement Price</b> (index points)	Established on the expiry date and it is based on the following components: Final settlement price of FESX (EDSP), Accrued Distributions and Accrued Funding which have been accumulated from the product launch until the expiry date.

#### 4. Trade types

The handling of Index Total Return Futures entails two types of trades using the same product ID (TESX):

- Trade at Index Close (TAIC) based on end of day Close SX5E.
- Trade at Market (TAM) based on a pre-agreed equity index level (custom index).

The resulting positions will be cleared with the same Daily Settlement Price and therefore are fungible.

##### 4.1. Trades at Index Close (TAIC)

TAIC trades handling in the C7 clearing system entails three booking operations:

- Intraday: Booking in the preliminary trade
- End of day: Booking out the preliminary trade
- End of day: Booking in the final trade

Until the SX5E Close for the current day is known, the C7 clearing system sends the booking confirmation about the transaction at the preliminary clearing price in index points determined based on the previous day's Close SX5E index. Once the Close SX5E index is available in the T7 trading system for the current day, the C7 clearing system will record the TAIC trades based on the final futures clearing price in index points.

Note that the transaction ID in the C7 clearing system does not change (i.e. only the suffix changes to reflect the sequence of the respective booking in/out operations).

##### 4.2. Trades at Market (TAM)

TAM trades can only be entered as block trades using the Eurex Trade Entry Services by providing a custom index value. Such trades are booked immediately as regular trades with a final futures price (i.e. no preliminary handling applicable). Therefore, there is no special handling in the C7 clearing system due to the execution and clearing of TAM trades.

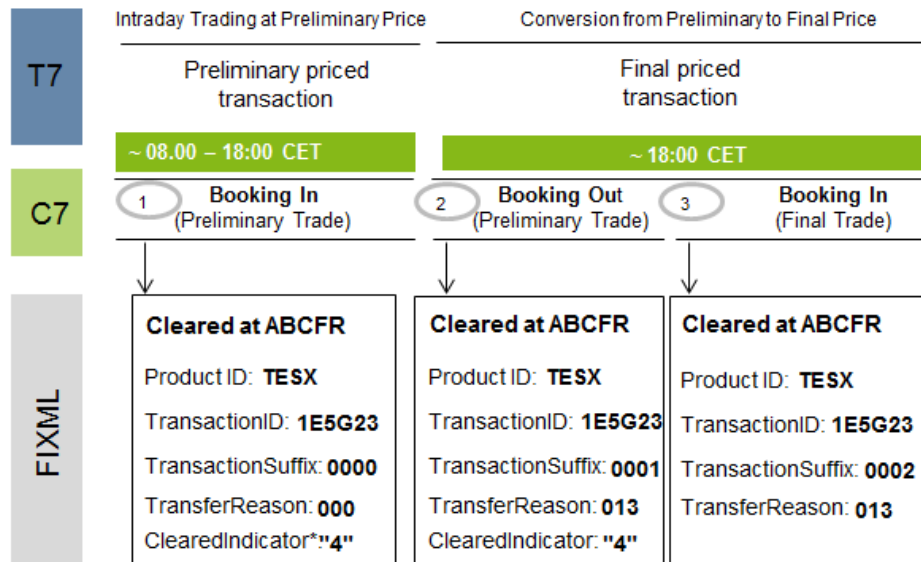
#### 5. Example: Preliminary price handling for TAIC Trades

As mentioned before, the TAM trades are booked immediately with a final futures price. In case of TAIC trades, the final futures price is determined after the end of continuous trading, once the current Close SX5E index is available in the T7 trading system. With C7 Release 3.1, the preliminary trades will be adjustable via the C7 Derivatives Clearing GUI or Eurex Clearing FIXML Interface.

The following sections describe an illustration of the post trade clearing flow on Eurex Clearing's C7 architecture with a focus on TAIC trades and Eurex Clearing FIXML Interface. However, the transaction flow also applies to the C7 Derivatives Clearing GUI.

### 5.1. Full Service Trade

The diagram below illustrates the clearing flow for a full service trade (i.e. a transaction executed by Member ABCFR which is to be cleared by the same Member, i.e. ABCFR). All clearing transactions (i.e. preliminary, reversal of the preliminary and the final priced transaction) are sent by Eurex Clearing to ABCFR.



\* The representation of FIXML tag names and their content is described in Eurex Clearing's FIXML Specification documentation (Volumes 3 & 4).

### 5.2. Completed Give-Up & Take-Up

Where Clearing Member ABCFR executes the preliminary trade and the resulting transaction is to be given up to Clearing Member DEFFR, a completed give-up and take-up prior to the booking out of the preliminary transaction will result in the booking out of the preliminary transaction at the Clearing membership of DEFFR (i.e. take-up Member).

The final priced transaction will then be sent by Eurex Clearing to the Member DEFFR.

### 5.3. Uncompleted (pending) Give-Up & Take-Up

Where Clearing Member ABCFR gives up the preliminary transaction to Clearing Member DEFFR and at the time of the reverse booking taking place the full give and take up process has not successfully completed, Eurex Clearing will cancel the pending give-up and reverse book the preliminary transaction at Clearing Member ABCFR.

No further adjustments to the preliminary transactions are then allowed.

The final price transaction will be booked to the Clearing Member ABCFR and if necessary a further give-up would have to be instructed by ABCFR towards DEFFR.

## 6. Amendments to the Clearing Conditions of Eurex Clearing AG

The relevant amendments to the Clearing Conditions of Eurex Clearing AG are included in attachment 1 to this circular.

Moreover, Index Total Return Futures will be available for Multiple Clearing Relationship (MCR) via a new MCR-Product Group. The relevant amendments to Appendices 2–5 to the Clearing Conditions of Eurex Clearing AG are also included in attachment 1 to this circular.

The relevant amendments will become effective on the launch date 2 December 2016. Once published, the amended Clearing Conditions will be available on the Eurex Clearing website under the link:

**[Resources > Rules and Regulations > Clearing Conditions](#)**

## 7. Transaction fees

The following fees for trading and clearing apply for Total Return Futures on STOXX<sup>®</sup> Indices:

Contract	Currency	Standard fee per contract (contract number ≤ threshold value)	Reduced fee per contract (contract number > threshold value)	Threshold value A-accounts (contract number)	Threshold value P-accounts (contract number)
<b>Order book transactions</b>					
Total Return Futures on STOXX <sup>®</sup> Indices	EUR	M- & P-account: 0.60 A-account: 0.60	n. a.	n. a.	n. a.
<b>Off-book transactions</b>					
Total Return Futures on STOXX <sup>®</sup> Indices	EUR	M- & P-account: 0.60 A-account: 0.60	n. a.	n. a.	n. a.

Please refer to attachment 2 for the updated sections of the Price List of Eurex Clearing AG

## 8. Maintenance fees

For open positions, Eurex Clearing will charge maintenance fees. The daily maintenance fee for Total Return Futures on STOXX<sup>®</sup> Indices is shown in the following table:

Contract	Currency	Account	Daily Standard Fee per Contract
Total Return Futures on STOXX <sup>®</sup> Indices	EUR	A / M / P	0.002000

**Note:** Once introduced, the maintenance fee shall be determined on a daily basis and calculated at the end of a calendar month. A maintenance fee holiday for Total Return Futures on STOXX<sup>®</sup> Indices will be granted to all Eurex Members up to and including 31 December 2017.

The relevant amendments to the Price List of Eurex Clearing AG are included in attachment 2 to this circular.

The relevant amendments will become effective on the launch date 2 December 2016. Once published, they will be available on the Eurex Clearing website under the link:

**[Resources > Rules and Regulations > Price list](#)**

## 9. Admission to the Eurex Trade Entry Services

Index Total Return Futures Contracts will be admitted to the Eurex Trade Entry Services. The minimum number of contracts to be traded is 100.

The Multilateral Trade Registration will be available.

Participants which are already registered for Eurex Trade Entry Services may use the respective services for EURO STOXX 50<sup>®</sup> Index Total Return Futures without any further action.

Trading Participants wishing to use the Eurex Trade Entry Services for the first time should confirm their acceptance of the General Conditions for Participation by signing the appropriate form and returning it to Eurex Exchange. In addition, where the member firm is a Non-Clearing Member, its Clearing Member must sign and return the General Clearer's Declaration Agreement at the same time. The necessary forms can be found on the Eurex Clearing website under the link:

**[Resources > Forms > Trading Derivatives > Trade Entry Services](#)**

The updated sections of the Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation) can be found in attachment 3 to this circular.

## 10. Simulation

Starting 21 October 2016, the EURO STOXX 50<sup>®</sup> Index Total Return Futures (TESX) will be available in the Eurex simulation environment for testing purposes.

Participants should be aware that preliminary transaction reverse booking and final priced transaction bookings are only supported on Eurex Clearing simulation batch days, when the T7 trading system is available to determine the settlement price. Further details regarding the simulation calendar are available on the Eurex Clearing website under the link:

**[Technology > Simulation calendar](#)**

## 11. Risk parameters

Margins for Index Total Return Futures are calculated in Eurex Clearing Prisma. Subject to regulatory approval, offsetting margin effects will be granted for Index Total Return Futures and Dividend Derivatives within the Listed Equity (Index) Derivatives Liquidation Group (PEQ01).

For the risk parameters of the new product, please refer to the Eurex Clearing website under the link:

**[Risk management > Risk parameters](#)**

You can also find an updated list with details on Prisma-eligible Eurex products on the website.

## 12. Impact on Clearing Members/ISVs

There are no enhancements of the C7 clearing system or Eurex Clearing FIXML Interface due to the introduction of Index Total Return Futures. The settlement prices of the futures contracts will be sent as of today in index points. The TRF Spread in basis points or custom strike for TAM trades will not be available in the C7 clearing system.

TAIC trades handling entails a preliminary price transaction with final price adjustment, similar to the existing Variance Futures Contracts (product ID: EVAR). Therefore, the Members which have not implemented the functionality of the Variance Futures will need to ensure that their clearing systems will be able to identify the preliminary trades executed intraday. As mentioned before, the preliminary TRF trades will be converted into final trades once the current Close SX5E index is available in the T7 trading system. In addition, with C7

Release 3.1 planned for 21 November 2016, already the preliminary trades will be adjustable via Transaction Management. More details are available in Eurex Clearing circular 088/16.

### 13. Trading hours (CET)

Product	Pre-trading period	Continuous Trading	Post-trading Full Period	Eurex TES BlockTrading
EURO STOXX 50® Index Total Return Futures (TESX)	07:30–07:50	07:50–17:25	17:25–22:30	08:00–22:00 Trade At Index Close (TAIC) 08:00-18:00

Pursuant to Chapter I, Part 1, Number 17.2.3 of the Clearing Conditions for Eurex Clearing AG (Clearing Conditions), the changes and amendments to the Clearing Conditions communicated with this circular shall be deemed to have been accepted by each Clearing Member, Non-Clearing Member and each Registered Customer, unless they object in writing to Eurex Clearing AG prior to the actual effective date of such change and amendment of the Clearing Conditions.

Pursuant to Number 14 Paragraph 3 of the Price List, the amendments and additions to the Price List as communicated with this circular shall be deemed to have been accepted by the respective Clearing Member unless such Clearing Member's written objection is submitted to Eurex Clearing AG within ten (10) business days after publication.

If you have any questions or require further information, please contact Derivatives Clearing Supervision at tel. +49-69-211-1 12 50 or send an e-mail to: [clearing@eurexclearing.com](mailto:clearing@eurexclearing.com). Alternatively, Risk Control is available at tel. +49-69-211-1 24 52 or via e-mail to: [risk@eurexclearing.com](mailto:risk@eurexclearing.com).

19 October 2016



Chapter II of the Clearing Conditions of Eurex Clearing AG

# Transactions Concluded at Eurex Deutschland and Eurex Zürich

(Eurex Exchanges)

As of 02.12.2016

Attachment to Eurex Clearing circular 127/16	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 02.12.2016
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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

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[...]

## Part 2 Clearing of Futures Contracts

The following provisions shall apply to the Clearing of futures contract transactions specified in Number 1 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich ("**Eurex Contract Specifications**").

### 2.1 General Provisions

[...]

#### 2.1.2 Daily Settlement Price

[...]

(2) Eurex Clearing AG determines the daily settlement price according to the true market conditions of the respective contract and under consideration of its risk assessment.

(a) When determining the daily settlement prices pursuant to Sentence 1 for contracts of the current expiry month, the following procedure shall apply.

[...]

(k) The daily settlement price for Index Total Return Futures Contracts shall be determined according to Number 2.23.2.

[...]

(5) Reference times

The scheduled reference times for the determination of the ~~Daily~~ daily Settlement settlement Prices prices for the respective Contracts are set out in the table below:

~~Eurex Clearing AG may on a case by case basis determine that a different reference time shall apply for the determination of a Daily Settlement Price, if it so deems appropriate under prevailing circumstances, in particular in case of a closure of the spot market of the underlying of the respective contract prior to the scheduled reference time. Eurex Clearing AG will publish any reference times so determined.~~

<b>Contract</b>	<b>Reference Time (CET)</b>
All other Index Dividend Futures	17:30
All other Index-Futures	17:30
CECE <sup>®</sup> EUR-Futures	17:10
Commodity Index Futures	17:30
CONF-Futures	17:00
ETC Futures	17:30
Eurex -KOSPI-Daily Futures Contracts	17:30
Fixed Income Futures (denominated in Euro)	17:15
Futures Contracts with assigned group ID BR01, CA01, CA02, US01 or US02	17:45
FX Futures	17:30 (15:00 on every expiry day of a series / third Wednesday of the expiry month for the expiring contract)
GMEX IRS Constant Maturity Futures	18:00
Gold Futures	17:30
Index Dividend Futures	17:30
Money Market Futures (FEO1 AND FEU3)	17:15
FLIC	18:00
RDX <sup>®</sup> EUR Futures, RDX <sup>®</sup> USD Futures	16:30
Silver Futures	17:30
SMI <sup>®</sup> Index Dividend Futures	17:20
SMI <sup>®</sup> -Futures, SLI <sup>®</sup> Futures	17:20
SMIM <sup>®</sup> Futures	17:20
Variance futures	17:50
VSTOXX <sup>®</sup> -Mini-Futures	17:30
TA-25 Futures	16:35
Interest Rate Swap Futures Contracts	17:15
<u>Index Total Return Futures Contracts</u>	<u>17:30</u>

The Management Board of Eurex Clearing AG may on a case by case basis determine that a different reference time shall apply for the determination of a daily settlement price, if it so deems appropriate under prevailing circumstances, in

particular in case of a closure of the spot market of the underlying of the respective contract prior to the scheduled reference time. Eurex Clearing AG will publish any reference times so determined.

[...]

## **2.22 Clearing of Variance Futures contracts**

[...]

### **2.22.3 Fulfilment, Delivery**

Open positions from the last trading day of a contract shall be balanced on the final settlement day by means of a net payment credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. Such payment shall equal the difference between the final settlement price of such contract and such contract's daily settlement price on the preceding Business Day. For positions opened on the last trading day, the booking amount shall equal the difference between the final settlement price and the trading price.

## **2.23 Clearing of Index Total Return Futures Contracts**

The following provisions shall apply to the clearing of Index Total Return Futures Contracts as specified in Number 1.23 of the Eurex Contract Specifications.

### **2.23.1 Payment Procedures**

All payments shall be made on the Business Day following the final settlement day as specified in Number 1.23.4 of the Eurex Contract Specifications. All Clearing Members must ensure their ability to effect payments on the due date thereof through sufficient credit balances in the RTGS Account or the euroSIC Account.

### **2.23.2 Daily Settlement Price**

The daily settlement price for Index Total Return Futures shall be determined by Eurex Clearing AG based on the Daily Settlement TRF Spread in basis points, according to Number 1.23.8.4 of the Eurex Contract Specifications and in conjunction with the following provisions:

1. The daily settlement price for Index Total Return Futures Contracts is determined in index points as:

$$\underline{\text{Daily settlement price (t) = Index Close (t) + Accrued Distributions (t) - Accrued Funding (t) + Settlement Basis (t)}}$$

Where:

- t = current trading day
- Index Close (t) = the closing level of the index calculated by the respective index provider
- Accrued Distributions (t), as defined in the Eurex Contract Specifications
- Accrued Funding (t), as defined in the Eurex Contract Specifications

- **Settlement Basis (t) = Index Close (t) \* [Daily Settlement TRF Spread(t) \* 0.0001] \* (days to maturity(t) / Annualisation Factor)**

With the:

- **Daily Settlement TRF Spread (t)** = the TRF Spread in basis points as defined below under sub-paragraph (2)
- **Days to maturity(t)**, as defined in the Eurex Contract Specifications
- **Annualisation Factor**, as defined in the Eurex Contract Specifications

2. The Daily Settlement TRF Spread used to calculate the Settlement Basis is determined based on the following procedure (“Daily Settlement TRF Spread”):

- The Daily Settlement TRF Spread shall be determined based on the TRF Spread traded via the closing auction between 17:25 – 17:30 CET;
- Should no trades be executed in the closing auction, then the Daily Settlement TRF Spread shall be determined based on the average bid-ask spread of the respective contract month;
- Should no price be determined according to the aforementioned procedure, the Daily Settlement TRF Spread shall be determined based on a theoretic (fair) TRF Spread for the respective contract month

3. The following shall apply to Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: **TESX**), in conjunction with the Eurex Contract Specifications and provisions specified above under sub-paragraph (1) for the daily settlement price:

<b><u>Parameter</u></b>	<b><u>Format</u></b>	<b><u>Description</u></b>
<u>Index Close</u>	<u>Index points</u>	<u>Daily closing level of EURO STOXX 50® (SX5E) as calculated by Stoxx Ltd</u>
<u>Annualisation Factor</u>	<u>Integer</u>	<u>360</u>

### **2.23.3 Final Settlement Price**

(1) According to Number 1.23.8.5 of the Eurex Contract Specifications, the final settlement price of the Index Total Return Futures Contracts is determined in index points as:

$$\text{Final settlement price (T)} = \text{Final Settlement Index (T)} + \text{Accrued Distributions (T)} - \text{Accrued Funding (T)} + \text{Settlement Basis (T)}$$

Where:

T = expiry date of the contract

Final Settlement Index (T) = Index value used by Eurex Clearing AG to determine the final settlement price in conjunction with the Eurex Contract Specifications

Accrued Distributions (T) and Accrued Funding (T) are determined using the same methodology described for the calculation of the daily settlement price

**Settlement Basis (T) = 0** (as on the expiry date the number of days to maturity is zero)

- (2) The following shall apply to Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: **TESX**), in conjunction with the Eurex Contract Specifications and formulas used for the calculation of the final settlement price in index points:

<u>Parameter</u>	<u>Format</u>	<u>Description</u>
<u>Final Settlement Index</u>	<u>Index points</u>	<u>Final settlement price of the Index Futures on the EURO STOXX 50® (Product ID: <b>FESX</b>) according to Chapter II Part 2 Number 2.4.2</u>

#### **2.23.4 Margin Requirements**

- (1) The applicable Margin Type for Index Total Return Futures Contracts shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.
- (2) The Variation Margin for Index Total Return Futures Contracts shall reflect the changes between the daily settlement prices expressed in index points.

#### **2.23.5 Fulfilment, Delivery**

- (1) —The performance day for Index Total Return Futures Contracts shall be the business day (as defined in Chapter I Part 1 Number 1.2.4 h)) after the final settlement day of the contract.
- (2) Open positions from the last trading day of a contract shall be balanced on the final settlement day by means of a net payment credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. Such payment shall equal the difference between the final settlement price of such contract and such contract's daily settlement price on the preceding Business Day. For positions opened on the last trading day, the booking amount shall equal the difference between the final settlement price and the trading price.

#### **2.23.6 Extraordinary Handling**

An extraordinary event in relation to Index Total Return Futures Contracts means any occurrence on a Business Day of at least one of the market disruption events or distribution recovery events, as specified in Number 1.23.9.1 and Number 1.23.10 of the Eurex Contract Specifications.

In such extraordinary events, the Management Board of Eurex Clearing AG may decide to adjust the daily settlement prices or to apply an adjustment, as specified in Number 1.23.9.2 and Number 1.23.10 of the Eurex Contract Specifications, which apply *mutatis mutandis*. The decisions needs to be aligned with the Management Boards of the Eurex Exchanges.

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Clearing Conditions of Eurex Clearing AG	As of 02.12.2016
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## Part 4 Clearing of Off-Book Trades

[...]

### 4.3 Clearing of Off-Book Flexible Eurex Futures Contracts

Futures Contracts whose contract specifications – except the modalities listed in the following regulations – correspond to the specifications of the contracts admitted to trading at Eurex Deutschland and Eurex Zürich (“**Flexible Eurex Futures Contracts**”) can be included in the clearing. A Eurex Off-Book Trade with a Flexible Eurex Futures Contract exists if the contracting parties have agreed off-book upon the purchase or sale of a futures contract whose characteristics – irrespective of the modalities listed in the following – correspond to the specifications of Eurex Futures Contracts determined in the Eurex Contracts Specifications and which have been included in the Clearing by Eurex Clearing AG.<sup>1</sup>

[...]

\*\*\*\*\*

<sup>1</sup> Number 4.3 shall not apply with regard to Off-Book Flexible Futures Contracts which relate to Futures Contracts on the dividends of Shares, Index Dividend Futures Contracts, Money Market-, Fixed Income- or Volatility Index Futures Contracts or Index Total Return Futures Contracts admitted to trading on the Eurex Exchanges. Insofar, Eurex Clearing AG does not assume the clearing of these Flexible Eurex Futures Contracts.

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Appendix 2 to the Clearing Conditions of Eurex Clearing AG:

## Clearing Agreement

with a Non-Clearing Member and/or Registered Customer for the  
Elementary Clearing Model

As of 02.12.2016



This Clearing Agreement (the “**Agreement**”) is dated the last date specified on the signature page hereof and entered into

**BETWEEN:**

[...]

**Annex A to the Clearing Agreement: Transaction Types included in the Clearing, Close-Out Netting**

The Non-Clearing Member/Registered Customer shall participate in the Clearing pursuant to this Agreement in accordance with the following elections:

- Registered Customer for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter VIII Part 2 Clearing of OTC Interest Rate Derivative Transactions.
- Non-Clearing Member for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter III Transactions at Eurex Bonds GmbH (Eurex Bonds)
  - Chapter IV Clearing of Transactions at Eurex Repo GmbH (Eurex Repo)
  - Chapter V Part 2 Transactions Concluded at the Frankfurter Wertpapierbörse
  - Chapter VI Transactions Concluded at the Irish Stock Exchange (ISE Dublin)
- In case the Non-Clearing Member decides to assign the Clearing of Eurex Transactions to more than one Clearing Member in accordance with Chapter II Part 1 Number 1.9 (Multiple Clearing Relationships), this Agreement allows for the Clearing of the following MCR-Product Groups:
  - Equity & Index Products
  - Fixed Income Products
  - Interest Rate Swap Futures Products
  - International CBF-settled Products
  - UK & Irish Products
  - KOSPI Products
  - TAIFEX Products

- FX Products
- Variance Futures Products
- GMEX IRS Constant Maturity Futures
- Index Total Return Futures

Further optional election by the Clearing Member and the Non-Clearing Member/Registered Customer:

- Application of Close-Out Netting Regulation pursuant to Chapter I Part 2 Number 8.9.3.

[...]

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\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

Appendix 3 to the Clearing Conditions of Eurex Clearing AG:

## Clearing Agreement

with a Non-Clearing Member and/or Registered Customer for the Individual Clearing Model under Eurex Clearing AG Documentation

As of 02.12.2016

This Clearing Agreement (the “**Agreement**”) is dated the last date specified on the signature page hereof and entered into

**BETWEEN:**

[...]

**Annex A to the Clearing Agreement: Transaction Types included in the Clearing, Direct Segregated Margin Transfer and Retransfer**

**1 Transaction Types included in the Clearing**

The ICM Client shall participate in the Clearing pursuant to this Agreement in accordance with the following elections:

- Registered Customer for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter VIII Part 2 Clearing of OTC Interest Rate Derivative Transactions
- Non-Clearing Member for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter III Transactions at Eurex Bonds GmbH (Eurex Bonds)
  - Chapter IV Clearing of Transactions at Eurex Repo GmbH (Eurex Repo)
  - Chapter V Part 2 Transactions Concluded at the Frankfurter Wertpapierbörse
  - Chapter VI Transactions Concluded at the Irish Stock Exchange (ISE Dublin)
- In case the Non-Clearing Member decides to assign the Clearing of Eurex Transactions to more than one Clearing Member in accordance with Chapter II Part 1 Number 1.9 (Multiple Clearing Relationships), this Agreement allows for the Clearing of the following MCR-Product Groups:
  - Equity & Index Products
  - Fixed Income Products
  - Interest Rate Swap Futures Products
  - International CBF-settled Products
  - UK & Irish Products

- KOSPI Products
- TAIFEX Products
- FX Products
- Variance Futures Products
- GMEX IRS Constant Maturity Futures
- Index Total Return Futures

[...]

\*\*\*\*\*

\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

Appendix 4 to the Clearing Conditions of Eurex Clearing AG:

## Clearing Agreement

with a Non-Clearing Member and/or Registered Customer for the Individual Clearing Model under Client Clearing Documentation

As of 02.12.2016

This Clearing Agreement (the “**Agreement**”) is dated the last date specified on the signature page hereof and entered into

**BETWEEN:**

[...]

**Annex A to the Clearing Agreement: Details of Client Clearing Agreement, Transaction Types included in the Clearing, Direct Segregated Margin Transfer and Retransfer**

**1 Details of Client Clearing Agreement**

[...]

**2 Transaction Types included in the Clearing**

The ICM Client shall participate in the Clearing pursuant to this Agreement in accordance with the following elections:

- Registered Customer for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter VIII Part 2 Clearing of OTC Interest Rate Derivative Transactions.
- Non-Clearing Member for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter III Transactions at Eurex Bonds GmbH (Eurex Bonds)
  - Chapter IV Clearing of Transactions at Eurex Repo GmbH (Eurex Repo)
  - Chapter V Part 2 Transactions Concluded at the Frankfurter Wertpapierbörse
  - Chapter VI Transactions Concluded at the Irish Stock Exchange (ISE Dublin)
- In case the Non-Clearing Member decides to assign the Clearing of Eurex Transactions to more than one Clearing Member in accordance with Chapter II Part 1 Number 1.9 (Multiple Clearing Relationships), this Agreement allows for the Clearing of the following MCR-Product Groups:
  - Equity & Index Products

- Fixed Income Products
- Interest Rate Swap Futures Products
- International CBF-settled Products
- UK & Irish Products
- KOSPI Products
- TAIFEX Products
- FX Products
- Variance Futures Products
- GMEX IRS Constant Maturity Futures
- Index Total Return Futures

[...]

\*\*\*\*\*



\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

Appendix 5 to the Clearing Conditions of Eurex Clearing AG:

## Clearing Agreement

with a Net Omnibus Non-Clearing Member and/or Net Omnibus  
Registered Customer for the Net Omnibus Clearing Model

As of 02.12.2016

This Clearing Agreement (the “**Agreement**”) is dated the last date specified on the signature page hereof and entered into

**BETWEEN:**

[...]

**Annex A to the Clearing Agreement: Transaction Types included in the Clearing**

The Net Omnibus Non-Clearing Member/Net Omnibus Registered Customer shall participate in the Clearing pursuant to this Agreement in accordance with the following elections:

- Net Omnibus Registered Customer for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
  - Chapter VIII Part 2 Clearing of OTC Interest Rate Derivative Transactions.
- Net Omnibus Non-Clearing Member for the following Transaction Types:
  - Chapter II Transactions Concluded at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)
- In case the Net Omnibus Non-Clearing Member decides to assign the Clearing of Eurex Transactions to more than one Clearing Member in accordance with Chapter II Part 1 Number 1.9 (Multiple Clearing Relationships), this Agreement allows for the Clearing of the following MCR-Product Groups:
  - Equity & Index Products
  - Fixed Income Products
  - Interest Rate Swap Futures Products
  - International CBF-settled Products
  - UK & Irish Products
  - KOSPI Products
  - TAIFEX Products
  - FX Products
  - Variance Futures Products

- GMEX IRS Constant Maturity Futures
- Index Total Return Futures

[...]

\*\*\*\*\*

**Price List of Eurex Clearing AG**

\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

**3. Transaction Fees for Derivatives Transactions (Order Book Transactions and Off-Book-Transactions on the Eurex Exchanges)**

[...]

**3.1 Matching / Recording of Derivatives Transactions (Trade)****3.1.1 Order Book Transactions**

[...]

Contract <sup>1)</sup>	Currency	Standard Fee per Contract (contract volume ≤ threshold)	Reduced Fee per Contract (contract volume > threshold)	Threshold A-Accounts (number of contracts)	Threshold P-Accounts (number of contracts)
[...]					
<b>Total Return Equity Index Derivatives</b>					
<b><u>Futures</u></b>					
<u>Total Return Futures on STOXX<sup>®</sup> Indices</u> (denominated in EUR)	<u>EUR</u>	<u>0.60</u>	<u>n. a.</u>		
<b>Index Dividend Derivatives</b>					
[...]					

[...]

**3.1.2 Off-Book Transactions**

[...]

**Price List of Eurex Clearing AG**

As of 02.12.2016

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Contract	Currency	Standard Fee per Contract (contract volume ≤ threshold)	Reduced Fee per Contract (contract volume > threshold)	Threshold A-Accounts (number of contracts)	Threshold P-Accounts (number of contracts)
[...]					
<b>Total Return Equity Index Derivatives</b>					
<b>Futures</b>					
Total Return Futures on STOXX® Indices (denominated in EUR)	EUR	0.60	n. a.		
<b>Index Dividend Derivatives</b>					
[...]					

[...]

**3.3 Position Closing Adjustments**

[...]

Contract	Fee per Contract
[...]	
<b>Equity Index Derivatives</b>	
[...]	
<b>Total Return Equity Index Derivatives</b>	
Total Return Futures on STOXX® Indices (denominated in EUR)	EUR 1.20
<b>FX Derivatives</b>	
[...]	

**3.4 Cash Settlement**

Contract	Fee per Contract	Maximum Fee for Contracts on the same underlying of each A-, P- and M-accounts
[...]		
<b>Equity Index Derivatives</b>		
[...]		
<b>Total Return Equity Index Derivatives</b>		
Total Return Futures on STOXX® Indices (denominated in EUR)	EUR 0.60	
<b>Index Dividend Derivatives</b>		
[...]		

[...]

**3.12 Fees related to GMEX IRS Constant Maturity Futures**

For transactions in GMEX IRS Constant Maturity Futures ECAG shall charge the following fees in addition to the transaction fees for matching and recording of transactions as outlined in Chapter 3.1.

**3.12.1 Maintenance Fees for GMEX IRS Constant Maturity Futures**

(1) For open positions in GMEX IRS Constant Maturity Futures in Principal Position Accounts the daily accrued maintenance fee shall be as follows:

The on	2-3 year GMEX IRS Constant Maturity Futures	EUR	0.00274
	4-8 year GMEX IRS Constant Maturity Futures	EUR	0.00137
	9-30 year GMEX IRS Constant Maturity Futures	EUR	0.000685

maintenance fee shall be determined a daily basis and calculated at the

end of each calendar month.

(2) For open position in GMEX IRS Constant Maturity Futures in Agent Position Accounts the daily accrued maintenance fee shall be as follows:

2-3 year GMEX IRS Constant Maturity Futures	EUR	0.003288
4-8 year GMEX IRS Constant Maturity Futures	EUR	0.001644
9-30 year GMEX IRS Constant Maturity Futures	EUR	0.000822

The maintenance fee shall be determined on a daily basis and calculated at the end of each calendar month.

(3) The maintenance fee shall be charged during the relevant Calculation Period at the end of each calendar month based on the actual number of days in the relevant calendar month.

**Price List of Eurex Clearing AG****3.12 Fees for the CMF Market Integrity Process (GMEX IRS Constant Maturity Futures)**

For each CMF Market Integrity Process requested by a CMF Participant in GMEX IRS Constant Maturity Futures, ECAG shall charge the following fees:

[...]

**3.13 Self-Match Prevention**

[...]

**3.14 Maintenance Fees**

For open positions ECAG shall charge the following fees in addition to the transaction fees for matching and recording of transactions as outlined in Number 3.1.

(1) For open positions the daily accrued maintenance fee shall be as follows:

<u>Contract</u>	<u>Currency</u>	<u>Account</u>	<u>Standard Fee per Contract</u>
<b><u>Total Return Equity Index Derivatives</u></b>			
<b><u>Futures</u></b>			
Total Return Futures on STOXX <sup>®</sup> Indices (denominated in EUR)	EUR	A/P/M	0.002000
<b><u>GMEX IRS Constant Maturity</u></b>			
<b><u>Futures</u></b>			
2-3 year GMEX IRS Constant Maturity Futures	EUR	A	0.003288
		P/M	0.002740
4-8 year GMEX IRS Constant Maturity Futures	EUR	A	0.001644
		P/M	0.001370
9-30 year GMEX IRS Constant Maturity Futures	EUR	A	0.000822
		P/M	0.000685

The maintenance fee shall be determined on a daily basis and calculated at the end of each calendar month.

(2) The maintenance fee shall be charged during the relevant Calculation Period at the end of each calendar month based on the actual number of days in the relevant calendar month.

[...]

\*\*\*\*\*



\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

## **1 Scope of Application**

[...]

## **2 Subject Matter**

[...]

### **2.4 Block Trades**

2.4.2 [...]

Furthermore, ~~t~~The specifications of the contracts of a Block Trade have to correspond to the contract specifications for the products pursuant to the Eurex Contract Specifications, and the contract price of the Block Trade must fulfill the requirements set out in Number 5 of these General Conditions for Participation.

Furthermore, the Eurex Contract Specifications may provide for certain products to be entered as Trades at Index Close ("TAIC") or Trades at Market ("TAM"). For Index Total Return Futures Contracts, the TAIC and TAM trade types shall apply in conjunction with Number 1.23.7 of the Eurex Contract Specifications. Block trades related to TAIC will be entered with a preliminary price which is converted into final price determined based on a close index level. In case of block trades related to TAM, the price will be determined based on an index level predetermined and entered by the Participant (custom index level).

[...]

## **5 Contract Price of Off-Book Trades**

[...]

5.2.2 In deviation to Number 5.2.1, the interval for Futures contracts on short-, mid- and long-term debt securities of the Federal Republic of Germany and of the Swiss Confederation respectively, results from the daily high and daily low of the respective Futures contract. When calculating the interval, the following premiums and reductions shall be added or respectively deducted:

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CONF-Futures	+/- 0.25
Euro-Bobl-Futures	+/- 0.05
Euro-Bund-Futures	+/- 0.08
Euro-Buxl-Futures	+/- 0.30
Euro-Schatz-Futures	+/- 0.02

5.2.3 In deviation to Number 5.2.1, the interval for Index Total Return Futures contracts results from the Daily Settlement TRF Spread in basis points of the respective futures contract from the previous trading day pursuant to Chapter II Part 2 Number 2.23.2. of the Clearing Conditions of Eurex Clearing AG. When calculating the interval, the following premiums and reductions shall be added or respectively deducted:

<u>Product</u>	<u>Product ID</u>	<u>Amount</u>
<u>Index Total Return Futures Contracts on EURO STOXX 50®</u>	<u>TESX</u>	+ / - 25 basis points (1 basis point = 0.0001)

5.3 For options contracts, theoretical maximum and minimum values for the option price of a Block Trade are determined during the trading day on the basis of the daily high and daily low values of the respective underlying instrument, as recorded up to the time of entry of the Block Trade, and the respective implied volatilities established within the options market of the Eurex Exchanges. The interval thus determined is extended on all trading days except the expiration days by 50 per cent of the maximum Quote Spread permissible for the respective product. On expiration days, the interval will be extended by the entire permissible maximum quote spread, resulting in the range of permissible option prices for Block Trades. If options strategies and options volatility strategies are entered, the sum of daily high and daily low values contained in the options strategy shall apply to the determination of the strategy daily high and daily low values.

[...]

**8 Mandatory Data Entries****8.1 EFP Trade Service (Off-Book EFP-Fin Trade Entry-window)**

[...]

**8.2 EFPI Trade Service (Off-Book EFPI Trade Entry-window)**

[...]

### 8.3 EFS Trade Service (Off-Book EFS Trade Entry ~~window~~)

[...]

### 8.4 Block Trade Service (Off-Book Block Trade Entry ~~window~~)

8.4.1 When entering a Block Trade into the Eurex System, using the Block Trade Service, the buyer must enter the following data:

- the future contract traded (instrument, delivery month and year) or the option contract traded (instrument, expiration month and expiration year, strike or exercise price, C/P-flag and version number);
- the contract price / spread;
- the custom index level (if applicable for Index Total Return Futures Contracts);
- the number of contracts;
- the Eurex system user identification code of the trader of the buyer;
- the open/close indicator;
- the position account; and
- the Eurex exchange system Participant ID code of the seller.

The number of contracts of the futures or options contracts traded may not be below the minimum number of contracts to be traded, as defined in Number 9.2 of these General Conditions. As far as contracts are entered using the service for options strategies or options volatility strategies and if such contracts are admitted to the Block Trade Service, the above-mentioned provision shall apply respectively.

[...]

8.4.4 When entering Block Trades into the Eurex System via the Multilateral Trade Entry Service, the Participant shall enter the following information:

- the Futures contract traded (instrument, expiration month and expiration year) or options contract (instrument, expiration month and expiration year, strike or exercise price, C/P flag, version number) respectively;
- contract price / spread;
- the custom index level (if applicable for Index Total Return Futures Contracts);
- the Eurex exchange system Participant ID code for the counterpart and the trader subgroup;
- buy/sell code for the respective buyer(s) or seller(s);

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(General Conditions for Participation)**

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- number of contracts traded by each Participant; the total number of the contracts purchased shall correspond to the total number of contracts sold.

[...]

**8.5 Vola Trade Service (Off-Book Vola Trade Entry-window)**

[...]

**8.6 Flexible Options and Futures Service (Off-Book Flexible Contracts Entry-Window)**

[...]

**9 Admitted Products, Combinations and Combination Transactions Option-Share**

[...]

**9.4 Block Trade Service**

Eurex Clearing AG has admitted to the Block Trade Service the following products and Combinations Transactions Option-Share. Such admission is independent from the respective transactions being entered into the Eurex System within the scope of an options strategy, an options volatility strategy or as a Combination Transaction Option-Share, consisting of Off-Book options transactions and Off-Book securities transactions.

**9.4.1 Admitted Products:**

[...]

Volatility Index Futures

Mini-Futures Contracts on the VSTOXX® Index (FVS)	1,000
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Futures Contracts on the Variance of the EURO STOXX 50® Index (EVAR)	1
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Index Total Return Futures

Index Total Return Futures Contracts on EURO STOXX 50® (TESX)	100
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Currency Derivatives

Sterling - Swiss Franc Futures (FCPF)	500
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**Conditions for Utilization of the Eurex Trade Entry Services  
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Sterling - US Dollar Futures (FCPU)	500
Euro - Sterling Futures (FCEP)	500
Euro - Swiss Franc Futures (FCEF)	500
Euro - US Dollar Futures (FCEU)	1,000
US Dollar - Swiss Franc Futures (FCUF)	500

**9.4.2 Admitted Combination Transactions Option-Share**

[...]

[...]

**Annex A to the General Conditions for Participation:**

[...]

**Volatility Index Futures Contracts**

Product	Product-ID	Start-End
VSTOXX <sup>®</sup> Mini-Futures	FVS	09:00-22:00
EURO STOXX 50 <sup>®</sup> Variance Futures (EVAR)	EVAR	18:30-21:00

**Index Total Return Futures Contracts**

Product	Product-ID	Start-End
Index Total Return Futures Contracts on EURO STOXX 50 <sup>®</sup>	TESX	Trade at Market (TAM): 08:00 - 22:00
		Trade at Index Close (TAIC): 08:00 - 18:00

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