

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-seventh Amendment Ordinance to the Conditions for Trading at Eurex Deutschland

On 06 July 2023, the Exchange Council of Eurex Deutschland approved the Twenty-seventh Amendment Ordinance to the Conditions for Trading at Eurex Deutschland.

It shall take effect 31 July 2023.

The Amendment Ordinance is available on the website of Eurex Deutschland (<https://www.eurex.com/ex-en/>) and may be accessed in the Eurex Deutschland folder (“Präsenzordner Regelwerke”) at the reception desk of the trading floor, Börsenplatz 4, 60313 Frankfurt/Main, Germany, during general opening hours.

**Twenty-seventh 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 18 November 2022*

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 Admitted Companies with the T7 Entry Service pursuant to Number 4.4 (“**TES**”), and the selective Request for Quote service pursuant to Number 4.5 (“**Eurex EnLight**”) ~~as well as the entry service for Portfolio Compression Transactions pursuant to Number 4.7 (“**Portfolio Compression Entry Service**”)~~ to conclude off-book Transactions pursuant to Part 4 (“**Off-book Transactions**” or “**Off-book Trading**”) and permit the usage of third party information providers pursuant to Number 4.6 (“**TPIP**”). The off-book Transactions originate outside the Order Book. Off-book Transactions do not result in an exchange price. The provisions of Numbers 1.4 and 1.5, Numbers 2.4, 2.5, 2.6, 2.7 and 2.9 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 Transactions may be concluded during the Off-book Trading Period as determined by the Management Board in the Contract Specifications (“**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 Trading 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 Transactions

The Management Board may permit the following types of Transactions for Off-book Trading:

[...]

~~(8) Portfolio Compression Transactions~~

~~Portfolio Compression Transactions are Transactions 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 MiFIR (“**Portfolio Compression Transactions**”).~~

[...]

4.6 TPIP

(1) Differentiation

[...]

~~Admitted Companies 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 Admitted Company and are neither agents of Eurex Deutschland nor will they perform any obligations of Eurex Deutschland. TPIPs are not Admitted Companies and may not conclude Off-book Transactions. They are not authorised to confirm Offer Conditions or Portfolio Compression Orders

[...]

4.7 ~~Portfolio Compression Entry Service~~

~~Admitted Companies may commission Portfolio Compressors to provide portfolio compression pursuant to this Number 4.7.~~

(1) ~~Portfolio Compressor~~

- ~~a) Admitted Companies and TPIPs that are subject to the scope of Article 31 MiFIR 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 MiFIR and are subject to regulation equivalent to the aforementioned regulation are entitled, upon Request and following admission of the Management Board (“**Portfolio Compressor**”), to initiate Portfolio Compression Transactions 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 Admitted Companies involved in the portfolio compression which complies with the requirements pursuant to Article 17 of the Commission Delegated Regulation (EU) 2017/567. 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 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, the agreements pursuant to a) must be provided.~~
- ~~c) Portfolio compression according to MiFIR 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~~

~~Admitted Companies 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 Transactions. 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 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 MiFIR or Articles 17, 18 of the Commission Delegated Regulation (EU) 2017/567 or,~~
 - ~~4. if an orderly provision and execution of Portfolio Compression Transactions 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 Admitted Companies participating in the portfolio compression cycle into the Eurex Trading System (“**Portfolio Compression Orders**”).~~

~~(3) Confirmation of Portfolio Compression Orders~~

~~Portfolio Compression Orders may only be executed if they have been confirmed electronically in the Eurex Trading System in advance by the Admitted Company on behalf of which they were entered into the Eurex Trading System. Portfolio Compression Orders may only be confirmed by Exchange Traders admitted on behalf of the Admitted Company for which the Portfolio Compression Orders have been entered.~~

~~(4) Conclusion of Portfolio Compression Transactions~~

~~Portfolio Compression Transactions 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 Eurex Trading System.~~

~~Portfolio Compression Orders will only be executed against each other if all Admitted Companies 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 Eurex Trading System 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 Eurex Trading System and the portfolio compression cycle will be stopped.~~

[...]

4.10 Cancellation of Off-book Transactions

[...]

4.10.1 Cancellation by all Admitted Companies involved in the Off-book Transaction

The Management Board will cancel a TES Transaction or an Eurex EnLight Transaction if the Admitted Company involved in the relevant 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 relevant Transaction into the Eurex Trading System and request a cancellation. In the case of a multilateral Off-book Transaction, the requirements pursuant to Sentence 1 shall be met by all of the Admitted Companies involved. ~~Portfolio Compression Transactions cannot be cancelled upon request.~~ The Management Board 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 Eurex Trading System.

[...]

Article 2 Effectiveness

The amendments pursuant to Article 1 shall become effective on 31 July 2023.

The foregoing Twenty-seventh 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 06 July 2023, the Amendment Ordinance shall become effective at the point 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.eurex.com>).

Frankfurt/Main, 14 July 2023

Management Board of Eurex Deutschland

Dr. Randolph Roth

Michael Peters