



eurex circular 092/16

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Mehtap Dinc

Equity index derivatives: Introduction of Eurex Daily Futures on Mini KOSPI-200-Futures

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Content may be most important for:

➤ All departments

Attachments:

1. Updated sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich
2. Designated Market-Making Scheme for Eurex Daily Futures on Mini KOSPI-200-Futures – Quote Obligations
3. Designated Market Maker Agreement for Eurex Daily Futures on Mini KOSPI-200-Futures
4. Eurex Clearing circular 122/16

Summary:

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG decided to introduce Eurex Daily Futures on Mini KOSPI-200-Futures effective **28 November 2016**.

This circular contains information about the following topics:

Introduction date, updated sections of the contract specifications, trading hours, risk parameters, Eurex Trade Entry Services, transaction fees, Market-Making, preparations necessary for start of trading.

For the Eurex Daily Futures on Mini KOSPI-200-Futures, Designated Market-Making (DMM) will be offered. In order to promote trading activities, rebates for Market Makers in the products will be offered until 31 December 2017.

Registration for the Designated Market-Making scheme is required (attachment 3).

Information on clearing of the new products as well as the updated sections of the relevant Rules and Regulations of Eurex Clearing AG are contained in Eurex Clearing circular 122/16 (attachment 4).



**Equity index derivatives: Introduction of Eurex Daily Futures
on Mini KOSPI-200-Futures**

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG decided to introduce Eurex Daily Futures on Mini KOSPI-200-Futures effective 28 November 2016.

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1. Introduction date

The Eurex Daily Futures on Mini KOSPI-200-Futures will be introduced on 28 November 2016.

2. Contract specifications and product parameters

The Eurex Daily Futures on Mini KOSPI-200-Futures are technically set up and traded as an index future in the Eurex® system. Legally it is a futures contract which expires daily into a Mini KOSPI-200-Future position at Korea Exchange (KRX) on its following trading day prior to the market opening. Therefore, from a legal point of view, the relevant series of the KOSPI-200-Futures listed on KRX are the underlying instruments for the Eurex Daily Futures on Mini KOSPI-200-Futures. The product currency will be South Korean Won (KRW).

Eurex product	
Product name	Eurex Daily Futures on Mini KOSPI-200-Futures
Product code	FMK2
Product ISIN	DE000A2BMKU4
Underlying ISIN	DE000A2BMRFO
Currency	South Korean Won (KRW)
Product type	FINX
Underlying	Mini KOSPI-200-Futures listed at KRX
Contract size	One Mini KOSPI-200-Futures contract of the relevant series
Price quotation	In points, with two decimal places
Tick size and tick value	0.02 points (KRW 2,000)
Contract term	One trading day Mini KOSPI-200-Futures listed at KRX have a contract term of up to six consecutive months

Eurex product	
Settlement	Variation margin at Eurex and physical delivery via position establishment in Mini KOSPI-200-Futures on the following trading day at KRX prior to its market opening
Daily or Final settlement price	The daily settlement price of the Eurex Daily Futures on Mini KOSPI-200-Futures is also the final settlement price, and equal to the daily settlement price calculated by KRX for the Mini KOSPI-200-Futures Contracts admitted for trading on KRX on the same exchange day. The cash flow resulting from the variation margin will be paid or received in KRW at a correspondent bank account in South Korea.
Last Trading Day	Each trading day of the Eurex Daily Futures on Mini KOSPI-200-Futures is the Last Trading Day, provided it is an Exchange day also on KRX.
Trading Hours	10:00–21:00 CET (18:00–05:00 KST) or 11:00–21:00 CEST (18:00–04:00 KST)

CET = Central European Time

CEST = Central European Summer Time

KST = Korean Standard Time

The updated Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be published as of the introduction of the new products on the Eurex website www.eurexexchange.com under the following link:

Resources > Rules and Regulations > Contract specifications

3. Trading hours

The trading hours are in line with the existing Eurex Daily Futures on KOSPI-200-Options (OKS2). Please see the contract specifications for the trading hours under the link mentioned above.

4. Product group

The Eurex Daily Futures on Mini KOSPI-200-Futures will be allocated to the following product group:

Product	Product group	Settlement location unit	Regulatory status	Settlement type	Product type	Product segment	Product currency	Product group code					
								X	N	C	H	Q	K
Eurex Daily Futures on Mini KOSPI-200-Futures	E/I Futures in KRW	cash	Not approved for trading in the U.S. *	Physical	F	Equity index	KRW	X	N	C	H	Q	K

* An application for approval for trading in the U.S. has been submitted. Once this approval is granted, the product group will change and Eurex will inform about it in a separate circular.

5. Mistrade ranges

Mistrade ranges and position limits for the Eurex Daily Futures on Mini KOSPI-200-Futures will be published as of start of trading on the Eurex website under following link

Products > Equity Index Derivatives > KOSPI

6. Designated Market-Making

In order to promote liquidity in the new Eurex Daily Futures on Mini KOSPI-200-Futures a Designated Market-Making scheme will be offered from 28 November 2016 until 31 December 2017.

As Designated Market Makers (DMMs), Eurex Participants undertake to supply bid and ask prices (quotes) for a determined minimum number of contracts during a fixed period of time in compliance with maximum spreads. If the DMM obligations are fulfilled, the DMM will in return receive a rebate on orderbook and off-book transaction fees for transactions in the Eurex Daily Futures on KOSPI-200-Futures on the M-account.

The rebates will be as follows:

- From 28 November 2016 until 31 May 2017:
 - If the DMM requirements are fulfilled, DMMs will receive 100 percent rebate on the transaction fees (orderbook and off-book) in Eurex Daily Futures on Mini-KOSPI-200-Futures traded on the M-Account
 - In addition, if DMMs also fulfil the Market Maker requirements in Eurex Daily Futures on KOSPI-200-Options, Market Makers will receive 70 percent rebate on the transaction fees in Eurex Daily Futures on KOSPI-200-Options (compared to 50 percent) traded on the M-Account as of 28 November 2016
- From 1 June 2017 until 31 December 2017:
 - If the DMM requirements are fulfilled, DMMs will receive 80 percent rebate on the transaction fees (orderbook and off-book) in Eurex Daily Futures on Mini-KOSPI-200-Futures traded on the M-Account

The DMM quotation requirements are as follows:

Criterion	Obligation
Minimum quote size	10 contracts on the buy and sell side
Maximum spread	10 ticks (0.20 index points)
Minimum quotation time	70 % of the trading period from 09:00 until 17:30 CET (monthly average)
Contract months to be quoted	First contract month Five trading days before expiry quotation of either the front month or the next expiration months

During the Fast Market phase, the minimum quote size is reduced by 50 percent and the maximum spread is increased by 100 percent.

The quote obligations can be amended on a monthly basis.

7. Further information

In the following, please find information on the new Eurex Daily Futures on Mini KOSPI-200-Futures which is likewise contained in Eurex Clearing circular 122/16. The circular by Eurex Clearing AG is enclosed with this circular as attachment 4.

7.1 Transaction fees

Transaction fees for trades in the Eurex Daily Futures on Mini KOSPI-200-Futures are defined as a percentage of the notional value per contract (0.03 basis points):

$$\text{Transaction fees per contract} = 0.0003 \% \times \text{Traded Price} \times \text{contract size (i.e. KRW 100,000)}$$

No settlement fees will be charged as the contract expires daily.

A fee holiday for the Eurex Daily Futures on Mini KOSPI-200-Futures will be granted to all Eurex Members up to and including 28 February 2017.

7.2 Risk parameters

Risk parameters will be published in due course on the Eurex website under the following link:

[Market data > Clearing data > Risk parameters and initial margins](#)

A separate Eurex circular will not be distributed.

7.3 Data vendor codes

At start of trading, vendor codes for the new instruments will be published on the Eurex website under the link:

[Products > Vendor product codes](#)

7.4 Eurex Trade Entry Services

The minimum number of tradable contracts via the Eurex Trade Entry Services is 100 contracts.

The Multilateral Trade Registration will be available for the new products.

The Flexible Futures facility will not be available for Eurex Daily Futures on Mini KOSPI-200-Futures.

An overview of the Eurex Trade Entry Service facilities available for the products as well as detailed information with regard to availability, possibility of utilisation and minimum number of tradable contracts for the various Eurex Trade Entry facilities is available on the Eurex website under the following link:

[Products > Eurex Trade Entry Services](#)

7.5 Simulation

The Eurex Daily Futures on Mini KOSPI-200-Futures (FMK2) will be available in the simulation environment as of 19 October 2016.

7.6 Prisma eligibility

The Eurex Daily Futures on Mini KOSPI-200-Futures are eligible for usage in Prisma. If you wish to inquire about Prisma eligibility of individual Eurex products, please call Risk Control on tel. +49-69-211-1 24 52.

7.7 Requirements for trading and clearing Eurex Daily Futures on KOSPI-200-Derivatives

Eurex Trading Participants and Eurex Clearing Members already eligible for trading/clearing of Eurex Daily Futures on KOSPI-200-Options are also eligible for Eurex Daily Futures on Mini KOSPI-200-Futures.

7.7.1 Requirements for trading

Eurex Members who are interested in trading the Eurex Daily Futures on KOSPI derivatives have to return the completed form "Application for Participation for the Trading of Eurex KOSPI Daily Futures contracts" to Eurex Clearing AG, Member Services & Admission. Amongst other things, the form contains the name and KRX Member ID of the KRX members who will accept the positions in the KOSPI 200 Options and the Mini KOSPI 200 Futures at KRX. Furthermore, Eurex Members confirm their awareness of pre-margining regulatory requirements in Korea and that they will be adhered to. In addition, Non-Clearing Members need to ensure that their Clearing Member can clear the Eurex Daily Futures on KOSPI derivatives.

Eurex Members are required to enter a 3-digit reference number of the KRX member (KRX Member ID) and at least one of the maximum 9-character identification numbers (for the KRX member to identify the relevant account) at the time of order or quote entry into the Eurex[®] system. The Eurex[®] system will check at order or quote entry that this information is provided. It will further check that a relationship between the Eurex Member entering the order or quote and the KRX Member ID exists.

7.7.2 Requirements for clearing

Eurex Clearing Members who are interested in clearing the Eurex Daily Futures on KOSPI derivatives have to fulfil the following requirements:

- South Korean Won (KRW) account directly with Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch in South Korea or provided by a correspondent bank.
- Provision of Power of Attorney (PoA) of the KRW account holder for Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch. The PoA allows Eurex Clearing to set up automatic payment credit and debit instructions for all cash transactions resulting from the Eurex Daily Futures on KOSPI derivatives denominated in KRW to Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch directly in favour or at the expense of the indicated account at Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch.

All forms for Eurex Trading and Clearing Members have been published on the Eurex website under the path:

[Resources > Forms > Eurex/KRX Link](#)

10 October 2016

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

**1. Part:
Contract Specifications for Futures Contracts**

[...]

**1.15 Subpart:
Contract Specifications for Eurex Daily Futures Contracts on
KOSPI 200 Options Contracts Derivatives of the Korea Exchange
(KRX)**

The following subpart contains the contract specifications for Daily Futures Contracts on the respective futures and options ~~options series of the KOSPI 200 Options Contract~~ admitted to trading on the Korea Exchange Inc. ("KRX") on the Index "KOSPI 200" of KRX ("Eurex Daily Futures Contracts on KOSPI 200 Derivatives") ~~Eurex KOSPI-Daily Futures Contracts~~".

1.15.1 Subject Matter of Contract

(1) Eurex Daily Futures Contracts on KOSPI 200 Derivatives refers to KOSPI 200 Options Contracts or to Mini KOSPI 200 Futures Contracts. A Eurex Daily Futures Contract on KOSPI 200 Options Contracts ~~Eurex KOSPI-Daily Futures Contract~~ refers to options series of a KOSPI 200 Options Contract admitted to trading on KRX. A Eurex Daily Futures Contract on Mini KOSPI 200 Futures Contracts refers to a Mini KOSPI 200 Futures Contract admitted to trading on KRX. For the contract specifications of the futures contracts and options contracts ~~KOSPI 200 Options Contracts~~ admitted to trading on KRX which serve as the underlying for the Eurex-KOSPI-Daily Futures Contracts, the publications of KRX shall apply. Information under the KOSPI 200 Options Contracts ~~contracts~~ is available under:

Mini KOSPI 200 Futures:

- <https://global.krx.co.kr/contents/GLB/02/0201/0201040204/GLB0201040204.jsp>
<http://eng.krx.co.kr/index.html>
- path : KRX Market > Market > Derivatives > Stock Index Products > Mini KOSPI 200 Futures

KOSPI 200 Optionen:

- <https://global.krx.co.kr/contents/GLB/02/0201/0201040202/GLB0201040202.jsp>
(KOSPI 200 options)
- path: Information Center > Derivative > Futures & Options Guide > KOSPI 200 Options

Information regarding the index KOSPI 200 is available under:

- <https://global.krx.co.kr/contents/GLB/02/0205/0205020300/GLB0205020300.jsp>
<http://eng.krx.co.kr/index.html>
- path: KRX Market > Information Center > Guide to Index Publication > KOSPI Series > KOSPI 200 Index Methodology

- (2) The underlying of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contract~~ comprises a KOSPI 200 Options contract or a Mini KOSPI 200 Futures Contract, respectively, of KRX. The product currency of the Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contract~~ is the South Korean won (KRW).
- (3) In case the contract specifications of the KOSPI 200 Options Contracts or the Mini KOSPI 200 Futures Contracts, in particular the calculation method of the index KOSPI 200 or its composition and weighting is modified, the delivery obligations resulting from a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contract~~ shall relate to a KOSPI Derivative ~~200 Options contract~~ admitted to trading on KRX at the time of transaction conclusion of a Eurex-KOSPI Daily Futures Contract. If, as a result of a modification of the contract specifications of the KOSPI Derivatives ~~200 Options Contract~~ of KRX and/or of the calculation of the index KOSPI 200 or its composition and weighting, the concept underlying the KOSPI Derivatives ~~200 Options Contract~~ or the index does not seem to remain comparable to the concept relevant at the time of admission to the Eurex Exchanges of the Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contract~~, the Management Boards of the Eurex Exchanges may order that the trading in Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contracts~~ be terminated.

1.15.2 Obligation for Fulfillment

- (1) After the close of trading on the exchange day on which a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contract~~ has been concluded, the seller of such contract is obligated to settle in cash the difference between the agreed price and a higher final settlement price (Chapter II Part 2 Number 2.17.3 of the Clearing Conditions for Eurex Clearing AG). The buyer is obligated to settle in cash the difference between the agreed price and a lower final settlement price.

- (2) ~~In addition to Paragraph 1, the following applies:~~

The seller of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ (Short Position) is obligated, in favour of the buyer of such Futures contract, to open a Short Position of a Mini KOSPI 200 Futures Contract or KOSPI 200 Options Contract of KRX in the respective Mini KOSPI 200 Futures Contract or in the respective ~~a~~ KOSPI 200 Options contract of KRX on the next exchange day following the conclusion of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ on the Eurex Exchanges, at the latest, however, 40 minutes prior to the opening of exchange trading of KRX on that exchange day (Chapter II Part 2 Number 2.17.3, Paragraph 3 of the Clearing Conditions for Eurex Clearing AG). The buyer of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ (Long Position) is obligated to enter into a Long Position with regard to a Mini KOSPI 200 Futures Contract or a KOSPI 200 Options contract on KRX according to Clause 1.

The buyer of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ (Long Position) is obligated, in favour of the seller of such Futures contract, to open a Long Position of a Mini KOSPI 200 Futures Contract or KOSPI 200 Options Contract of KRX in the respective Mini KOSPI 200 Futures Contract or the respective ~~of a~~ KOSPI 200 Options Contract of KRX on the next exchange day following the conclusion of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ on the Eurex Exchanges, at the latest, however, 40 minutes before opening of exchange trading of KRX on that exchange day (Chapter II Part 2 Number 2.17.3, Paragraph 3 of the Clearing Conditions for Eurex Clearing AG). The seller of a Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ (Short Position) is obligated to enter into a Short Position with regard to a Mini KOSPI 200 Futures Contract or a KOSPI 200 Options Contract on KRX according to Clause 3.

- (3) The obligation to open, respectively to enter into, the corresponding KOSPI 200 Futures Contracts or Options Contracts of KRX via the KRX system and by booking the position into the KRX clearing house is mandatory.
- (4) In order to guarantee an orderly implementation of the exchange transaction settlement according to Paragraph 2 and 3, exchange participants are – when entering an order or quote related to the Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex-KOSPI-Daily Futures Contract~~ in the Eurex system – obligated to enter at the same time a three-digit reference of the KRX member into the respective description field of the Eurex system. In addition, the exchange participants, when entering such order or quote in the Eurex system, are obligated to fill in at least one of the nine characters of this description field following the reference of the KRX member, which is agreed upon as an identification between the exchange participant and its KRX member. The entries

in the description field of the Eurex system by the exchange participants according to Clause 1 and 2 are mandatory ("mandatory details").

- (5) Via the Eurex system, the Eurex Exchanges verify whether orders or quotes contain the mandatory details according to Paragraph 4 and whether the three-digit reference of the KRX member entered corresponds to the reference which the respective exchange participant has registered with the Eurex Exchanges. It shall also be verified whether at least one additional character of the description field in the Eurex system is filled. Orders and quotes for conclusion of Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~ which do not contain the mandatory details according to Paragraph 4 shall be rejected by the Eurex Exchanges and do not enter into the Eurex system for execution.
- (6) By entering orders or quotes related to Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~, Exchange participants accept that Eurex Clearing AG transfers to KRX the reference of the respective KRX member in connection with such order or quote for purposes of exchange transaction settlement according to Paragraph 2 and 3.
- (7) With regard to the rights and obligations resulting from Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts, respectively, of KRX opened according to Paragraph 2 as well as with regard to the settlement of these Options contracts, the respective regulations of KRX apply (see Number 1.165.1 Paragraph 1 "Subject Matter of Contract").

1.15.3 Term and Trading Days

- (1) For Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~, the term is a maximum of one exchange day. A Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contract~~ expires at the end of an exchange day on which the respective contract has been concluded on the Eurex Exchanges.
- (2) The Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contract~~ can be traded on each exchange day of the Eurex Exchanges, provided that this day is an exchange day also on KRX (trading day for the purposes of this Subpart).

1.15.4 Last Trading Day, Final Settlement Day, Close of Trading

- (1) Each trading day of the Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contract~~ on the Eurex Exchanges is a final settlement day provided it is an exchange day also on KRX.

- (2) Close of trading of the Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contract~~ on the Eurex Exchanges is 21:00 CET on each trading day.

1.15.5 Introduction of new Eurex Daily Futures Contracts on KOSPI 200 Options ~~Eurex-KOSPI Daily Futures Contracts~~

- (1) KRX shall, after its same-day close of trading, transfer the options series of the KOSPI 200 Options Contract admitted on KRX to the Eurex Exchanges. These transferred series shall generally be admitted to trading on the Eurex Exchanges on the following Exchange day.
- (2) The number of Eurex Daily Futures Contracts on KOSPI 200 Options ~~Contracts~~ ~~Eurex KOSPI Daily Futures Contracts~~ admitted to trading on a daily basis corresponds to the number of options series of the KOSPI 200 Options Contracts transferred by KRX to the Eurex Exchanges after its same-day close of trading and admitted to trading on the exchange day after next of KRX.

1.15.6 Price Gradations

The smallest price change (tick) is:

- For Eurex Daily Futures Contracts on Mini KOSPI 200 Futures 0.2 points; this equals a value of KRW 1,000
- For Eurex Daily Futures Contracts on KOSPI 200 Options:
 - 0.05 points; this equals a value of KRW 25,000 if the options premiums of the underlying are at least ten points,
 - points; this equals a value of KRW 5,000 if the options premiums of the underlying are less than ten points.

1.15.7 Fulfilment, Position Opening

- (1) The fulfilment day for Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~ open at the end of the final settlement day shall be the business day of KRX following the respective final settlement day.
- (2) The fulfilment of the Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex-KOSPI Daily Futures Contracts~~ shall be effected (Chapter II Part 2 Number 2.17.3 of the Clearing Conditions for Eurex Clearing AG):
- through cash settlement between the Clearing Members of the Eurex Exchanges after the trading day on which the respective Eurex Daily Futures Contract on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contract~~ has been concluded, on the fulfilment day according to Paragraph 1. The cash settlement for Non-Clearing Members and Clearing Members' own customers shall be effected by the responsible Clearing Member; the cash settlement of Non-Clearing Members to their customers shall then be effected by the Non-Clearing Members and

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Options Contracts at Eurex Deutschland and Eurex Zürich**

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- by opening of the respective position in the corresponding series of the KOSPI 200 ~~Derivatives~~~~Options Contracts~~ on the next exchange day of KRX following the conclusion of a ~~Eurex Daily Futures Contract on KOSPI Derivatives~~ ~~Eurex-KOSPI Daily Futures Contract~~, at the latest, however, 40 minutes before opening of exchange trading on KRX via entry into the KRX system in favour of the respective counterparties of the options contracts.

[...]

Annex C in relation to Contract Specifications:

Trading Hours Futures Contracts

[...]

Daily Futures Contracts on KOSPI 200 ~~Options Contracts~~ Derivatives of the Korea Exchange (KRX)

Product	Product-ID	Times	Pre-Trading Period	Continuous Trading	Post-Trading Full Period	TES Block Trading	Last Trading Day Trading until
Eurex-KOSPI-Daily Futures Contracts <u>Eurex Daily Futures Contracts on KOSPI 200 Derivatives</u>	OKS2	CET	09:30-10:00	10:00-21:00	21:00-21:30	10:00-21:00	21:00
		CEST	10:30-11:00	11:00-21:00		11:00-21:00	

CEST = Central European Summer Time

[...]

Annex E Allocation Scheme (Part A Section 2.5 Paragraph 3 of the Conditions for Trading) and Path Priority (Part A Section 2.5 Paragraph 2 of the Conditions for Trading) *

Product Class	Allocation Scheme	Path Priority
Money Market Futures	Time-Pro-Rata	Pro-Rata Path Priority
Fixed Income Futures	Time	Direct Path Priority
Index Futures	Time	Direct Path Priority
Futures on Shares of Exchange-Traded Funds	Time	Direct Path Priority
Volatility Futures	Time	Direct Path Priority
Futures on Shares	Time	Direct Path Priority
Index Dividend Futures	Time	Direct Path Priority
Precious Metal Futures	Time	Direct Path Priority
Property Index Futures	Time	Direct Path Priority
Commodity Index Futures	Time	Direct Path Priority
Futures on the Dividend of Shares	Time	Direct Path Priority

**Contract Specifications for Futures Contracts and
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Product Class	Allocation Scheme	Path Priority
Daily Futures on KOSPI 200 Options Contracts	Time	n/a
<u>Eurex Daily Futures on Mini KOSPI Futures</u>	<u>Time</u>	<u>Direct Path Priority</u>
[...]		

[...]



**Designated Market-Making scheme
for Eurex Daily Futures on Mini KOSPI-200-Futures**

Quote Obligations

Eurex code:	FMK2
Minimum quote size:	10 contracts on the bid and ask side
Maximum spread:	10 ticks/0.20 index points
Quotation period:	70 percent of the trading period from 10:00 to 17:30 CET (11:00 to 17:30 CEST) on a monthly average
Expirations to be quoted:	Front month (via the M-account) Five trading days before expiry, quote either the front month or the next expiration months
Fast Market:	Maximum spread will be increased by 100 % Minimum quote size will be reduced by 50 %

Please return by fax or e-mail to:

Tobias Ehinger

Fax no. +49-69-211-1 44 61**E-mail: tobias.ehinger@eurexchange.com**

**Designated Market Maker Agreement
for Eurex Daily Futures on Mini KOSPI-200-Futures**

dated as of _____

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)
(name of Participant/Member ID)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) for the period from 28 November 2016 under the conditions outlined below with respect to the following products:

Futures	Eurex product code	Please tick (✓) the appropriate box
Eurex Daily Futures on Mini KOSPI-200-Futures	FMK2	<input type="checkbox"/>

2. The Participant will

- a) fulfil the Market-Making obligations as set out in Attachment 2 to Eurex circular 092/16, as amended by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich and as agreed upon by the Designated Market Makers from time to time (“Eurex Market-Making Obligations”) and published via Eurex circular. The current Eurex Market-Making Obligations for Eurex Daily Futures on Mini KOSPI-200-Futures were published in Eurex circular 092/16.
- b) provide EFAG with the name of a manager, who has the authorisation and expertise necessary to fulfil the commitments required under the Eurex Market-Making Obligations.
- c) provide EFAG with the name of a manager who has the authorisation and expertise necessary to make decisions and act as coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement.
- d) inform EFAG in the event the Participant is or will be unable to fulfil the Eurex Market-Making Obligations without undue delay and at the latest within one business day.

3. ECAG will
 - a) refund 100 percent of all transaction fees (order book on Eurex Exchange) and 100 percent of all transaction fees (off-book-transactions on Eurex Exchange) for the Eurex Daily Futures on Mini KOSPI-200-Futures traded by the Designated Market Makers on M-accounts in these products up to and including 31 May 2017. Thereafter, ECAG will refund 80 percent of all transaction fees (order book on Eurex Exchange) and 80 percent of all transaction fees (off-book-transactions on Eurex Exchange) for the contracts traded by the Designated Market Makers on M-accounts in the respective products up to and including 31 December 2017. Refunds will be paid in full only if the Eurex Market-Making Obligations have been fulfilled in the month prior to the month in which they are payable. No refunds will be made for contracts traded on A- or P-accounts.
 - b) refund 70 percent of all transaction fees (order book on Eurex Exchange) and 70 percent of all transaction fees (off-book-transactions on Eurex Exchange) for Eurex Daily Futures on KOSPI-200-Options (OKS2) traded by the Designated Market Makers on M-accounts in the respective products up to and including 31 May 2017. Refunds will be paid in full only if the Eurex Market-Making Obligations for both products (FMK2 and OKS2) have been fulfilled in the month prior to the month in which they are payable. No refunds will be made for contracts traded on A- or P-accounts.
4. EFAG and ECAG shall, upon occurrence of one of the following events, severally be entitled to terminate this Agreement with immediate effect:
 - a) The Participant does not comply with the Eurex Market-Making Obligations for four (4) consecutive months counted as of the date of this Agreement. Conformance of the Participant with the Eurex Market-Making Obligations shall be monitored by EFAG. EFAG will determine in its sole discretion whether the Participant has fulfilled the Eurex Market-Making Obligations.
 - b) The Participant does not comply with any other of its obligations stated under No. 2 above.
5. The Participant shall, upon occurrence of one of the following events, be entitled to terminate this Agreement with immediate effect:
 - a) A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for Eurex Daily Futures on Mini KOSPI-200-Derivatives.
 - b) A significant change to the Eurex Market-Making Obligations.
6. The Participant and EFAG and ECAG shall severally be entitled to terminate this Agreement without giving any reason with one calendar month's prior notice.
7. The Participant shall be notified of any changes to this Agreement and the Eurex Market-Making Obligations at least three (3) business days prior to the effective date thereof. The Participant accepts the amendments, provided a written objection is not filed with ECAG and EFAG within three (3) business days after the publication. ECAG and EFAG reserve the right to terminate the contract in case of non-acceptance of the amendments.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

Place, date

Name

Position

Phone

Fax

(Signature/Stamp of the company)

E-mail address

Day Month Year

Representatives of Eurex Frankfurt AG

Day Month Year

Representatives of Eurex Clearing AG

Please send the completed Agreement to the fax number or e-mail address indicated on page 1.



eurex clearing circular 122/16

Date: 10 October 2016
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

Equity index derivatives:
Introduction of Eurex Daily Futures on Mini-KOSPI-200-Futures

Related Eurex circular: 092/16

Contact: Derivatives Clearing Supervision, T +49-69-211-1 12 50, clearing@eurexclearing.com,
 Risk Control, T +49-69-211-1 24 52, 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
2. Price List of Eurex Clearing AG
3. Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation) and
4. Designated Market Maker Agreement for Eurex Daily Futures on Mini-KOSPI-200-Futures

Summary:

Effective **28 November 2016**, Eurex Clearing will offer clearing services for Eurex Daily Futures on Mini-KOSPI-200-Futures introduced at Eurex Exchange.

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 28 November 2016.

Please refer to Eurex circular 092/16 for specific trading-related information on the introduction of the new product as well as the updated sections of the relevant Rules and Regulations of Eurex Deutschland and Eurex Zürich AG.



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 Hugo Bänziger

Executive Board:
 Erik Tim Müller (CEO)
 Heike Eckert (Deputy CEO),
 Matthias Graulich,
 Thomas Laux,
 Manfred Matusza

Aktiengesellschaft mit
 Sitz in Frankfurt/Main
 HRB Nr. 44828
 USt-IdNr. DE194821553
 Amtsgericht
 Frankfurt/Main

Equity index derivatives:
Introduction of Eurex Daily Futures on Mini-KOSPI-200-Futures

Effective 28 November 2016, Eurex Clearing will offer clearing services for Eurex Daily Futures on Mini-KOSPI-200-Futures introduced at Eurex Exchange.

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 28 November 2016.

Please refer to Eurex circular 092/16 for specific trading-related information on the introduction of the new product as well as the updated sections of the relevant Rules and Regulations of Eurex Deutschland and Eurex Zürich AG.

1. Overview

Underlying instrument			
Index	Currency	Index type	ISIN
Mini-KOSPI-200-Futures listed at KRX	KRW	Equity	DE000A2BMRF0

Eurex product				
Futures	Currency	Code	ISIN	Product type
Eurex Daily Futures on Mini-KOSPI-200-Futures	KRW	FMK2	DE000A2BMKU4	FINX

2. Contract specifications

For the detailed contract specifications please refer to Eurex circular 092/16.

Product name	Eurex Daily Futures on Mini-KOSPI-200-Futures
Product code	FMK2
Product ISIN	DE000A2BMKU4
Currency	South Korean Won (KRW)
Product type	FINX
Underlying	Mini-KOSPI-200-Futures listed at KRX
Contract size	One Mini-KOSPI-200-Futures contract of the relevant series
Price quotation	In points, with two decimal places
Tick size and tick value	0.02 points (KRW 2,000)
Contract term	One trading day Mini-KOSPI-200-Futures listed at KRX have a contract term of up to six consecutive months
Settlement	Variation margin at Eurex and physical delivery via position establishment in Mini-KOSPI-200-Futures on the following trading day at KRX prior to its market opening

Daily or Final settlement price	The daily settlement price of the Eurex Daily Futures on Mini-KOSPI-200-Futures is also the final settlement price, and equal to the daily settlement price calculated by KRX for the Mini-KOSPI-200-Futures Contracts admitted for trading on KRX on the same exchange day. The cash flow resulting from the variation margin will be paid or received in KRW at a correspondent bank account in South Korea.
Last Trading Day	Each trading day of the Eurex Daily Futures on Mini-KOSPI-200-Futures is the Last Trading Day, provided it is an Exchange day also on KRX.
Trading hours	10:00–21:00 CET (18:00–05:00 KST) or 11:00–21:00 CEST (18:00–04:00 KST)

CET = Central European Time

CEST = Central European Summer Time

KST = Korean Standard Time

3. Product group

The Eurex Daily Futures on Mini-KOSPI-200-Futures will be allocated to the following product group:

Product	Product group	Settlement location unit	Regulatory status	Settlement type	Product type	Product segment	Product currency	Product group code					
								X	N	C	H	Q	K
Eurex Daily Futures on Mini-KOSPI-200-Futures	E/I Futures in KRW	cash	Not approved for trading in the U.S. *	Physical	F	Equity index	KRW	X	N	C	H	Q	K

* An application for approval for trading in the US has been submitted. Once this approval is granted, the product group will change and Eurex will inform about it in a separate circular.

4. Amendments to the Clearing Conditions of Eurex Clearing AG

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

The relevant amendments will become effective on the launch date 28 November 2016. Once published, the amended Clearing Conditions will be available on the Eurex Clearing website under the link:

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

5. Transaction fees

Transaction fees for trades in the Eurex Daily Futures on Mini-KOSPI-200-Futures are defined as a percentage of the notional value per contract (0.03 basis points):

$$\text{Transaction fees per contract} = 0.0003 \% \times \text{Traded Price} \times \text{contract size (i.e. KRW 100,000)}$$

No settlement fees will be charged as the contract expires daily.

A fee holiday for the Eurex Daily Futures on Mini-KOSPI-200-Futures will be granted to all Eurex Members up to and including 28 February 2017.

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

6. Admission to the Eurex Trade Entry Services

The Eurex Daily Futures on Mini-KOSPI-200-Futures 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 for the new product.

The Flexible Futures Facility will not be available for Eurex Daily Futures on Mini-KOSPI-200-Futures.

Participants who are already registered for the Eurex Trade Entry Services may use the respective services for the Eurex Daily Futures on KOSPI-200-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](#)

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.

7. Simulation

Starting 19 October 2016, the Eurex Daily Futures on Mini-KOSPI-200-Futures will be available in the Eurex simulation environment for testing purposes.

8. Market-Making

Eurex Clearing will take the following measures with respect to the Designated Market-Making scheme of Eurex Deutschland and Eurex Zürich AG for Eurex Daily Futures on KOSPI-200-Futures valid in the period from 28 November 2016 until 31 December 2017 including:

Provided the Designated Market Maker (DMM) obligations in Eurex Daily Futures on KOSPI-200-Futures were fulfilled, DMMs receive a rebate on orderbook and off-book transaction fees for the contracts concluded in Eurex Daily Futures on KOSPI-200-Futures on M-accounts. The rebates will be as follows:

- From 28 November 2016 until 31 May 2017:
 - If the DMM requirements are fulfilled, DMMs will receive 100 percent rebate on the transaction fees (orderbook and off-book) in Eurex Daily Futures on Mini-KOSPI-200-Futures traded on the M-Account.
 - In addition, if DMMs also fulfil the Market Maker requirements in Eurex Daily Futures on KOSPI-200-Options, Market Makers will receive 70 percent rebate on the transaction fees in Eurex Daily Futures on KOSPI-200-Options (compared to 50 percent) traded on the M-Account as of 28 November 2016
- From 1 June 2017 until 31 December 2017:
 - If the DMM requirements are fulfilled, DMMs will receive 80 percent rebate on the transaction fees (orderbook and off-book) in Eurex Daily Futures on Mini-KOSPI-200-Futures traded on the M-Account.

If you wish to register as Designated Market Maker, please use the form in attachment 4 and return it to Tobias Ehinger, fax number +49-69-211-1 44 61 or e-mail: tobias.ehinger@eurexexchange.com. Please refer to Eurex circular 092/16 for further details of the Designated Market-Making scheme.

9. Risk parameters

Margins for Eurex Daily Futures on KOSPI-200-Futures are calculated in Prisma within the Asian cooperations KOSPI/TAIFEX Liquidation Group (PAC01).

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

[Risk management > Risk parameters](#)

10. Trading hours (CET)

The trading hours are in line with the existing Eurex Daily Futures on KOSPI-200-Options (OKS2). Please see the contract specifications for the trading hours on the Eurex website www.eurexchange.com under the link:

[Resources > Rules and Regulations > Contract specifications](#)

11. Requirements for trading and clearing Eurex Daily Futures on KOSPI-200-Derivatives

Eurex Trading Participants and Eurex Clearing Members already eligible for trading/clearing of Eurex Daily Futures on KOSPI-200-Options are also eligible for Eurex Daily Futures on Mini-KOSPI-200-Futures.

11.1. Requirements for trading

Eurex Members who are interested in trading the Eurex Daily Futures on KOSPI derivatives have to return the completed form “Application for Participation for the Trading of Eurex KOSPI Daily Futures contracts” to Eurex Clearing AG, Member Services & Admission. Amongst other things, the form contains the name and KRX Member ID of the KRX members who will accept the positions in the KOSPI 200 Options and the Mini KOSPI 200 Futures at KRX. Furthermore, Eurex Members confirm their awareness of pre-margining regulatory requirements in Korea and that they will be adhered to. In addition, Non-Clearing Members need to ensure that their Clearing Member can clear the Eurex Daily Futures on KOSPI derivatives.

Eurex Members are required to enter a 3-digit reference number of the KRX member (KRX Member ID) and at least one of the maximum 9-character identification numbers (for the KRX member to identify the relevant account) at the time of order or quote entry into the Eurex® system. The Eurex® system will check at order or quote entry that this information is provided. It will further check that a relationship between the Eurex Member entering the order or quote and the KRX Member ID exists.

11.2. Requirements for clearing

Eurex Clearing Members who are interested in clearing the Eurex Daily Futures on KOSPI derivatives have to fulfil the following requirements:

- South Korean Won (KRW) account directly with Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch in South Korea or provided by a correspondent bank.
- Provision of Power of Attorney (PoA) of the KRW account holder for Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch. The PoA allows Eurex Clearing to set up automatic payment credit and debit instructions for all cash transactions resulting from the Eurex Daily Futures on KOSPI derivatives denominated in KRW to Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch directly in favour or at the expense of the indicated account at Shinhan Bank or The Hongkong and Shanghai Banking Corporation Limited Seoul Branch.

All forms for Eurex Trading and Clearing Members have been published on the Eurex website under the path:

[Resources > Forms > Eurex/KRX Link](#)

eurex clearing circular 122/16

Pursuant to Chapter I Part 1 Number 17.2.3 of the Clearing Conditions, the changes and amendments to the Clearing Conditions communicated with this circular are deemed to have been accepted by each Clearing Member, Non-Clearing Member and each Registered Customer unless they object in writing to Eurex Clearing prior to the actual effective date of such change and amendment of the Clearing Conditions. The right to terminate the Clearing Agreement or the Clearing License according to Chapter I Part 1 Number 2.1.4 Paragraph 2 Number 7.2.1 Paragraph 4 and Number 13 of the Clearing Conditions remains unaffected.

Pursuant to Number 14 Paragraph 3 of the Price List for Eurex Clearing AG, 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 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. Alternatively, Risk Control is available at tel. +49-69-211-1 24 52 or via e-mail to: risk@eurexclearing.com.

10 October 2016

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland and Eurex Zürich

(Eurex Exchanges)

As of 28.11.2016

Attachment 1 to Eurex Clearing circular 122/16	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.11.2016
	Page 1

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 2 Clearing of Futures Contracts

[...]

2.16 Clearing of Eurex Daily Futures Contracts on KOSPI 200 Derivatives ~~Options Contracts~~ of the Korea Exchange (KRX)

The following provisions shall apply to the Clearing of transactions in the Eurex Daily Futures contracts on KOSPI 200 Derivatives ~~Options Contracts~~ of the Korea Exchange, Inc. (“**KRX**”), hereinafter referred to as “**Eurex Daily Futures Contracts on KOSPI Derivatives** ~~Eurex KOSPI Daily Futures Contracts~~”, specified in Number 1.156 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

2.16.1 Payment Procedure

All payments for fulfilment of Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~ shall be made on the Business Day of the Eurex Exchanges following the final settlement day (Number 1.154 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in the foreign currency account for South Korean won (“**KRW**”) required for settlement of Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~ with a bank recognised by Eurex Clearing AG.

2.16.2 Final Settlement Price

- (1) The final settlement price of Eurex Daily Futures Contracts on KOSPI Derivatives ~~Eurex KOSPI Daily Futures Contracts~~ shall be defined by Eurex Clearing AG on a daily basis on the final settlement day (Number 1.156.4 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich) of a contract. The final settlement price equals the daily settlement price calculated by KRX for the Mini KOSPI 200 Futures Contracts and KOSPI 200 Options Contracts admitted for trading on KRX on the respective Business Day as of the close of trading on KRX.

Attachment 1 to Eurex Clearing circular 122/16	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.11.2016
	Page 2

- (2) In case of extraordinary circumstances, in particular if, due to technical problems, trading is suspended or if, due to other reasons, a price determination of the KOSPI 200 ~~Derivatives Options Contracts~~ admitted to trading on KRX does not take place, Eurex Clearing AG may determine the final settlement price by other means.

2.16.3 Fulfilment of Eurex- ~~KOSPI~~ Daily Futures Contracts on KOSPI 200 Derivatives by Opening Positions in Mini KOSPI 200 Futures or KOSPI 200 Options Contracts respectively on KRX and Cash Settlement

- (1) Eurex Clearing AG is the contracting party for all services in connection with the fulfilment of ~~Eurex Daily Futures Contracts on KOSPI Derivatives~~ Eurex-KOSPI-Daily Futures Contracts.
- (2) Open positions in ~~Eurex daily Futures Contracts on KOSPI Derivatives~~ Eurex-KOSPI-Daily Futures Contracts shall be settled by Eurex Clearing AG on the final settlement day (Number 1.156.4 of the Contract Specifications for Futures Contracts and Options Contracts on Eurex Deutschland and Eurex Zürich) by a remaining amount which shall be credited to or debited from the from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. The amount shall be calculated on the final settlement day as the difference between the price at which the transaction was concluded and its final settlement price (Number 2.16.2). The buyer is obliged to settle the difference between the agreed price of a contract and the lower final settlement price. The seller is obliged to settle the difference between the agreed price of a contract and the higher final settlement price.
- (3) The following applies in addition to Paragraph 2:

The fulfilment of ~~Eurex Daily Futures Contracts on KOSPI Derivatives~~ Eurex-KOSPI-Daily Futures Contracts by opening positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX shall directly be carried out between the Clearing Members on the next Business Day following the conclusion of a Eurex Daily Futures Contract on KOSPI Derivatives Eurex-KOSPI-Daily Futures Contract on the Eurex Exchanges; at the latest, however, 40 minutes before the start of trading on KRX on this Business Day. Eurex Clearing AG offsets the positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts to be opened for fulfilment of Eurex Daily Futures Contracts on Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts ~~Eurex-KOSPI-Daily Futures Contracts~~ on KRX by applying Chapter I Part 1 Number 1.3.1 Paragraphs (1) (b) and (1) (c) *mutatis mutandis* taking into account the following criteria: Clearing Member, Non-Clearing Member or Registered Customer, respectively, commissioned KRX Member and the identification characters of the respective order. The Clearing Members shall be notified of the results of the offset. The obligation to open, respectively enter into, the corresponding Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX is mandatory via the KRX system and by booking the position at the KRX clearing house.

With regard to the opening of positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX which are owed due to expiring Eurex Daily

Futures Contracts on Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts~~Eurex KOSPI Daily Futures Contracts~~, fulfilment takes place at the same time between the respective Clearing Member and Eurex Clearing AG respectively between Eurex Clearing AG and the respective other Clearing Members, when the KRX Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts are booked via the KRX system into the KRX clearing house according to Sentence 1 in favour of the respective Clearing Member and ownership of the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX is established.

Each Clearing Member shall – either itself or by commissioning a KRX member – ensure that the opening of positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts at the point in time determined according to Sentence 1 and via the KRX system as well as by booking the position at the KRX clearing house can take place. Provided that a Clearing Member intends to fulfil the aforementioned obligation by commissioning a KRX member, Eurex Clearing AG shall immediately be notified thereof in writing. This information shall include the company name of the commissioned KRX member and the company identification (KRX member ID).

2.16.4 Failure to open contracts

- (1) In the event a Clearing Member required to open positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX in accordance with Number 2.16.3 Paragraph (3) fails to open the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX owed by it at the point in time defined in Number 2.16.3 Paragraph (3) and in accordance with the instructions of Eurex Clearing AG, Eurex Clearing AG is entitled to take the following measures:
 - Eurex Clearing AG shall, at the latest 30 minutes before opening of exchange trading of KRX on the Business Day of the default, open, respectively enter into, the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts, which are owed, on KRX via the KRX system on its own behalf by commissioning a KRX member and booking the position into the KRX clearing house. In doing so, Eurex Clearing AG shall book these Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts, for purposes of fulfilment of the obligations of the defaulting Clearing Member, in favour of the respective other Clearing Member at the KRX clearing house and shall thereby grant such Clearing Member the respective rights to the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX. Afterwards, Eurex Clearing AG shall, for purposes of fulfilment of the obligations of the defaulting Clearing Member, close out the positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts entered into on KRX.
 - The Clearing Member who has not delivered in due time shall be subject to the aforementioned measures of Eurex Clearing AG. Provided Eurex Clearing AG has arranged to open, respectively enter into, the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX according to the aforementioned regulations, the defaulting Clearing Member is not entitled to

effect fulfilment of the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX owed to the respective other Clearing Member according to Number 2.16.3 Paragraph (3) on the day of introduction of these measures or thereafter. When the ownership of the Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX owed to the respective other Clearing Member is provided by Eurex Clearing AG according to Number 2.16.4 Paragraph (2) in connection with Number 2.16.3 Paragraph (3), the obligations resulting from the original Eurex Daily Futures Contracts on Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts ~~Eurex KOSPI Daily Futures Contracts~~ of the defaulting Clearing Member – such obligations referring to the opening of positions in Mini KOSPI 200 Futures Contracts or KOSPI 200 Options Contracts on KRX – shall expire with debt-discharging effect.

- Eurex Clearing AG may deviate from the above-mentioned period of 30 minutes before opening of exchange trading of KRX on the respective Business Day if, when complying with this period, the aforementioned measures may only be implemented at unreasonable expenses or costs or if other periods or obligations resulting from the original Eurex Daily Futures Contracts on KOSPI 200 Derivatives ~~Mini KOSPI 200 Futures Contracts or Eurex KOSPI Daily Futures Contracts~~ or the resulting KOSPI 200 Options Contracts on KRX require this.

- (2) The costs arising from the aforementioned measures plus any losses occurring due to fulfilment of obligations of the defaulting Clearing Member by Eurex Clearing AG shall be borne by the defaulting Clearing Member. Possible profits occurring from fulfilment of the obligations of the defaulting Clearing Member by Eurex Clearing AG shall be added to the Dedicated Amounts of Eurex Clearing AG after deduction of all costs incurred by Eurex Clearing AG.
- (3) Furthermore, Eurex Clearing AG shall charge a fee in the amount of EUR 250.00 for each measure implemented according to Paragraph (1).
- (4) The right of Eurex Clearing AG to claim further damages shall remain unaffected.

[...]

Price List of Eurex Clearing AG

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

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

For transactions executed via the order book on the Eurex Exchanges, the following fees per contract apply. For some products specified in the table below, a reduced fee is applied on the contract volume of a transaction that exceeds the defined threshold. For transactions booked on M-Accounts, the fee defined in the "Standard Fee" category is applied.

Sentence 3 does not apply to Stock Futures that are correctly booked on M-accounts. In these cases, the sliding fee scale as defined in sentence 2 applies.

Contract ¹⁾	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)
[...]					
Equity Index Derivatives					
Futures					
[...]					
<u>Eurex Daily Futures-Contracts on KOSPI 200 Options</u> Eurex-KOSPI Daily-Futures-Contract ⁵⁾	KRW	0.04%	n. a.		
<u>Eurex Daily Futures Contracts on Mini KOSPI 200 Futures</u> ⁵⁾	<u>KRW</u>	<u>0.0003%</u>	n.a		
[...]					

[...]

- 5) The fees for transactions in ~~Eurex-KOSPI-Daily-Futures-Contracts~~ Eurex Daily Futures Contracts on KOSPI 200 Options are defined as a percentage of the premium per contract, i.e. the percentage from the table

Price List of Eurex Clearing AG

above times the traded price times the contract value of 500,000 South Korean Won (KRW).

The fees for transactions in Eurex Daily Futures Contracts on Mini KOSPI 200 Futures are defined as a percentage of the contract value per contract, i.e. the percentage from the table above times the traded price times the contract value of 100,000 South Korean Won (KRW).

[...]

3.1.2**Off-Book Transactions**

- (1) For transactions executed off-book and entered into the Eurex System via the Eurex Trade Entry Services (as described in the General Conditions for Participation), the following fees per contract apply. For some products specified in the table below a reduced fee is applied on the contract volume of an off-book transaction entered into the Eurex System that exceeds the defined threshold. For transactions booked on M-Account the fee defined in the "Standard Fee" category is applied.

Sentence 3 does not apply to transactions in stock futures that are correctly booked on M-accounts. In these cases the sliding fee scale as defined in sentence 2 applies.

- (2) For off-book transactions in products other than stock options/LEPOs and Options on Interest Rate Futures that are entered into the Eurex System via the Eurex Trade Entry Service for multilateral trades (Multilateral Trade Registration Service) the standard fee is applicable on the entire volume of the transaction. In these cases, the reduced fee is not applied.

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)
[...]					
Equity Index Derivatives					
Futures					
ATX [®] Futures	EUR	0.45	n. a.		
ATX [®] five Futures	EUR	0.45	n. a.		
CECE [®] EUR Futures	EUR	0.45	n. a.		
DAX [®] Futures	EUR	0.75	n. a.		
DivDAX [®] Futures	EUR	0.45	n. a.		
MDAX [®] Futures	EUR	0.45	n. a.		
Mini-DAX [®] Futures ⁴⁾	EUR	0.37	n. a.		
TecDAX [®] Futures	EUR	0.30	n. a.		
<u>Eurex Daily Futures Contracts on KOSPI 200 Options</u> <u>Eurex-KOSPI-Daily-Futures-</u>	KRW	0.04%	n. a.		

Price List of Eurex Clearing AG

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)
Contract ⁵⁾					
<u>Eurex Daily Futures Contracts on Mini KOSPI 200 Futures⁵⁾</u>	KRW	0.0003%	n.a		

[...]

- 5) The fees for transactions in Eurex-KOSPI-Daily-Futures-Contracts Eurex Daily Futures Contracts on KOSPI 200 Options are defined as a percentage of the premium per contract, i.e. the percentage from the table above times the traded price times the contract value of 500,000 South Korean Won (KRW).
The fees for transactions in Eurex Daily Futures Contracts on Mini KOSPI 200 Futures are defined as a percentage of the contract value per contract, i.e. the percentage from the table above times the traded price times the contract value of 100,000 South Korean Won (KRW).

[...]

3.2 Rebates**3.2.1 Market Making Rebates for Products without Market Making in Option Strategies**

Upon fulfilment of the published Market Making Obligations, parts of the fees pursuant to Numbers 3.1.1, 3.1.2 and 3.7 for transactions correctly booked on M-Accounts are refunded on a monthly basis. The rebate levels are as follows, however, taking into consideration Number 3.2.2 with regard to products with Market Making in Option Strategies:

Product / Product Group	RMM and PMM schemes		AMM schemes	
	Order Book and Exercises	Off-Book entries	Order Book and Exercises	Off-Book entries
Equity Index Options without Market Making in Option Strategies	55%	40%	80%	60%
Equity Options without Market Making in Option Strategies	55%	40%	80%	60%
Bloomberg Options	50%	50%	n. a.	n. a.
Daily Futures on TAIEX Options	50%	50%	n. a.	n. a.
<u>Eurex Daily Futures Contracts on KOSPI 200 Options</u> <u>Eurex-KOSPI-Daily Futures-Contracts</u>	50 %	50 %	n. a.	n. a.
<u>Eurex Daily Futures Contracts on Mini KOSPI 200 Futures</u>	<u>50 %</u>	<u>50 %</u>	<u>n. a.</u>	<u>n. a.</u>

[...]				
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[...]

3.2.3 Volume Rebates

- (1) With regard to payable transaction fees which originate from the matching or the registration of derivatives transactions (Trade) within the meaning of Number 3.1.1 and Number 3.1.2 that have been correctly booked on proprietary position accounts (P-Accounts) of a Clearing Member, rebates shall be granted by ECAG according to this Number if – with respect to specific product groups – the minimum number as determined in Paragraph 3 of contracts to be taken into account (transaction volume) is reached or exceeded within a calendar month.

Sentence 1 applies accordingly to payable transaction fees which originate from the matching respectively the entry of derivatives transactions within the meaning of Number 3.1.1 and Number 3.1.2 of a Non-Clearing Member and which have been correctly booked on their proprietary position accounts (P-Accounts).

In determining the transaction volume to be taken into account according to this Number, transaction volume of trades pursuant to Number 3.1.1 and Number 3.1.2 exceeding the therein defined thresholds is considered according to the following formula:

$$\sum \text{Vol}+ * P_{\text{Red}}/P_{\text{S}}$$

Where Vol+ describes the volume of a transaction in excess of the threshold, PRed describes the reduced fee and PS the standard fee in the meaning of Number 3.1.1 and Number 3.1.2. Thus, only the portion of trade volume in excess of the threshold is considered that is equivalent to the ratio between the reduced fee and the standard fee.

The regulations pursuant to Sentence 1 and Sentence 2 do not apply to trades which are initially entered into proprietary position accounts (P-Accounts) and are afterwards transferred to a customer account (A-Account) of a Clearing Member respectively a Non-Clearing Member.

- (2) Transaction volume from transactions within the meaning of Number 3.1.1 and Number 3.1.2 which are correctly booked on M-position accounts (M-Accounts), shall be added to the transaction volume according to Paragraph 1, in case the concerned Clearing Member is not granted any rebates with regard to payable transaction fees in connection with the execution of Market Making by the Clearing Member or its Non-Clearing Members.

Price List of Eurex Clearing AG

- (3) ECAG grants rebates on payable transaction fees within the meaning of Paragraph 1 and 2, if such fee claims have arisen from transactions within one calendar month and if the minimum number of transactions per product group has been reached or exceeded. Transactions in Eurex Daily Futures Contracts on KOSPI 200 Derivate~~Eurex KOSPI Daily Futures contracts~~ and Daily Futures contracts on TAIEX Derivatives shall not be taken into account when calculating the number of contracts (transaction volume) for Equity Index Futures. The minimum transaction volume for each product group is listed in the following rebate scale:

Futures:

When calculating the minimum number of contracts to be taken into account, only order book transactions pursuant to number 3.1.1 are taken into account.

Product Group	Level 1	Level 2	Level 3
	Minimum number of contracts		
Equity Index Futures	300,001	400,001	500,001
Interest Rate Futures	300,001	600,001	1,200,001

[...]

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

5 Contract Price of Off-Book Trades

[...]

5.2.1 The upper limit of the admitted entry interval results from the daily settlement price of the respective futures contract of the previous trading day pursuant to Chapter II Number 2.1.2 (2) a) – e) of the Clearing Conditions plus an amount of 20 per cent of the margin parameter (available on the internet website www.eurexclearing.com) respectively defined for this contract by Eurex Clearing AG. If the daily high of the futures contract determined for the respective futures contracts on the Eurex Exchanges on this trading day, at which the contract was actually traded, or the synthetic daily high of the futures contract exceeds the value pursuant to Clause 1, the upper limit of the admitted entry interval results from the higher of such two values respectively. In order to determine the upper limit of the admitted entry interval, the value determined pursuant to Clause 1 and 2 shall respectively be increased by

[...]

- 2 % in case of MSCI Index Futures Contracts and Daily Futures Contracts on TAIEX Futures, Eurex Daily Futures on Mini KOSPI-200-Futures and TA-25 Index Futures Contracts,

[...]

The lower limit of the admitted entry interval results from the daily settlement price of the respective futures contract of the previous trading day pursuant to Chapter II Number 2.1.2 (2) a) – e) of the Clearing Conditions minus an amount of 20 per cent of the margin parameter respectively defined for this contract by Eurex Clearing AG (available on the internet website www.eurexclearing.com). If the daily low of the futures contract determined for the respective futures contracts on the Eurex Exchanges on this trading day, at which the contract was actually traded, or the synthetic daily low of the futures contract underlies the value pursuant to Clause 4, the lower limit of the admitted entry interval results from the lower of such two values respectively. In order to determine the lower limit of the admitted entry interval, the value determined pursuant to Clause 4 and 5 shall respectively be diminished by

[...]

**Conditions for Utilization of the Eurex Trade Entry Services
(General Conditions for Participation)**

As of 28.11.2016

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- 2 % in case of MSCI Index Futures Contracts and Daily Futures Contracts on TAIEX Futures, Eurex Daily Futures on Mini KOSPI-200-Futures and TA-25 Index Futures Contracts,

[...]

**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:

Product	Minimum number of tradable contracts
Options Contracts on Stock Indices (Aktienindexoptionen)	
Options Contracts on the ATX® Index (OATX)	100
[...]	
Stock Dividend Futures	
Futures Contracts on single Stock Dividend Futures	1
[...]	
Stock Index Futures	
[...]	
Daily Futures Contracts on TAIEX Futures	25
Daily Futures Contracts on TAIEX Options	100
<u>Eurex Daily Futures on Mini KOSPI 200 Futures</u>	<u>100</u>

**Conditions for Utilization of the Eurex Trade Entry Services
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Product	Minimum number of tradable contracts
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Eurex Daily Futures on KOSPI 200 Options KOSPI Daily Futures Contracts	25
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[...]

[...]

Annex A to the General Conditions for Participation:**Off-Book Periods of Use (all times in CET)**

[...]

Daily Futures Contracts on TAIEX Derivatives

Product	Product ID	Trading Hours	Start-End
Daily Futures Contracts on TAIEX Derivatives	FTX, OTX, OTX1, OTX2, OTX4, OTX5	CET*	07:45 - 21:00
		CEST**	08:45 - 21:00

* CET = Central European Time

** CEST = Central European Summer Time

~~Eurex Daily Futures on KOSPI 200 Derivatives~~ ~~Eurex KOSPI Daily Futures Contracts~~

Product	Product ID	Trading Hours	Start-End
Eurex Daily Futures on KOSPI 200 Derivatives Eurex KOSPI Daily Futures Contracts	OKS2, FMK2	CET*	09 10:00 - 21:00
		CEST**	11:00 - 21:00

* CET = Central European Time

** CEST = Central European Summer Time

[...]

Please return by fax or e-mail to:

Tobias Ehinger

Fax no. +49-69-211-1 44 61**E-mail: tobias.ehinger@eurexchange.com**

**Designated Market Maker Agreement
for Eurex Daily Futures on Mini KOSPI-200-Futures**

dated as of _____

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)
(name of Participant/Member ID)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) for the period from 28 November 2016 under the conditions outlined below with respect to the following products:

Futures	Eurex product code	Please tick (✓) the appropriate box
Eurex Daily Futures on Mini KOSPI-200-Futures	FMK2	<input type="checkbox"/>

2. The Participant will

- a) fulfil the Market-Making obligations as set out in Attachment 2 to Eurex circular 092/16, as amended by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich and as agreed upon by the Designated Market Makers from time to time (“Eurex Market-Making Obligations”) and published via Eurex circular. The current Eurex Market-Making Obligations for Eurex Daily Futures on Mini KOSPI-200-Futures were published in Eurex circular 092/16.
- b) provide EFAG with the name of a manager, who has the authorisation and expertise necessary to fulfil the commitments required under the Eurex Market-Making Obligations.
- c) provide EFAG with the name of a manager who has the authorisation and expertise necessary to make decisions and act as coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement.
- d) inform EFAG in the event the Participant is or will be unable to fulfil the Eurex Market-Making Obligations without undue delay and at the latest within one business day.

3. ECAG will
 - a) refund 100 percent of all transaction fees (order book on Eurex Exchange) and 100 percent of all transaction fees (off-book-transactions on Eurex Exchange) for the Eurex Daily Futures on Mini KOSPI-200-Futures traded by the Designated Market Makers on M-accounts in these products up to and including 31 May 2017. Thereafter, ECAG will refund 80 percent of all transaction fees (order book on Eurex Exchange) and 80 percent of all transaction fees (off-book-transactions on Eurex Exchange) for the contracts traded by the Designated Market Makers on M-accounts in the respective products up to and including 31 December 2017. Refunds will be paid in full only if the Eurex Market-Making Obligations have been fulfilled in the month prior to the month in which they are payable. No refunds will be made for contracts traded on A- or P-accounts.
 - b) refund 70 percent of all transaction fees (order book on Eurex Exchange) and 70 percent of all transaction fees (off-book-transactions on Eurex Exchange) for Eurex Daily Futures on KOSPI-200-Options (OKS2) traded by the Designated Market Makers on M-accounts in the respective products up to and including 31 May 2017. Refunds will be paid in full only if the Eurex Market-Making Obligations for both products (FMK2 and OKS2) have been fulfilled in the month prior to the month in which they are payable. No refunds will be made for contracts traded on A- or P-accounts.
4. EFAG and ECAG shall, upon occurrence of one of the following events, severally be entitled to terminate this Agreement with immediate effect:
 - a) The Participant does not comply with the Eurex Market-Making Obligations for four (4) consecutive months counted as of the date of this Agreement. Conformance of the Participant with the Eurex Market-Making Obligations shall be monitored by EFAG. EFAG will determine in its sole discretion whether the Participant has fulfilled the Eurex Market-Making Obligations.
 - b) The Participant does not comply with any other of its obligations stated under No. 2 above.
5. The Participant shall, upon occurrence of one of the following events, be entitled to terminate this Agreement with immediate effect:
 - a) A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for Eurex Daily Futures on Mini KOSPI-200-Derivatives.
 - b) A significant change to the Eurex Market-Making Obligations.
6. The Participant and EFAG and ECAG shall severally be entitled to terminate this Agreement without giving any reason with one calendar month's prior notice.
7. The Participant shall be notified of any changes to this Agreement and the Eurex Market-Making Obligations at least three (3) business days prior to the effective date thereof. The Participant accepts the amendments, provided a written objection is not filed with ECAG and EFAG within three (3) business days after the publication. ECAG and EFAG reserve the right to terminate the contract in case of non-acceptance of the amendments.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

Place, date

Name

Position

Phone

Fax

(Signature/Stamp of the company)

E-mail address

Day Month Year

Representatives of Eurex Frankfurt AG

Day Month Year

Representatives of Eurex Clearing AG

Please send the completed Agreement to the fax number or e-mail address indicated on page 1.