



eurex circular 187/11

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Sender: 1. Eurex Deutschland and Eurex Zürich
2. Eurex Clearing AG
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, all Clearing Members of
Eurex Clearing AG and Vendors
Authorized by: Peter Reitz



Action required

Property Derivatives: Introduction of Futures on three IPD® UK Annual Sector Indices (All Retail, All Office, All Industrial)

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Content may be most important for:

- ➔ Front Office/Trading
- ➔ Middle + Back Office
- ➔ Revision/Security Coordination

Attachments:

Updated sections of

Eurex Deutschland and Eurex Zürich

1. Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Eurex Clearing AG

2. Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)
3. Clearing Conditions for Eurex Clearing AG
4. Price List for Eurex Clearing AG

Further attachments:

5. Designated Market Making Programme – Obligations
6. Designated Market Making Programme – Application Form

Summary:

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG passed the following decisions that will become effective on **August 1, 2011**:

- Introduction of futures on three IPD® UK Annual Sector Indices (All Retail, All Office, All Industrial) of the company Investment Property Databank (IPD®)
- Introduction of a Market-Making scheme combined with a 50 percent revenue sharing scheme for the new futures on IPD® UK Annual Sector Indices.



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Property Derivatives: Introduction of Futures on three IPD® UK Annual Sector Indices (All Retail, All Office, All Industrial)

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG passed the following decisions that will become effective on August 1, 2011:

- Introduction of futures on three IPD® UK Annual Sector Indices (All Retail, All Office, All Industrial) of the company Investment Property Databank (IPD®)
- Introduction of a Market-Making scheme combined with a 50 percent revenue sharing scheme for the new futures on IPD® UK Annual Sector Indices.

Eurex Deutschland and Eurex Zürich

To implement these decisions, Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be amended as specified in attachment 1 with effect from August 1, 2011.

Eurex Clearing AG

To implement the decisions of the Management Boards of the Eurex Exchanges, Eurex Clearing AG will adjust the Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation - attachment 2), the Clearing Conditions for Eurex Clearing AG (attachment 3) and the Price List for Eurex Clearing AG (attachment 4) with regard to the clearing services it offers. These changes will also become effective on August 1, 2011.

1. Contract Specifications and Product Parameters

Detailed product parameters for the new futures will be available on the Eurex website under the following path as of start of trading:

www.eurexchange.com > Trading > Products > Property Derivatives

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/products/PRD_en.html

The following table contains all essential contract specifications and product parameters of the new futures on IPD® UK Annual Sector Indices:

Eurex: Futures on IPD® UK Annual Property Sector Indices – Launch on August 1, 2011								
	Underlying Index	Futures ISIN	Eurex Code	Contract Value in GBP	Product Group	Minimum Price Change	Value of Minimum Price Change	Currency
	IPD UK Annual All Retail	DE000A1KQT59	PARE	50,000	XNCHHG	0.05	25	GBP
	IPD UK Annual All Office	DE000A1KQT67	PAOF	50,000	XNCHHG	0.05	25	GBP
	IPD UK Annual All Industrial	DE000A1KQT75	PAIN	50,000	XNCHHG	0.05	25	GBP

Underlying Property Indices	IPD® UK Annual Sector Indices: All Retail, All Office, All Industrial
Description of Underlying	<p>The IPD® UK Annual Sector Indices All Retail, All Office, All Industrial measure un-gearred total returns to direct UK property sector investments. The indices are calculated using time-weighted methodology with returns computed monthly and thereafter compounded for the purposes of the annual index construction. The indices are value-weighted with each property covered contributing additively and in proportion to its capital employed.</p> <p>IPD® Index and Calculation Guides are available at www.ipd.com (see also section 2. below)</p>
Contract Period Covered	Each contract will be based upon the total returns of respective IPD® UK Annual Sector Index All Retail, All Office, All Industrial for an individual calendar year
Contract Maturity Dates	Contracts will expire on the last exchange trading day in March of the year following the individual calendar year covered by that contract. For example, the contract for the calendar year 2011 (Cal 11), i.e. the year up to December 31, 2011, will expire on March 30, 2012.
Contract Years	The successive five annual contracts will be available at any time
Settlement	Cash settlement, due on the first exchange trading day after the last trading day
Price Determination	Calculated to two decimal places and commercially rounded to the nearest 0.05
Contract Size/Par Value	Contract has a nominal size of £ 50,000 and a par value of 100
Minimum Price Change/Tick Size	Minimum Price Change is 0.05 which is equivalent to a value (tick) of GBP 25
Final Settlement Price	<p>The final settlement price shall reflect the nominal par value of 100 plus the annual total return for the corresponding IPD® UK Annual Property Sector Index during the calculation period of one calendar year.</p> <p>The formula is as follows:</p> $\text{Final Settlement Price} = 100 * [\text{TRI}_t / \text{TRI}_{(t-1)}]$ <p>Whereby:</p> <p>TRI_t = Total Returns Index Value at the end of the Annual Index Calculation Period</p> <p>TRI_(t-1) = Total Returns Index Value at the beginning of the Annual Index Calculation Period.</p> <p>Final settlement price will be determined to three decimal places commercially rounded to the nearest 0.005 or 0.01</p>
Last Trading Day	<p>The last exchange trading day in March of the year following the period calculated for.</p> <p>Trading in the maturing contract ceases at 12:00 CET</p>

The full contract specifications for the new futures will be available on the Eurex website as of the introduction date under the path:

www.eurexexchange.com > Documents > Rules & Regulations > Contract Specifications

For direct access to the document click on the following link:

http://www.eurexexchange.com/documents/regulations/contract_specifications_en.html

For further information on the assignment of products and product groups, please refer to Eurex circular 232/07, section 1.6.

2. Guidelines for IPD[®] UK Annual Property Sector Indices

A detailed description of the IPD[®] index family and the underlying instruments of the IPD[®] UK Annual Sector Index Futures (All Retail, All Office, All Industrial) can be found on the IPD[®] website under the path:

<http://www1.ipd.com/Pages/DNNPage.aspx?DestUrl=http%3a%2f%2fwww.ipd.com%2fsharepoint.aspx%3fTabId%3d935>

3. Designated Market-Making

As of August 1, 2011, Eurex will enable interested Members to be Designated Market Participants for the IPD[®] UK Annual Sector Index Futures (All Retail, All Office, All Industrial) until the end of this year.

As Designated Market Participants, Eurex Members will help ensure liquidity by undertaking to develop and promote this market between themselves and their clients.

Designated Market Participants providing quotes on the bid and ask side, subject to maximum spreads, for a specified minimum number of contracts will receive a reimbursement of part of the transaction and clearing fees for transactions executed until and including December 31, 2011 of either 50 percent or 15 percent. Please refer to attachment 5 for details of the scheme obligations.

In addition, Designated Market Participants will undertake other obligations as to the efficient operation of the market by providing information, such as additional price information and be available for additional price and value verifications at times as requested by Eurex. Designated Market Participants will also agree to be represented at a Eurex working committee on Property Derivatives to be convened at least twice a year which will focus on the smooth running and efficiency of the market.

To apply as a Designated Market Participant, please use the form enclosed in attachment 6.

4. Risk Parameters

Risk parameters will be published on the Eurex website as of start of trading under the following path:

www.eurexexchange.com > Clearing > Risk & Margining > Risk Parameters & Initial Margins

For direct access to the document click on the following link:

http://www.eurexexchange.com/clearing/risk/parameters_en.html

5. Trading Hours*

Product	Pre-Trading	Continuous Trading	OTC Block-Trading	Post-Trading Late
IPD UK Annual Sector Futures	07:00-08:30	08:30-17:30	08:30-18:30	18:30-20:30

* all times are CET

6. Position Limits and Mistrade Parameters

Position limits and mistrade parameters will be published as of the start of trading on the Eurex website under:

www.eurexchange.com > Trading > Products > Property Derivatives > IPD UK Annual All Property Index Futures

For direct access click on the following link:

http://www.eurexchange.com/trading/products/PRD/PUKA_en.html

7. Data Vendor Codes

As of start of trading, data vendor codes will be published on the Eurex website under the path:

www.eurexchange.com > Trading > Products > Vendor Product Code Search

For direct access click on the following link:

http://www.eurexchange.com/trading/products/vendor_product_code_search_en.html

8. Trading Calendar

The Eurex trading calendar applies. It can be found on the Eurex website under the path:

www.eurexchange.com > Trading > Trading Calendar

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/calendar/2011_en.html

9. Transaction Limits, Minimum Size for Cross- and Pre-arranged Trades

The position limits will be published on the Eurex website under the path:

www.eurexchange.com > Technology > Transaction Limits

For direct access to the document click on the following link:

http://www.eurexchange.com/technology/transaction_limits_en.html

10. Transaction Fees

Fees for trading, clearing and settlement of the IPD[®] UK Annual Sector Index Futures will be in line with the pricing for existing Eurex Property Derivatives and will be charged in Pounds Sterling. For further details please consult the Price List for Eurex Clearing on the Eurex website under the path:

www.eurexchange.com > Documents > Rules & Regulations > Price List

For direct access to the document click on the following link:

http://www.eurexchange.com/documents/regulations/price_list_en.html

11. OTC Trade Entry Facilities

For the IPD[®] UK Annual Sector Index Futures the minimum amount of tradable contracts by means of the Block Trade and Flexible Options Facilities is one contract.

Members who are already registered for Block Trading and/or Vola Trading may use the Block Trade Facility for the new IPD[®] UK Annual Sector Index futures without any further action.

Members wishing to participate in the OTC Trade Entry Facilities for the first time should confirm their acceptance of the General Participation Conditions of the OTC Trade Entry Facilities by signing the appropriate form and returning it to Eurex. In addition, where the Member firm is a Non-Clearing Member, its General Clearer must sign and return the General Clearer's Declaration Agreement at the same time.

The necessary forms can be found on the Eurex website under the following path:

**www.eurexchange.com > Documents > Forms > Trading Derivatives > Single Forms >
OTC Trade Entry**

For direct access to the documents click on the following link:

http://www.eurexchange.com/documents/forms/trading_derivatives/single/otc_en.html

Eurex introduced a non-disclosure facility for OTC block trades depending on the trade size, resulting in the intraday non-disclosure of price and size for block trades exceeding predefined thresholds. These volumes are reflected in the open interest of the next trading day.

The non-disclosure threshold for IPD[®] UK Annual Sector Index futures is 300 contracts.

An overview of the OTC trade entry facilities available for the products and detailed information on a single product basis with regard to their availability, utilization possibilities and minimum contract sizes for the various OTC trade entry facilities can be found under the path:

www.eurexchange.com > Trading > Wholesale Trading > Wholesale Trading Parameters

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/wholesale/otc_en.html

July 15, 2011

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

**1.11 Subpart:
Contract Specifications for Property Index Futures Contracts**

The following subpart contains contract specifications for futures contracts on commercial property return indices hereinafter referred to as "Property Index Futures Contracts".

1.11.1 Subject Matter of Contract

- (1) A Property Index Futures Contract is a futures contract on a specific property index.
- (2) Futures Contracts on the following property indices are available for trading at the Eurex Exchanges. The publications of the respectively indicated institution shall be relevant for the composition, weighting and calculation of the indices:
 - IPD® UK Annual All Property Index - All Property Total Returns (Investment Property Databank Limited).
 - IPD® UK Annual All Retail Index - All Retail Total Returns (Investment Property Databank Limited).
 - IPD® UK Annual All Office Index - All Office Total Returns (Investment Property Databank Limited).
 - IPD® UK Annual All Industrial Index - All Industrial Total Returns (Investment Property Databank Limited).

The nominal value of a contract shall be GBP 50,000.

1.11.2 Obligation for Performance

After close of trading, the seller of a Property Index Futures Contract shall pay in cash any difference between the agreed price and the higher final settlement price (Chapter II, Number 2.12.2 of the Clearing Conditions of Eurex Clearing AG). The

purchaser of a Property Index Futures Contract shall pay in cash any difference between the agreed price and the lower final settlement price.

1.11.3 Term

For Property Index Futures Contracts, several terms expiring on the final settlement day (subsection 1.11.4 Paragraph 1), each in March for the following five calendar years, are available for trading at the Eurex exchanges.

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

- (1) The last trading day and final settlement day of the Property Index Futures Contracts shall be the last exchange day in the month March of the year in which the term of the futures contract expires (according to Number 1.11.3).
- (2) The close of trading of Property Index Futures Contracts on the last trading day shall be 12:00 p.m. CET.

1.11.5 Price Gradations

The price of a Property Index Futures Contract shall be quoted as percentage of their nominal value, with two decimal places. The minimum price change ("Tick") shall be 0.05 points; this represents a value of GBP 25.

1.11.6 Performance, Cash Settlement

- (1) The performance day for Property Index Futures Contracts shall be the Exchange day after the final settlement day.
- (2) Property Index Futures Contracts shall be performed by cash settlement between the Clearing Members and Eurex Clearing AG. The competent Clearing Member shall be responsible for handling the cash settlement to the Non-Clearing Members served by it and its own customers; the Non-Clearing Members shall be responsible for handling the cash settlements by Non-Clearing Members to their customers.

[...]

Annex C in relation to Contract Specifications:**Trading Hours Futures Contracts**

[...]

Property Index Futures Contracts

Product	Product-ID	Pre-Trading-Period	Continuous Trading	Post-Trading Full-Period	OTC Block Trading	Last Trading Day	
						Trading until	
IPD® UK Annual All Property Index Futures	PUKA	07:00–08:30	08:30–17:30	17:30–20:30	08:30–18:30	12:00	
<u>IPD® UK Annual All Retail Index Futures</u>	<u>PARE</u>	<u>07:00–08:30</u>	<u>08:30–17:30</u>	<u>17:30–20:30</u>	<u>08:30–18:30</u>	<u>12:00</u>	
<u>IPD® UK Annual All Office Index Futures</u>	<u>PAOF</u>	<u>07:00–08:30</u>	<u>08:30–17:30</u>	<u>17:30–20:30</u>	<u>08:30–18:30</u>	<u>12:00</u>	
<u>IPD® UK Annual All Industrial Index Futures</u>	<u>PAIN</u>	<u>07:00–08:30</u>	<u>08:30–17:30</u>	<u>17:30–20:30</u>	<u>08:30–18:30</u>	<u>12:00</u>	

All times in CET

[...]

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[...]

9.3 Block Trade Functionality

Eurex Clearing AG has admitted the products listed in the following to the Block Trade Facility. Such admission is independent from the respective transactions being entered into the Eurex Clearing System within the scope of an options strategy, an options volatility strategy or as a Combination Transaction Option-Share, consisting of OTC options transactions and OTC security transactions.

9.3.1 Admitted Products:

Product	Minimum number of tradable contracts
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[...]

Futures Contracts on IPD® UK Annual All Property Index	1
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<u>Futures Contracts on IPD® UK Annual All Retail Index</u>	<u>1</u>
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<u>Futures Contracts on IPD® UK Annual All Office Index</u>	<u>1</u>
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<u>Futures Contracts on IPD® UK Annual All Industrial Index</u>	<u>1</u>
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[...]

[...]

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

[...]

Property Index Futures Contracts

Product	Product-ID	Start-End
[...]		
IPD® UK Annual All Property Index	PUKA	08:30-18:30
<u>IPD® UK Annual All Retail Index</u>	<u>PARE</u>	<u>08:30-18:30</u>
<u>IPD® UK Annual All Office Index</u>	<u>PAOF</u>	<u>08:30-18:30</u>
<u>IPD® UK Annual All Industrial Index</u>	<u>PAIN</u>	<u>08:30-18:30</u>
[...]		

[...]

Clearing Conditions for Eurex Clearing AG

AMENDMENTS ARE MARKED AS FOLLOWS:

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[...]

Chapter II

Transactions at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

[...]

Part 2

Clearing of Future Contracts

2.12 Clearing of Property Index Futures Contracts

The following numbers shall rule the clearing of transactions of Property Index Futures contracts named in Number 1.11 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich.

2.12.1 Procedures in Payment

All payments shall be made directly between the Clearing Members through their accounts at a branch of the German Federal Bank (Deutsche Bundesbank), on the Exchange day following the final settlement day (Number 1.11.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members shall ensure their ability to effect payments on the due date thereof by having sufficient credit balances in their account at a branch of the German Federal Bank (Deutsche Bundesbank), or in the account at a branch of the German Federal Bank (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract.

Clearing Conditions for Eurex Clearing AG**2.12.2 Final Settlement Price**

The final settlement price of the Property Index Futures contracts will be determined by Eurex Clearing AG (pursuant to Number 1.11.4 of the Contract Specifications for Futures contracts and Options contracts at the Eurex Deutschland and Eurex Zürich) on the final settlement day of a contract.

The final settlement price of a Property Index Futures contract shall be determined under inclusion of the index values respectively published by the index provider as at the final settlement day.

In case Eurex Clearing AG does not possess index data underlying a Property Index Futures contract or if, due to other reasons, the final settlement price on basis of the relevant index cannot be determined, Eurex Clearing AG may determine the final settlement price by means of another procedure. The value of a similar index may be used therefore. When choosing an alternative procedure, Eurex Clearing AG shall, as far as possible, take into account the similarity to the original index.

For IPD® UK Annual All Property, IPD® UK Annual All Retail, IPD® UK Annual All Office and IPD® UK Annual All Industrial Futures Contracts, the final settlement price shall be determined in percent; the decimal places shall commercially be rounded to the next possible interval of 0.005, or 0.01, or multiples thereof.

The final settlement price shall reflect a nominal value of 100 plus the Annual Total Return or minus a loss during the calculation period (one calendar year) of the index.

The formular is as follows:

$$\text{Final Settlement Price} = 100 * [\text{TRI}_t / \text{TRI}_{(t-1)}]$$

TRI_t = Total Returns Index Value at the end of
the Annual Index Calculation Period

$\text{TRI}_{(t-1)}$ = Total Returns Index Value
at the beginning of the Annual Index Calculation Period

2.12.3 Performance, Delivery

[...]

Price List for Eurex Clearing AG

AMENDMENTS ARE MARKED AS FOLLOWS:

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[...]

3.1 Matching of Exchange Transactions / Recording of Derivatives Transactions (Trade)**3.1.1 Exchange Transactions (excluding Block Auction)**

For transactions executed 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 *	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)
[...]					
Property Derivatives					
Futures					
IPD® UK Annual All Property Index Futures	GBP	8.00	n. a.		
<u>IPD® UK Annual All Retail Index Futures</u>	<u>GBP</u>	<u>8.00</u>	<u>n.a.</u>		
<u>IPD® UK Annual All Office Index Futures</u>	<u>GBP</u>	<u>8.00</u>	<u>n.a.</u>		
<u>IPD® UK Annual All Industrial Index Futures</u>	<u>GBP</u>	<u>8.00</u>	<u>n.a.</u>		

Price List for 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)
[...]					

* The fees already accumulated in connection with a transaction pursuant to no. 3.1.1.1 of the Price Schedule of Eurex Clearing AG will be cancelled, if such transaction was rescinded pursuant to the regulations under no. 2.7 of the Conditions for Trading at Eurex Deutschland and Eurex Zürich.

** The fees for transactions in Eurex-KOSPI-Daily-Futures-Contracts 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 100,000 South Korean Won (KRW).

*** Credit Futures Contract on the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract as well as Credit Futures Contract on the new version of the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract in case of an anticipated and an actual credit event.

[...]

3.1.3 OTC Transactions

- (1) For transactions executed OTC and entered into the Eurex Clearing System via the OTC trade entry facilities (as described in the Conditions for Utilization of the OTC Trade Entry Facilities) 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 OTC transaction entered into the Eurex Clearing 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 Stock Futures that are correctly booked on M-accounts. In these cases the sliding fee scale as defined in sentence 2 applies.

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

Price List for 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)
[...]					
Property Derivatives					
Futures					
IPD® UK Annual All Property Index Futures	GBP	12.00	n. a.		
<u>IPD® UK Annual All Retail Index Futures</u>	<u>GBP</u>	<u>12.00</u>	<u>n.a.</u>		
<u>IPD® UK Annual All Office Index Futures</u>	<u>GBP</u>	<u>12.00</u>	<u>n.a.</u>		
<u>IPD® UK Annual All Industrial Index Futures</u>	<u>GBP</u>	<u>12.00</u>	<u>n.a.</u>		
[...]					

* For security transactions in shares resulting from Combination Transactions Option-Share, transaction fees according to Chapter 3.11 in connection with Chapter 9.1.1 shall be charged.

** The fees for transactions in Eurex-KOSPI-Daily-Futures-Contracts 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 100,000 South Korean Won (KRW).

*** Credit Futures Contract on the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract as well as Credit Futures Contract on the new version of the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract in case of an anticipated and an actual credit event.

3.3 Position Closing Adjustments

Position Closing Adjustments, if these do not take place between 13:30 CET on the day of trade and before 13:30 CET of the following trading day:

Contract	Fee per Contract
[...]	
Property Derivatives	
IPD® UK Annual All Property Index Futures	GBP 16.00
<u>IPD® UK Annual All Retail Index Futures</u>	<u>GBP 16.00</u>
<u>IPD® UK Annual All Office Index Futures</u>	<u>GBP 16.00</u>
<u>IPD® UK Annual All Industrial Index Futures</u>	<u>GBP 16.00</u>
[...]	

Price List for Eurex Clearing AG

Contract	Fee per Contract
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- * Credit Futures Contract on the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract as well as Credit Futures Contract on the new version of the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract in case of an anticipated and an actual credit event.

3.4 Cash Settlement

Contract	Fee per Contract	Maximum Fee for Contracts on the same underlying of each A-, P- and M-accounts
[...]		
Property Derivatives		
IPD® UK Annual All Property Index Futures	GBP 8.00	
<u>IPD® UK Annual All Retail Index Futures</u>	<u>GBP 8.00</u>	
<u>IPD® UK Annual All Office Index Futures</u>	<u>GBP 8.00</u>	
<u>IPD® UK Annual All Industrial Index Futures</u>	<u>GBP 8.00</u>	
[...]		

- * Credit Futures Contract on the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract as well as Credit Futures Contract on the new version of the iTraxx® Europe, Hi Vol and Crossover 5 Year Series respectively valid at the time of introduction of the Futures Contract in case of an anticipated and an actual credit event.

[...]



Designated Market Participant Scheme for IPD® UK Annual Sector Index Futures (All Retail, All Office, All Industrial)

Scheme Obligations

Eurex Codes: PARE, PAOF, PAIN

To Eurex Market Supervision (Designated Market Participant)

Respond to Daily Pricing Requests	<p>Participant must respond to all Eurex Pricing Requests up to a maximum of 2 requests per contract per day</p> <ul style="list-style-type: none"> - within 30 minutes - in a form as agreed between the Designated Market Participant and Eurex (e.g. direct or via a third party vendor) - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form
Respond to Index Validation Requests	<p>Participant must respond to all Eurex Index Validation Requests up to a maximum of 1 Validation Request per contract per day</p> <ul style="list-style-type: none"> - within 2 hours, or - 1 hour past close of trading whichever is sooner
Designated Market Participant Fee Rebates	<p>Order Book Trades & Block Trades</p> <p>15% Fee Rebate upon fulfilment of Eurex Market Supervision obligations</p>

In the order book (additional, if prepared to):

Quote provision	<p>Provision of two way quotes for each of the contracts in the series</p> <ul style="list-style-type: none"> - with a minimum size of 20 contracts on the bid and ask side - with a maximum spread of 1.50 points - during 50 percent of the quotation period of the trading day, from 08:30 a.m. to 17:30 p.m., on a monthly average.
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Quote provision during the Periodic Auction	<p>Provision of two way quotes for next two succeeding contracts (by maturity) in the series</p> <ul style="list-style-type: none"> - with a minimum size of 20 contracts on the bid and ask side - with a maximum spread of 1.50 points <p>Provision of two way quotes for remaining succeeding contracts in the series</p> <ul style="list-style-type: none"> - with a minimum size of 10 contracts on the bid and ask side - with a maximum spread of 3.00 points
Designated Market Participant Fee Rebates for additionally fulfilling order book obligations	<p>Order Book Trades & Block Trades</p> <p>50% Fee Rebate upon fulfilment of all obligations including fulfilment of Eurex Market Supervision obligations</p>
Fast Market (definition and announcement by the Exchange)	<p>Quote provision maximum spreads will be increased by 100 percent and the minimum quote size will be reduced by 50 percent</p> <p>if applicable a periodic auction will be postponed</p>
Delay or Failure of the Underlying Index	<p>Quote requests may be declined and quote provision suspended until the delay is rectified or the Failed Index is calculated (or re-calculated) subject to the exchanges rules</p>

To Eurex Property Derivatives Product Working Committee

Representative to Eurex Property Derivatives Working Committee	<p>Participant must delegate a representative to participate in the Eurex Property Derivatives Working Committee</p> <ul style="list-style-type: none"> - to two bi-annual meetings whose dates will be notified at least 30 working days in advance by Eurex - up to 2 ad-hoc meetings per annum, where such meetings are proposed by either Eurex or a Designated Market Participant and agreed by the majority of Designated Market Participants in a phone-round poll, subject to 7 days advance notification
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Application Form - Designated Market Participant Scheme

To Eurex
Product Development
Christian Csomos

Fax no. +44 20 7862 9235

**Application for the Status of Designated Market Participant
for IPD[®] UK Annual Sector Index Futures
(All Retail, All Office, All Industrial)**

1. We _____
(name of member)

herewith apply for the status of Designated Market Participant in

IPD[®] UK Annual Sector Index Futures (All Retail, All Office, All Industrial)

for the period from **August 1, 2011 until December 31, 2011** in accordance with the terms and conditions stated in the Scheme Obligations.

2. As a Designated Market Participant

- a. we will fulfil the obligations to Eurex Market Supervision by provision of Daily Pricing Requests as specified in the Scheme Obligations
- b. we will fulfil the obligations to Eurex Market Supervision by provision of Index Validation Requests as specified in the Scheme Obligations

and additionally, if prepared to,

- c. we will fulfil the obligation by provision of two way quotes for each of the contracts in the series
 - for the minimum number of contracts specified in the Scheme Obligations
 - in compliance with the maximum spread specified in the Scheme Obligations; and
 - in compliance with the times specified in the Scheme Obligations.
- d. we will additionally provide bid and ask quotes on both sides of the market during the periodic Auction
 - for the minimum number of contracts specified in the Scheme Obligations
 - in compliance with the maximum spread specified in the Scheme Obligations; and
 - in compliance with the times specified in the Scheme Obligations



3. As a Designated Market Participant

- a. we will give you the name of a manager, and an alternate, who has the authorization and expertise necessary to fulfil the commitments required under the Scheme Obligations to Eurex Market Supervision
- b. we will give you the name of a manager who has the authorization and expertise necessary to make decisions and act as the coordinator in our firm, who will be available for Eurex with respect to this agreement
- c. we will ensure that a Eurex trading screen and a qualified trader are available for Designated Market Participants wishing to fulfil the obligations stated under No. 2 above; and
- d. we will give Eurex a one business day notice if we wish to terminate this Designated Market Participant Scheme agreement.

4. Eurex Clearing will in return:

- a. refund 15% of all trading and clearing fees for the contracts traded by the Designated Market Participants on M accounts fulfilling the obligations 2.a and 2.b above (Eurex Market Supervision obligations).
 - b. refund 50% of all trading and clearing fees for the contracts traded by the Designated Market Participants on M accounts fulfilling all obligations including the Eurex Market Supervision obligations .
 - c. The refund for the respective month will be calculated at the beginning of the subsequent month. Refunds will be paid in full only if the Scheme Obligations have been fulfilled in the month prior to the one in which they are applicable. No refunds will be made for contracts traded on A or P accounts;
 - d. make Eurex speakers and printed material available for seminars organized by the Designated Market Participants regarding Property Index Futures, if desired; and
 - e. consult the Designated Market Participants as a deliberative body on any proposed material changes to this product and its Contract Specifications, notwithstanding any legal obligations of Eurex, and action the proposed material changes upon advice from those responding Designated Market Participants who deem such changes to be acceptable.
5. Compliance with the obligations stated under No. 2 shall be monitored by Eurex. In the event that the obligations stated under No. 2 are not met by us, Eurex shall have the right to terminate the agreement and to publicly disclose the termination of the Designated Market Participant status at Eurex' discretion. In this case, Eurex shall be released from its obligations pursuant to No. 4 with immediate effect.
6. In the event of a significant change in the Contract Specifications for the contract or due to a revision of the law or rules with respect to the contract, we as well as Eurex have the right to terminate this agreement with immediate effect or to renegotiate the requirements indicated in No. 2 and/or in the associated Scheme Obligations.
7. Eurex shall have the right to amend or expand one or more of the conditions laid down in this agreement for limited periods of time at its sole discretion with validity for all Designated Market Participants, if it deems this appropriate (for example, in circumstances which lead to high market



volatility or if such amendments or expansion is not expected to have an adverse effect on market quality). In the event that Eurex amends or expands one or more condition(s), the Designated Market Participants must, for their part, ensure that they can be contacted so that they can be promptly advised that this situation has ceased to exist.

8. Other than the aforementioned measures, no special status at Eurex shall be accorded to the participant in conjunction with the Designated Market Participant status, which expires on December 31, 2011. After that time, the title "Designated Market Participant" can no longer be used unless otherwise agreed with Eurex.
9. The associated Scheme Obligations (Attachment 5) are an integral part of this application.
10. Exclusively the law of the Federal Republic of Germany applies to this Designated Market Participant Scheme agreement, unless otherwise stated hereinafter. Sole place of jurisdiction for all disputes in connection with this Designated Market Participant Scheme agreement is Frankfurt am Main.

**SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH
PARAGRAPH 4b**

Place, date

Name

Position

Phone

Fax

(Signature / Stamp of the company)

E-mail address

Please send the completed application for the status of Designated Market Maker to the indicated fax number.