
Exchange Rules for Eurex Deutschland and Eurex Zürich

1 Organization

1.1 Areas of Business

These Exchange Rules regulate the organization of the options and futures exchange approved under German law (hereinafter referred to as "Eurex Deutschland") with its registered office in Frankfurt / Main, hereafter referred to as "Eurex Deutschland", and the options and futures exchange approved under Swiss law (hereinafter referred to as "Eurex Zürich") with its registered office in Zürich, hereafter referred to as "Eurex Zürich". Eurex Deutschland and Eurex Zürich (hereinafter jointly referred to as "Eurex Exchanges") provide a fully automated trading platform for the conclusion of options and futures transactions, in particular standardized options and futures contracts (hereinafter referred to as "options and futures transactions" or "products"). ...

1.2 Administrating and Operating Institutions of Eurex Deutschland and Eurex Zürich

The administrating and operating institution of Eurex Deutschland is Eurex Frankfurt AG, with registered office in Frankfurt am Main. In accordance with § 1 paragraph (2) of the Exchange Act (*Börsengesetz*, BörsG), the administrating and operating institution shall – upon request by Eurex Deutschland – provide the financial resources, the staff, and the facilities and premises, and the financial resources necessary for the operation of the exchange and for an adequate further development of the operation of the exchange. ~~Eurex Deutschland.~~

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1.3 Exchange Supervisory Authorities

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Should the above authorities have to take supervisory measures abroad, such measures shall be implemented by means of administrative or legal cooperation, unless international agreements provide otherwise; insofar as the Exchange Supervisory Authority is concerned, such measures shall be implemented via the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, BAFin) Federal Securities Supervisory Office (*Bundesaufsichtsamt für den Wertpapierhandel*).

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2 Exchange Bodies of the Eurex Exchanges

2.1 Eurex Deutschland

2.1.1 Exchange Council

The Exchange Council of Eurex Deutschland shall have the following responsibilities pursuant to the Exchange Act (*Börsengesetz*, BörsG):

1....,

...

5.the appointment and removal of the members of the Board of Management of Eurex Deutschland in ~~consultation~~ agreement with the Hessian Exchange Supervisory Authority,

6....,

7.the appointment, re-appointment and removal of the head of the Trading Surveillance Office ~~and his or her deputy~~ at Eurex Deutschland upon the recommendation of the Board of Management of Eurex Deutschland and in agreement with the Exchange Supervisory Authority.

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2.1.2 Exchange Management

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2.1.2.1 Representation by the Board of Management

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The Board of Management may also authorize other persons to act as representatives. ~~The details shall be specified in the Rules of Procedure for the Board of Management.~~

2.1.2.2 Responsibilities of the Board of Management

The Board of Management of Eurex Deutschland shall fulfill all responsibilities which have not expressly been assigned to other Exchange Bodies of Eurex Deutschland. Its responsibilities shall include, in particular,

1....,

2.regulating the organization and business operations of Eurex Deutschland and setting the times of exchange sessions,

3....,

...

2.1.3 Trading Surveillance Office

2.1.3.1 Responsibilities of the Trading Surveillance Office

...

The head of the Trading Surveillance Office and his or her deputy shall be appointed and removed by the Exchange Council at the recommendation of the Board of Management and in agreement with the Exchange Supervisory Authority.

The personnel of the Trading Surveillance Office may, to the extent necessary for the discharge of their duties, demand information and the production of documents from the Trading Participants (~~§ 1a-4 paragraph (34)~~ in connection with § 2 paragraph 1 sentences 1 to 6, 9 and 10 of the Exchange Act), conduct inspections and, during normal working hours, enter the property and business premises of Eurex Deutschland and the Trading Participants. ... ~~§ 1a4 paragraph (34)~~ in connection with § 2 paragraph 1 sentences 3, 10 and 11 sentences 3, 6 and 7 and § 1a paragraph (3) of the Exchange Act shall apply in all other respects.

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2.2 Eurex Zürich

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2.2.2 Board of Management

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2.2.2.2 Responsibilities of the Board of Management

The Board of Management of Eurex Zürich shall fulfill all responsibilities which have not expressly been assigned to other Exchange Bodies of Eurex Zürich. Its responsibilities shall include, in particular,

1....,

2.regulating the organization and business operations of Eurex Zürich and setting the times of exchange sessions,

3....,

...

2.2.3 Surveillance Office

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2.2.3.1 Responsibilities of the Surveillance Office

The Surveillance Office shall monitor the determination of prices and the conclusion and settlement of transactions in such a way that any exploitation of the knowledge of confidential information, any price manipulation and any other breaches of law can be detected. In particular, it shall

a) ...

...

d) be the contact for members and third parties should they have complaints concerning Eurex Zürich or the members or ~~traders of Eurex Zürich or their traders.~~

...

2.2.5 Reporting Office

The reporting office within the meaning of Article 15 of the Swiss Law on Stock Exchange and Securities Trading (*Gesetz über die Börsen und den Effektenhandel*, BEHG) in connection with Article 7 ~~et seq.~~ of the Ordinance of the Swiss Banking Commission (EBK) on Stock Exchange and Securities Trading (*Verordnung über die Börsen und den Effektenhandel*, BEHV) shall be the Swiss Stock Exchange SWX.

...

3 Admission to Trading at Eurex Deutschland and Eurex Zürich

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3.1 Admission of Enterprises (Exchange Participants)

Notwithstanding the provisions below, an enterprise is to be admitted to trading if it has a clearing license of Eurex Clearing AG for clearing transactions carried out at the Eurex Exchanges (hereinafter referred to as "Derivatives Clearing License") or has concluded an NCM-GCM agreement or an NCM-DCM agreement with a Clearing Member as prescribed by Eurex Clearing AG.

3.1.1 Admission to Eurex Deutschland

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3.1.1.1 Minimum Capital Requirements for Admission

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The applicant must provide evidence of equity capital of at least ~~100,000 Deutsche Marks~~ * EUR 50,000 unless ...

... * ~~The respective amount in Euro is 51,129.19 EUR on the basis of the official conversion factor.~~

...

3.3 Admission as Market Maker

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A Market Maker Admission entitles the holder to engage, for its own account, in the trading of those products with respect to which such Market Maker has accepted the obligation to supply bid and ask quotes promptly upon request at any time during ~~exchange hours~~ the Opening Period and the Trading Period and to do business on the basis of such quotes.

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3.3.1 Resignation, Cancellation, Withdrawal, Revocation and Suspension of Market Maker Admission

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If an application is made for a Market Maker Admission for ~~underlying values~~ products with respect to which the Market Maker had previously resigned, the respective Eurex Exchange may prescribe a waiting period of at least ten exchange days.

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3.3.2 Rights and Obligations of Market Makers

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Quotes may be entered during the ~~Pre Trading Period, the Pre-Opening Period, and the Trading Period and the Post-Trading Full Period~~. Quotes shall not be held in the order book overnight by the system of the Eurex Exchanges but shall be erased and, after clearance by the Market Maker, they shall be noted again for the next day's trading, to the extent that they have not been rescinded by the Market Maker.

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3.4 Orderly Settlement of Options and Futures Transactions; Technical Equipment

... The orderly settlement of transactions requires the provision of adequate technical equipment ~~and the necessary staff (back office).~~

...

3.5 Disclosure of the Assignment Method

If the applicant for admission to exchange trading engages in options and futures trading in its own name for the account of third parties, the applicant must upon request by the Boards of Management of the Eurex Exchanges, or by the Trading Surveillance Office of Eurex Deutschland or the Surveillance Office of Eurex Zürich respectively – state the method pursuant to which it will assign to its customers, in a manner that ensures the neutrality of the assignment process, the drawings allocable to its agent position account.

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3.8 Market Surveillance

3.8.1 Examinations Abroad

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~~3.8.2~~ Reporting

The respective administrating and operating institutions of Eurex Deutschland or Eurex Zürich shall immediately inform the Board of Management of the Eurex Exchange which requested the examination with regard to compliance with the Eurex Rules and Regulations of the results of such examination ~~in accordance with any special instructions of the Board of Management. If Eurex Deutschland requested the examination, the Exchange Participant concerned may request that the report of such examination be presented in the first instance to the Exchange Supervisory Authority. The Exchange Supervisory Authority shall determine in its duly exercised discretion the nature and scope of the information to be passed on to the Board of Management of Eurex Deutschland. Notwithstanding the foregoing, the administrating and operating institution of Eurex Deutschland or Eurex Zürich, as applicable, shall in all cases promptly inform the Board of Management of the Eurex Exchange which requested the examination of the result of such examination.~~

3.9 Agent for Service of Process

... In the course of the procedure regarding admission to options and futures trading, the Eurex Exchanges must be notified in writing of the identity of the respective agent for service of process. This also applies to any changes regarding such agents for service of process at the Eurex Exchanges. In addition, each Exchange Participant must obtain the consent of the persons affected hereby, particularly that of the Exchange Traders working for it, that the Exchange Participant is authorized to appoint an agent for service of process within the meaning of sentence 1 in their name.

3.10 Evidence of the Conditions for Admission

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3.11 Reporting Obligation

... The admitted applicant shall, in particular, be obliged to inform the Board of Management of the respective Eurex Exchange in the event that it becomes aware of a criminal proceeding against it on suspicion of property or tax law violations, a proceeding on suspicion of non-compliance with the prohibition of insider trading (§ 14 of the Securities Trading Act – Wertpapierhandelsgesetz, WpHG), a proceeding on suspicion of inducement to engage in speculative exchange transactions (§ 23 of the Exchange Act – Börsengesetz, BörsG) or on suspicion of share price and market price manipulation (§ 20a of the Securities Trading Act – Wertpapierhandelsgesetz, WpHG). ...

3.12 Resignation, Cancellation, Withdrawal, Revocation and Suspension of Admission to Trading

3.12.1 Resignation and Cancellation of Admission to Trading

...

The admission of an enterprise to Eurex Deutschland shall terminate if the persons notified to Eurex Deutschland as the persons who, by law, articles of association or shareholders' agreement, are entrusted with the management of the business of the enterprise and are authorized to represent it (subsection 3.1.1) resign and are not replaced. However, the admission shall terminate in all cases only after the conditions of subsection 3.12.5 have been satisfied.

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3.12.3 Disciplinary Committee

3.12.3.1 Responsibilities of the Disciplinary Committee

~~The Disciplinary Committee shall have the responsibilities for Eurex Deutschland set forth in § 9 of the Exchange Act. To the extent that Exchange Participants whose registered office is located in Switzerland are deemed a group within the meaning of § 2 paragraph (4) in connection with § 3 No. 2 of the Disciplinary Committee Regulation (*Sanktionsausschußverordnung*), the Disciplinary Committee shall also fulfill the responsibilities incumbent upon it for Eurex Zürich. § 9 of the Exchange Act shall apply mutatis mutandis. With respect to Exchange Participants whose registered office is not located in the Federal Republic of Germany, the provisions concerning administrative cooperation shall apply to the taking of any necessary evidence.~~

3.12.3.2 Transfer of Proceedings

~~Should facts emerge in a proceeding before the Disciplinary Committee which justify the withdrawal or revocation of the admission, the proceeding shall be transferred pursuant to § 7 paragraph (9) of the Exchange Act to the Board of Management of the respective Eurex Exchange. At any stage of the proceeding, the Board of Management of the respective Eurex Exchange shall be entitled to request reports from the Disciplinary Committee and to assume the conduct of the proceeding. If the Board of Management of the respective Eurex Exchange assumes the conduct of the proceeding and establishes that the admission should not be withdrawn or revoked, it shall return the proceeding to the Disciplinary Committee.~~

3.12.34 Suspension and Revocation of Admission to Trading

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In the case of ... if it appears that the fulfillment of the reporting obligations pursuant to § 9 of the Securities Trading Act (*Wertpapierhandelsgesetz*, WpHG) or the exchange of information with the competent authorities in such state for the purpose of monitoring compliance with the prohibition of insider trading or for the purpose of monitoring compliance with the prohibition of share price and market price manipulation is not ensured.

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3.12.34.1 Exclusion from Trading due to Default by DCMs and GCMs

If an enterprise ~~that~~ which has been admitted to Eurex Deutschland or Eurex Zürich and which is a Direct Clearing Member has obtained a Derivatives Clearing License of Eurex Clearing AG for Direct Clearing Members fails to

provide any margin or daily settlement payment required to be provided by it within the period prescribed therefor, ... To the extent such Direct Clearing Member is also entitled to clearing transactions of affiliated Exchange Participants which do not have a Derivatives Clearing License (Non-Clearing Members), sentence 1 shall apply mutatis mutandis to all Non-Clearing Members for which such Direct Clearing Member acts.

If an enterprise ~~that~~ which has been admitted to Eurex Deutschland or Eurex Zürich and ~~which is a General Clearing Member~~ has obtained a Derivatives Clearing License of Eurex Clearing AG for General Clearing Members fails to provide any margin or daily settlement payment required to be provided by it within the period prescribed therefor, ...

If an enterprise ~~that~~ which has been admitted to Eurex Deutschland or Eurex Zürich and ~~which is a General Clearing Member~~ has obtained a Derivatives Clearing License of Eurex Clearing AG for General Clearing Members fails to make any payment or delivery to Eurex Clearing AG when due, ... Sentence ~~34~~ shall apply mutatis mutandis to enterprises which have obtained a Derivatives Clearing License of Eurex Clearing AG for Direct Clearing Members, as well as to their affiliated Non-Clearing Members.

...

3.12.34.2 Exclusion from Trading due to Default by NCMs

If an enterprise ~~that~~ which has been admitted to Eurex Deutschland or Eurex Zürich and ~~which does not have~~ is a Derivatives Clearing License Non-Clearing Member of Eurex Clearing AG (hereinafter referred to as "Non-Clearing Member") fails to provide any required margin or daily settlement payment as determined by its General Clearing Member or its affiliated Direct Clearing Member respectively required to be provided by it within the period prescribed therefor, subsection 3.12.34.1 sentence 1 shall apply mutatis mutandis. If a Non-Clearing Member fails to make any deliveries or payments, or fails to pay any premiums or fees that may be due to its General Clearing Member or its affiliated Direct Clearing Member respectively within the prescribed period as set out in the Conditions for Trading at Eurex Deutschland and Eurex Zürich or in the Clearing Conditions for Trading at Eurex Deutschland and Eurex Zürich, the Board of Management of the respective Eurex Exchange may, at the request of ~~such the~~ General Clearing Member or Direct Clearing Member affected, suspend such Non-Clearing Member from options and futures trading at the respective Eurex Exchange for the duration of such failure.

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3.12.34.3 Consequences of Exclusion from Trading

... If a Non-Clearing Member is excluded from options and futures trading, the General Clearing Member representing such Non-Clearing Member may request of the Board of Management of the respective Eurex Exchange that the positions of such Non-Clearing Member be closed. If an enterprise which has obtained a Derivatives Clearing License of Eurex Clearing AG for General Clearing Members is excluded from options and futures trading pursuant to the provisions of this paragraph, the Non-Clearing Members for which such General Clearing Member acts shall only be excluded from options and futures trading until they are able to engage in options and futures trading at the respective Eurex Exchange through another General Clearing Member. If an enterprise which has obtained a Derivatives Clearing License of Eurex Clearing AG for Direct Clearing Members (Direct Clearing Member) and which furthermore is entitled to clearing transactions of affiliated Exchange Participants which do not have a Derivatives Clearing License (Non-Clearing Members), is excluded from options and futures trading in accordance with this paragraph, sentence 3 shall apply mutatis mutandis to all Non-Clearing Members for which such Direct Clearing Member acts. The right to revoke the admission to options and futures trading shall remain unaffected.

3.12.45 Consequences of Resignation, Withdrawal and Revocation of Admission to Trading

... The admission to trading of such Exchange Participant shall terminate only after the fulfillment of the requirements provided for in this paragraph and of all obligations owed to ~~Eurex Clearing AG~~ the clearing house and / or the relevant Clearing Member.

3.12.56 Reporting Obligation

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4 General Provisions

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4.2 Revocation of Admission of Options and Futures Contracts; Suspension of Trading

The Board of Management of the respective Eurex Exchange may revoke the admission to trading of options and futures contracts or suspend the trading thereof at Eurex Deutschland or Eurex Zürich if such action appears to be necessary for the protection of the public, particularly if the quotation of ~~an the respective~~ underlying security cannot be ensured on a stock exchange designated by Eurex Deutschland or Eurex Zürich for this purpose has been suspended.

Any revocation of an admission of ~~options and futures~~ contracts or any suspension of options and futures trading in a contract at Eurex Deutschland or Eurex Zürich must be made public.

If trading in any options or futures contract admitted to Eurex Deutschland or Eurex Zürich is suspended, in whole or in part, no new orders and quotes may be entered and no open positions may be closed respecting such contract for the duration of the suspension, nor, if exercise is possible under the terms of such contract, may any open positions be exercised during this period. All existing orders and quotes will be canceled. ...

4.3 Exclusion of Physical Delivery

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4.3.2 Options Contracts

In order to maintain orderly trading conditions, the Board of Management of Eurex Deutschland or Eurex Zürich may issue instructions ordering settlement in cash rather than by physical delivery upon the exercise of stock options and options contracts on shares of exchange-traded funds. The share price decisive for the amount of cash settlement shall be calculated on the basis of the average of all share prices established by the close of trading of the respective stock option on the relevant spot market (Kassamarkt) according to the Conditions for Trading at the Eurex Exchanges. ~~In such a case, the Board of Management shall determine the price of the underlying security which shall be decisive for the amount of cash settlement.~~ The amount of cash settlement is determined by the difference between the relevant share price and the exercise price, multiplied by the number of shares underlying the options contract or by the number of shares of exchange-traded funds respectively.

If the quotation of a share security underlying an options contract ~~that is~~ traded on the Eurex Exchanges is discontinued ~~by the relevant spot market (Kassamarkt)~~, Exchange Participants may exercise their contracts within a period of five exchange days after the date on which trading in the related option series is discontinued. Any option that is so exercised shall be settled in cash. The Board of Management shall fix the price of the underlying security share for purposes of such cash settlement. Upon expiration of the above period, open positions in the discontinued option series may no longer be exercised.

4.4 Exchange Hours, Trading Periods

Exchange hours include four consecutive periods: the Pre-Trading Period, the Opening Period, the Trading Period and the Post-Trading Period as defined in the Conditions for Trading at the Eurex Exchanges. ... The Board of Management of Eurex Deutschland or Eurex Zürich may extend/change the Exchange hours and ~~postpone~~ the commencement of the individual periods on any particular exchange day ...

4.4.1 ~~Pre-Trading Period~~

~~Prior to the opening of options and futures trading at Eurex Deutschland and Eurex Zürich, orders and quotes may be entered into the EDP system of the Eurex Exchanges (the "Pre-Trading Period").~~

4.4.2 ~~Opening Period~~

~~The Opening Period is composed of the Pre-Opening Period and the netting process. Directly before the transition from the Pre-Opening Period to the netting process, the Eurex Exchanges may, in order to ensure an orderly netting process, suspend the entry of additional orders and quotes or the change or cancellation of previously entered orders and quotes ("freeze situation"). The purpose of the Pre-Opening Period is to afford the Exchange Participants an opportunity to develop an adequate overview of the market and to react in a preliminary manner to the market situation. To the extent possible, taking into account the orders and quotes contained in the EDP system, the Pre-Opening Period shall end with the display of an opening price for each contract. During the netting process, existing orders and quotes shall be matched at such price. Alternatively, the Opening Period can end without an opening price having been established.~~

4.4.3 Trading Period

After the end of the Opening Period with respect to a product, contracts shall be traded on a continuous basis (the "Trading Period").

4.4.4 Post Trading Period

After the end of the Trading Period, the EDP system of the Eurex Exchanges will remain available to Exchange Participants for data entry and data request (the "Post Trading Period"). The Post Trading Period is divided into the Post Trading Full Period and the Post Trading Restricted Period which differ with respect to the technical access possibilities to the EDP system of the Eurex Exchanges available to the Exchange Participants.

The Post Trading Full Period shall start directly after terminating the Trading Period. During the Post Trading Full Period data requests as well as data input are possible and admissible.

Directly after terminating the Post Trading Full Period, the Post Trading Restricted Period shall start during which only data requests are possible and admissible.

4.5 Determination of Prices

4.5.1 Determination of the Exchange Price

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4.5.2 Determination of the Opening Price (Principle of Maximizing Executions - Meistausführungsprinzip)

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4.5.3 Matching

4.5.3.1 General Rules

... The details for the determination of prices shall be set forth in the Conditions for Trading at the Eurex Exchanges. The Conditions shall take into account the interests of the public and the trading operations.

...

4.6 Publication of Prices and Turnover

The Board of Management of Eurex Deutschland or Eurex Zürich shall publish the exchange prices and the underlying turnover shall be published by the Board of Management of Eurex Deutschland or Eurex Zürich via the electronic media. The manner and scope of the publication of prices shall be determined by the Board of Management of Eurex Deutschland or Eurex Zürich.

4.7 Position Limits

4.7.1 Determination of Position Limits

... Exchange Participants shall be notified of such determination of position limits allowing for a reasonable period of time; subsection 4.10 shall apply accordingly.

Positions held on the basis of arrangements with third parties for a common purpose shall be included in any determination of compliance with position limits. Position limits are related to products; they are not related to the financial soundness of individual Exchange Participants.

An Exchange Participant may not for its own account or for the account of any customer engage in any transactions at the Eurex Exchanges if there is any indication that, as a consequence of such transactions, such Exchange Participant or its customer, whether alone or jointly with others, would hold or control a total position in excess of the position limits set by the Board of Management of Eurex Deutschland or Eurex Zürich, as the case may be.

4.7.1.1 ~~Futures Trading~~

~~For purposes of futures trading, the position limits for each product shall be defined in terms of a maximum total number of contracts purchased and sold.~~

4.7.1.2 ~~Stock Options Trading~~

~~For purposes of trading in stock options, the position limits for each product that is not cash settled shall be fixed as a fraction of the capital freely available for trading, as determined on the basis of the publications prescribed by law. The number of positions requiring delivery (put contracts purchased and call contracts sold), on the one hand, and the number of positions entitling to subscription (call contracts purchased and put contracts sold), on the other hand, shall be considered separately.~~

4.7.1.3 ~~Trading in Options on Interest Rate Futures~~

~~For purposes of trading in options on interest rate futures, the position limits for each product shall be defined in terms of a maximum total number of positions requiring delivery (put contracts purchased and call contracts sold) and of positions entitling to subscription (call contracts purchased and put contracts sold). The maximum total number determined in such manner may not exceed the position limits fixed for the underlying value of the respective option; in addition, the positions in the options contract plus the positions in the futures contract underlying the option, calculated in accordance with the foregoing criteria, may not exceed the position limits for the respective futures contract.~~

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5 Disciplinary Committee

5.1 Responsibilities of the Disciplinary Committee

The Disciplinary Committee shall have the responsibilities for Eurex Deutschland set forth in § 20 of the Exchange Act (*Börsengesetz*, BörsG). To the extent that Exchange Participants whose registered office is located in Switzerland are deemed a group within the meaning of § 2 paragraph (4) in connection with § 3 paragraph (2) of the Disciplinary Committee Regulation (*Sanktionsausschussverordnung*), the Disciplinary Committee shall also fulfill the responsibilities incumbent upon

it for Eurex Zürich; § 20 of the Exchange Act (*Börsengesetz*, BörsG) shall apply mutatis mutandis. With respect to Exchange Participants whose registered office is not located in the Federal Republic of Germany, the provisions concerning administrative cooperation shall apply to the taking of any necessary evidence.

5.2 Transfer of Proceedings

Should facts emerge in a proceeding before the Disciplinary Committee which justify the withdrawal or revocation of the admission, the proceeding shall be transferred pursuant to § 20 paragraph (4) of the Exchange Act (*Börsengesetz*, BörsG) to the Board of Management of the respective Eurex Exchange. At any stage of the proceeding, the Board of Management of the respective Eurex Exchange shall be entitled to request reports from the Disciplinary Committee and to assume the conduct of the proceeding. If the Board of Management of the respective Eurex Exchange assumes the conduct of the proceeding and establishes that the admission should not be withdrawn or revoked, it shall return the proceeding to the Disciplinary Committee.