

ESG Index Futures: Liquidity Provider Incentive Scheme

February 2019



Fees

	Denomination	Order book		Trade Entry Service		Threshold # of contracts
		Standard	Reduced	Standard	Reduced	A or P – account
Futures on STOXX ESG Indices (STOXX Europe 600 ESG-X, EURO STOXX 50 Low Carbon, STOXX Europe Climate Impact)		A		A		
	EUR	0.35	n.a.	0.50	n.a.	n.a.
		P/M		P/M		
	EUR	0.3	n.a.	0.45	n.a.	n.a.

Liquidity Provider Incentive Scheme

Building Blocks, Rebates & Basis Building Block Requirements – Discussion proposal

Scheme	Product Scope	Basis	Package	Strategy	Larger Size	Tighter Spread	Stress Presence	Revenue Sharing
		BBB	PBB	CBB	LBB	TBB	SBB	
ESG Futures	STX600 ESG-X (FSEG), ESTX50 LCARB (FSLC), STX Europe Climate Impact (FSCI)	✓	✓				✓	✓

Execution type	Building Block	ESG-/Climate - Futures
Order book	Basis	60%
	Package	20%
	Strategy	-
	Larger Size	-
	Tighter Spread	-
	Stress Presence	0%
	Total	80%
Off-book*	Basis	50%
	Package	10%
	Strategy	-
	Total	60%

	ESG-/Climate - Futures
Quotation Period:	09:00 – 17:30 CET
Required Coverage:	70%
Maturity Range:	The front month needs to be quoted. Five exchange days prior to expiration, Liquidity Providers may choose to quote either the front month or the second expiration month
Minimum Quote Size:	100 contracts on the bid and ask side
Maximum Spread:	0.3% for STX600 ESG-X 0.7% for ESTX50 Low Carbon and STX Europe Climate Impact

Liquidity Provider Incentive Scheme

Package Building Block Requirements & Revenue Sharing - Discussion proposal

	ESG-X/Climate - Futures
Package components:	3 Futures, STX600 ESG-X (FSEG), ESTX50 LCARB (FSLC), STX Europe Climate Impact (FSCI)
Fulfilment Criterion:	Fulfilment of Basis Block requirements in two products, ESG-X mandatory

	ESG-X/Climate - Futures
Revenue Sharing Pool:	Up to 25 % of the net revenues of the respective product
Participation Condition:	Fulfilment of Basis Block requirements of the products
Number of Participants:	Up to 3
Qualification criterion:	The top 3 fulfilling Liquidity Providers participate; ranked according to their share of trading volume in M-accounts (order book) of all fulfilling Liquidity Providers
Distribution Method:	<p>Ranked according to their share of trading volume in M-accounts (order book) of all qualifying Liquidity Providers the top Liquidity Provider will receive 13% of the net revenues, while 6% will be shared with the Liquidity Provider ranked 2 as well as with the Liquidity Provider ranked 3</p> <p>If only two Liquidity Providers qualify, the top ranked Liquidity Provider receives 15% and the other one 10% of the net revenues</p> <p>If only one Liquidity Provider qualifies, this Liquidity Provider receives 25% of the net revenues</p>

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