

Trading Admission Guide

How to get started with Eurex Repo



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Welcome

Thank you for your interest in Eurex Repo.

We are pleased to provide you with a guideline which will accompany you on your way to participation at Eurex Repo.

Eurex Clearing steps in as central counterparty for all trades concluded at the electronic marketplace Eurex Repo. It is required to become a Eurex Clearing Member in conjunction with a corresponding repo clearing license (not applicable to HQLAx and eTriparty participants).

The legal basis regarding Eurex Repo trading can be found in the [“Terms and Conditions for Participation and Trading on Eurex Repo GmbH”](#) and for the Clearing Membership in the [“Clearing Conditions of Eurex Clearing AG”](#).

Eurex Repo GmbH and Eurex Clearing AG are 100% subsidiaries of Eurex Frankfurt AG, which in turn is a 100% subsidiary of Deutsche Börse AG. Furthermore, Eurex Repo is a marketplace under private law and is not a stock exchange subject to public law.

Eurex Clearing is a company incorporated in Germany and licensed as a credit institution and also as authorized clearing house under the European Market Infrastructure Regulation (EMIR).

Both companies are supervised by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

Kind regards,

Your Eurex Team

Participation in the markets of Eurex Repo GmbH

2.1 Participation requirements

In order to participate in the markets of Eurex Repo it is necessary to fulfil the following legal criteria:

- The enterprise must be supervised in accordance with the legislation of the European Union relating to the prudential supervision of regulated entities or be subject in its country of domicile to a financial market supervisory authority provided that the competent supervisory authority is a signatory to Appendix A of the IOSCO Multilateral Memorandum of Understanding or has signed a bilateral memorandum of understanding with the Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – “BaFin”).
- The enterprise must hold the status of a (1) licensed credit institution, (2) licensed financial institution, (3) licensed securities services provider, (4) licensed insurance undertaking, (5) licensed reinsurance undertaking, (6) licensed investment firm, (7) licensed fund (an Incorporated Fund, an Unincorporated Fund, a Sub - Fund or a fund segment), (8) a pension fund, pension scheme or similar arrangement.
- the enterprise classifies as a professional client pursuant to § 67 Paragraph 2 WpHG, or an eligible counterparty pursuant to §67 Paragraph 4 WpHG.
- The applicant is required to participate in the Eurex Clearing Repo Clearing Process
- Unless the participant is member of a domestic stock exchange, the enterprise needs to nominate a person who by law, articles of association or shareholders' agreement, is entrusted with the management and the representation of the business of the applicant, is reliable and has the professional qualification required for the Eurex Repo business. This person must have the professional qualification required for trading at Eurex Repo.
- Member countries of the EU or the EEA, Switzerland, other non-EU countries, as well as their central banks, central governments and ministries, international organizations, public sector entities, multilateral development banks, the European Central Bank, the Bank for International Settlement as well as other legally independent authorities and companies responsible for administration of the assets or debits of one of aforementioned, may be admitted as participants without having the status of a credit institution or financial institution if the

technical and other prerequisites are fulfilled (e.g. participation in the clearing procedure, entry of the trades by registered traders).

Furthermore, the following additional requirements need to be fulfilled:

- Settlement requirements for GC Pooling Market
Settlement via Clearstream Banking Luxembourg (CBL), direct connection to CmaX (the Collateral Management System/-Service of Clearstream), tri-party agreement (CMSA).
- Settlement requirements for Special Repo Market
Settlement via Clearstream Banking Luxembourg (CBL), Clearstream Banking Frankfurt (CBF) or Euroclear Bank.

2.2 Connection to the Eurex Repo trading system F7

The following connection alternatives are available for the connection to the Eurex Repo F7 trading system via the network of Group Deutsche Boerse:

⇒ via a web-based access

or

⇒ a leased line connection

It is a browser-based GUI solution which does not require any maintenance effort by the participant. All data traffic will take place by use of x509 certificates (secured). The certificates can be ordered in the Eurex Repo Member Section.

The F7 Trading GUI is expected to run using a wide range of recent HTML5 compliant browser software and on any recent operating system (except Microsoft Internet Explorer). Please refer to the release notes for a list of compatible web browsers. More information can also be found in the [F7 FAQ](#).

Detailed information regarding the connection can be found in the Connectivity Guide under the following link: [Eurex Repo F7 Connectivity Guide](#).

The connection fee for a web-based certificate access is currently EUR 300, - per month.

The connection fee for a leased line can be found in the [Connectivity Price List](#).

There are no specific hardware recommendations for Participant Own Applications (POA) connected to the Eurex Repo environment. It is the responsibility of the participant to determine the appropriate hardware configuration.

2.3 Registration of traders

All participants are obliged to request an individual access code (Log-in) for each person (trader, system manager, backoffice staff) who shall have access to the system unless a qualified institution is acting on its behalf. The participants can apply for log-ins with limited (read-only) or complete (trading-) functionality for the simulation as well as for the production environment. Log-ins for the trading functionality can only be applied for in connection with the submission of an application for registration as trader.

Registration is done through the Member Section. Traders must have a Member Section user account to be able to apply for a trader license. For more information on the process, please contact the Member Section Team.

Please note: Log-on IDs with “read-only authorisation” as “Info User” can be ordered at any time within the Member Section. The number of log-on IDs is unlimited and free of charge. After application, Eurex Repo will send the log-on to respective users via email.

2.4 Fee model

During the application process the participant selects the appropriate fee model using the “Application for Participation on Eurex Repo” form.

Currently 3 fee models exist for Repo and GC Pooling Market: Liquidity Provider I, Liquidity Provider II and Liquidity Taker. The chosen fee model is applied to the Repo and the GC Pooling Market.

Fee model briefly:

	Liquidity Provider I			Liquidity Provider II			Liquidity Taker		
	Non - Aggressor	Aggressor	Pre - Arranged	Non - Aggressor	Aggressor	Pre - Arranged	Non - Aggressor	Aggressor	Pre - Arranged
Min. fee per trade	-			6 CHF, 4 GBP, 5 EUR, 7 USD			12 CHF, 8 GBP, 10 EUR, 14 USD		
Spot1W, Spot2W, Spot1M, Spot3M, Spot6M, Spot9M, Spot12M (in basis points p.a.)	0,1	0,3	0,6	0,2	0,3	0,6	0,3	0,3	0,6
All other terms (in basis points p.a.)	0,1	0,6	0,6	0,4	0,6	0,6	0,6	0,6	0,6
Minimum monthly fee	800 EUR (Repo and GC Pooling Market only)			800 EUR (Repo and GC Pooling Market only)			800 EUR (Repo and GR Pooling Market only)		
Annual Fee	100.000 EUR			25.000 EUR			12.000 EUR		
Admission Fee	10.000 EUR (Repo and GC Pooling Market only)								

Within the fee models there is no differentiation between Liquidity Provider and Taker in practical terms.

Definitions:

Liquidity Provider I + II

The models Liquidity Provider I and II are targeted at participants who actively quote – so-called non-aggressors – to reward them with significantly lower transaction costs. Even though the annual fees are higher for both models, they are

more attractive for customers who have a high number of executed transactions and are actively quoting (non-aggressor).

Liquidity Taker

The annual fee is lower than for the other fee models, but the transaction costs are higher. The trading participant always pays the same price for a transaction in this fee model, as it is irrelevant whether the participant quotes actively or not.

Non-Aggressor

Participants who actively quote on the buy- and/or sell-side

Aggressor

Participants who trade on an existing quote of another participant on the trading platform.

In case of an admission within a calendar year, the annual basic fee will be charged proportionally for the remaining calendar months.

Eurex Repo fees are calculated daily and debited from the participant's Target 2 or SEPA account usually on the tenth business day of the following month.

If you also act as a Clearer, please take notice of the CCP transaction fees for the Clearing process, which are detailed within the [Price List for Eurex Clearing AG](#).

Fees for eTriparty

- No transaction fee for cash providers
- Transaction fee for cash takers: 1bp
- Annual fee of EUR 12.000 unless an existing Eurex Repo participant

Fees for HQLAx

- No annual participation fees
- Transaction based fee of 0,6bp
- No minimum fee

2.5 Clearing and settlement

As mentioned earlier, a member of the Eurex Repo market must participate in the clearing process of Eurex Clearing AG, either directly as General Clearing Member (GCM) or Direct Clearing Member (DCM) or indirectly by an NCM-GCM/DCM agreement.

The settlement of transactions can be performed by Clearstream Banking or Euroclear.

2.6 Settlement: Specifics GC Pooling

Unlike the Repo Market, settlement in the GC Pooling Market is performed exclusively via Clearstream Banking.

It is furthermore required to have access to CmaX, the Collateral Management Service of Clearstream. CmaX provide the allocation and substitution of the participants' securities portfolio.

Currency	Basket	Settlement Location
EUR	ECB	CBF
	ECB Extended	
	INT MXQ	CBL or CBF(i)
	Equities	CBF
	CTD German Bonds	
	CTD Italian Bonds	
	CTD French Bonds	
USD	ECB	CBL or CBF(i)
	ECB Extended	
	International MXQ	
	Equities	
CHF	ECB	CBL or CBF(i)
	ECB Extended	
	International MXQ	
	Equities	
GBP	ECB	CBL or CBF(i)
	ECB Extended	
	International MXQ	
	Equities	

All participants receive a "Reservation Account" as well as a "Segregation Account". Receipt of securities from transactions are deposited in the "Segregation Account" while

the securities to be delivered by the participants are booked into the “Reservation Account”. Only the “Segregation Account” is setup in the Eurex Repo trading system F7 and Eurex Clearing System C7.

The cash settlement is processed with commercial bank or central bank money (dedicated cash account/T2S DCA).

The participant may decide for a re-use of GC Pooling collateral for the margining process of Eurex Clearing (respective form needs to be signed).

Eurex Clearing must be authorized by an appropriate Power of Attorney (PoA) for all accounts.

[Specifics of settlement in HQLA_x](#)

[Specifics of settlement in eTriparty](#)

Simulation

To become familiar with the Eurex Repo trading system and its applications we offer a test- and simulation environment. There you have the possibility to perform test trades and, if you are already connected to Eurex Clearing AG, you will also receive preselected reports for your test trades.

A calendar with availability dates for the test environment can be found here: [Simulation Calendar](#).

Contacts

For any questions around the legal admission please do not hesitate to contact:

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In case you need support regarding trading GUI, mistrade handling, training courses or examinations please contact our functional helpdesk.

Eurex Repo Functional Helpdesk

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In case you need support regarding technical connection to F7, new release upgrades or hardware components please contact our technical helpdesk.

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