

# Admission to the markets of Eurex Repo GmbH



How to get started with Eurex Repo

Trading Admission Guide

# Admission to the markets of Eurex Repo GmbH



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# Admission to the markets of Eurex Repo GmbH



## 1 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.

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

Eurex Clearing AG, a 100% subsidiary of Eurex Frankfurt AG, acts as central counterparty for the Eurex Repo markets. Therefore, after the conclusion of every transaction, Eurex Clearing AG steps in as central counterparty and not Eurex Repo GmbH. Based upon this, a license as a General-Clearing Member (GCM) or a Direct-Clearing-Member (DCM) at Eurex Clearing AG is necessary when becoming a Eurex Repo Trading Participant. In connection with a Repo Clearer, participation as a Non-Clearing-Member (NCM) is possible. For more detailed information regarding a Repo Clearing License please see our “Guideline for a Clearing License of Eurex Clearing AG”.

Kind regards,  
Your Eurex Repo Relationship Management

## 2 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 (see “Guideline for a Clearing License of Eurex Clearing AG”)
- 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).

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Furthermore the following additional requirements for GC Pooling need to be fulfilled:

- Settlement via Clearstream Banking Frankfurt (CBF) and/or Clearstream Banking Luxembourg (CBL)
- Direct connection to Xemac, Frankfurt, and/or CmaX, Luxembourg, the Collateral Management System/-Service of Clearstream Banking AG

For SecLend the following additional requirements need to be fulfilled:

- The enterprise participates in the Eurex Clearing Repo Clearing Process either as General-Clearing Member Securities Lending or as a Direct-Clearing-Member Securities Lending.
- Possession of accounts for the settlement of cash principal collateral for all currencies made available by the system.
- To ensure orderly settlement, participants must maintain at least one tri-party agreement concerning the delivery of principal collateral in the form of securities with Eurex Clearing AG and a tri-party collateral agent. Eligible tri-party collateral agents are Clearstream Banking Luxembourg and Euroclear N.V./S.A. Participants which only use principal collateral in cash do not need a tri-party agreement

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## 2.2 Connection to the Eurex Repo trading system

The requirements for participation in trading at the Repo, GC Pooling, eTriParty and SecLend markets are identical.

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

- ⇒ via a web-based access
- or
- ⇒ a leased line connection

F7 is a browser based GUI solution, which does not require any maintenance effort by the Eurex Repo participant.

All data traffic will take place by use of x509 certificates (secured).

The Eurex Repo F7 trading GUI is based on HTML5. Due to this fact we currently do not support Microsoft Internet Explorer as a browser to run the F7 Trading GUI in a production environment. Browsers which comply with the HTML5 standard such as Mozilla Firefox, Google Chrome, or Opera are supported.

Detailed information regarding the connection is located in the Connectivity Guide under <http://www.eurexrepo.com/repo-en/support/f7/connectivity> - Eurex Repo F7 Connectivity Guide

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

Information concerning the connection fee for a leased line can be found on our website under <http://www.eurexrepo.com/repo-en/new-trading-system-f7/connectivity> Connectivity Price List.

Further information regarding the Trading Architecture Eurex Repo F7 can be found in the F7 Connectivity Guide (please see link above).

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.

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## 2.3 Registration of Persons

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

Traders for the Repo and GC Pooling Market need to pass a Eurex Repo Trader Exam (online). Please provide the "Application for Trader Registration" and the "Reference Data Sheet Trader" as well as the "Confirmation by the Compliance Officer regarding the orderly processing of the Eurex Repo Trader Exam". Upon submission of the documents, the applying trader needs to register for the Exam on the Eurex Repo Website. As soon as the registration to the Trader Exam has taken place, the Log-on Credentials and the Link to the Trader Exam will be provided to the Compliance Officer and the training material will be provided to the applicant. Under the prerequisite that the applying company is already admitted as a Trading Participant, the trader receives, once the Trader Exam is successfully passed, the trader log-on for the trading system.

Traders who have been registered at a previous date and the registration does not date back longer than 12 months or if they were already registered as Eurex Repo Trader for 48 months in a row do not need to re-take the Eurex Repo Trader Exam if changing employer.

Traders for the SecLend Market receive a Trader Training by your Relationship Manager on your premises. They do not need to pass a Trader Exam.

Please note: Log-on IDs with "read-only authorisation" can be ordered at any time with the „Info User of Eurex Repo“ form. Log-on IDs with "back office authorisation" in the SecLend market can be ordered with the "Application for Registration as Back Office User" and the "Reference Data Sheet Back Office User". The number of log-on IDs is unlimited and free of charge. After application, Eurex Repo will send the log-on details via post to the central contact person in your company.

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## 2.4 Fee model

In the course of the application process the participant decides himself on 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. At the end of every year you have the opportunity to review the fee model and request to change for the following year. In order to do so, please send a written notification to Eurex Repo or contact your respective Eurex Repo Sales Manager.

Fee model at a glance:

	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	5 EUR / 6 CHF / 7 USD / 4 GBP			5 EUR / 6 CHF / 7 USD / 4 GBP			10 EUR / 12 CHF / 14 USD / 8 GBP		
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 GC 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.



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For transactions in the SecLend Market (CCP) the following Fee Model applies:

	SecLend Market (CCP)
Fee per transaction (in bp)	1
Minimum Fee per transaction in €	10
Fee for modification of transactions in €	10
Annual Fee in €	12.000,-

If an annual fee has already been paid for the Repo-/GC Pooling Market, an additional annual fee for SecLend will not be charged.

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 on a daily basis 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.

## 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. For further information please see our „Clearing Guideline“.

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## 2.6 Settlement: Specifics GC Pooling

Unlike the Repo Market, settlement in the GC Pooling Market is performed exclusively via the CASCADE/Creation settlement platform of Clearstream Banking Frankfurt (CBF) and/or the Clearstream Banking Luxembourg (CBL) infrastructure.

Xemac is the Collateral Management System of CBF and CmaX the Collateral Management Service of CBL. Xemac/CmaX provide the allocation and substitution of the participants' securities portfolio. Please note that currently only participants with an account at Clearstream Banking Frankfurt and a German banking license have the possibility to re-use the received collateral within the framework of the open market operations of Deutsche Bundesbank / ECB (Re-Use).

If the participant does not have multi-protocol-eligible lines, additional lines for the connection to Xemac must be ordered.

All GC Pooling Market 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 (collateral) to be delivered by the participants are booked into the "Reservation Account".

For trading participants with a German account set-up (CBF as Central Custodian), a CASCADE Main-Account (code -000) at Clearstream Banking Frankfurt (CBF) as well as a linked Xemac Sub-Account (code -550) will be opened and linked to the "Reservation Account" and the "Segregation Account" at Clearstream Banking Luxembourg (CBL).

For all other participants with a CBL account set-up, a separate "Reservation Account" and a "Segregation Account" will be opened and linked with the GC Pooling Main Account at CBL.

It is the responsibility of the participant to provide sufficient collateral on their Xemac Sub-Account (code -550). Therefore, the participant transfers GC Pooling<sup>®</sup>-eligible collateral from his CASCADE Main Account to the Xemac Sub Account. Afterwards the Xemac System automatically performs collateral management. For this, participants with CBL accounts need to use the GC Pooling main account to which the reservation account is linked.

In case of further questions regarding the connection to Xemac, please do not hesitate to contact your Clearstream Banking Relationship Manager.

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## 2.7 Settlement: Specifics SecLend Market

### 2.7.1 Securities Accounts

The following securities settlement accounts (depending on the choice of Loan Securities) are required:

For **German Loan Equities**:

- Clearstream Banking Frankfurt (CBF) and the respective 6-series account

and/or

For **Swiss Loan Equities**:

- SegalInterSettle Zurich (SIX SIS)

and/or

For **ESES Loan Equities** from Belgium, France and the Netherlands:

- ESES – Euroclear Settlement Account for Euronext-zone Securities

and/or

For **UK Loan Equities**:

- Euroclear UK & Ireland (EUI) settlement account

Additionally a CBF (I) account needs to be provided in order to be able to trade German, Swiss, ESES and UK Loan Equities.

For **Fixed Income Loan Securities** the following securities settlement accounts are needed:

- Clearstream Banking Luxembourg (CBL)

or

- Clearstream Banking Frankfurt Int. [CBF(I)] – “6-series“

or

- Euroclear Bank SA/NV

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## 2.7.2 Cash Accounts

For Cash Settlement of SecLend transactions on the loan securities and the cash collateral side the following cash accounts are required:

Currency	Account Type	Transaction type which can be settled via the respective account
EUR	<b>TARGET2 Account</b>	<ul style="list-style-type: none"> <li>- Cash Collateral</li> <li>- Maturity Payments</li> <li>- Voluntary Corporate Actions</li> <li>- Lending Fees/Rebates</li> <li>- Corporate Actions</li> <li>- Buy-Ins</li> </ul>
	<b>euroSIC Account</b>	<ul style="list-style-type: none"> <li>- Maturity Payments (SLLH only)</li> <li>- Voluntary Corporate Actions (SLLH only)</li> </ul>
	<b>Multicurrency-Account</b> at CBF(I), CBL or Euroclear Bank	<ul style="list-style-type: none"> <li>- Lending Fees/Rebates</li> <li>- Corporate Actions</li> </ul>
USD	<b>USD Cash Correspondent Bank Account</b> at Bank of America, Citibank, Deutsche Bank Trust Company Americas (DBTCA), HSBC Bank USA, JP Morgan Chase Bank, Bank of New York Mellon	<ul style="list-style-type: none"> <li>- Cash Collateral</li> <li>- Maturity Payments</li> <li>- Voluntary Corporate Actions</li> <li>- Lending Fees/Rebates</li> <li>- Corporate Actions</li> <li>- Buy-Ins</li> </ul>
	<b>Multicurrency-Account</b> at CBF(I), CBL or Euroclear Bank	<ul style="list-style-type: none"> <li>- Maturity Payments (SLLH only)</li> <li>- Voluntary Corporate Actions (SLLH only)</li> <li>- Lending Fees/Rebates</li> <li>- Corporate Actions</li> </ul>
CHF	<b>Account at Swiss National Bank (SNB)</b>	<ul style="list-style-type: none"> <li>- Maturity Payments</li> <li>- Corporate Actions</li> <li>- Buy-Ins</li> </ul>
	<b>CHF Cash Correspondent Bank Account</b> at UBS AG	
	<b>Multicurrency-Account</b> at CBF(I), CBL or Euroclear Bank	
GBP	<b>GBP Cash Correspondent Bank Account</b> at Barclays Bank, Citibank, Deutsche Bank AG, HSBC Bank plc, JPMorgan Chase Bank, Royal Bank of Scotland or National Westminster Bank	<ul style="list-style-type: none"> <li>- Maturity Payments</li> <li>- Corporate Actions</li> <li>- Buy-Ins</li> </ul>

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## 2.7.3 Tri-Party Collateral Agreement - TPCA

Besides the necessary securities settlement accounts for the loan side, a Tri-Party Collateral Agreement must be concluded with a Tri-Party Collateral Agent for the Non-Cash collateral side (Principal Collateral) of the loan securities transactions. Eligible Tri-Party Collateral Agents are Clearstream Banking Luxembourg and/or Euroclear Bank SA/NV, Brussels. The counterparty with whom you wish to trade on SecLend must have accounts with the same Tri-Party Collateral Agent as yourself. Additionally you must agree with your counterparty on so-called Collateral Profiles which define the acceptable securities to be used as collateral for the loan securities transactions.

For further information regarding the SecLend Market please see our „Clearing Guideline“.

## 3 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 is located on our website via the following link:

[www.eurexrepo.com](http://www.eurexrepo.com) > Info Center> Publications > Repo/ GC Pooling Market

For any further questions please do not hesitate to contact our functional helpdesk:

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E-Mail: [funchelp@eurexrepo.com](mailto:funchelp@eurexrepo.com)

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## 4 Checklist for Eurex Repo Participation

Nr.	Proofs + Forms	Completed on:
1	Application for Participation on Eurex Repo (Form)	
2	Reference Data Sheet Trading Participant (Form)	
3	Application for Admission as Trader (Form)	
4	Reference Data Sheet Trader (Form)	
5	Confirmation by the Compliance Officer regarding the orderly processing of the Eurex Repo Trader Exam (Form)	
6	Registration for the Trader Exam on the Eurex Repo Website and passing the Exam	
7	Info User of Eurex Repo - for persons with "read-only" authorisation (Form)	
8	Application for the Registration as „Nominated Person“ (Form)	
9	Reference Data Sheet „Nominated Person“ (Form)	
10	Application for exemption from Spanish withholding tax for trading members who trade on their own behalf, pursuant to Royal Decree 1145/2011 (Form)	
11	Trading and Annual Fees Invoice Recipient and Direct Debiting Authorisation (Form)	
12	N7 Service Agreement of Deutsche Börse AG for the technical connection to the Eurex Repo Trading System F7 (Form)	
13	Excerpt from the commercial register (certified copy)	
14	Confirmation that the applicant is supervised and holds a financial license as described in 2.1. above.	
15	List of authorised signatures (proof)	
16	KYC documentation such as Letter of Consent, Anti-Money Laundering/Counter Terrorist Financing Questionnaire and Certification of Sanctions Compliance.	

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## 5 Further information and guidelines

- Terms and Conditions for Participating and Trading on Eurex Repo GmbH

[www.eurexrepo.com](http://www.eurexrepo.com) > Info Center > Publications > Repo/GC Pooling Market

- Clearing Conditions of Eurex Clearing AG

[www.eurexclearing.com](http://www.eurexclearing.com) > Resources > Rules and Regulations > Clearing Conditions

- Eurex Repo F7, Hardware und Software Requirements

[www.eurexrepo.com](http://www.eurexrepo.com) > Trading System F7 > Connectivity

- Eurex Repo Clearing Guide

[www.eurexrepo.com](http://www.eurexrepo.com) > Info Center > Publications > Repo/GC Pooling Market

- Clearstream Functional Service Description

Please contact your Clearstream Relationship Manager

# Admission to the markets of Eurex Repo GmbH



## 6 Contact

For any further questions please do not hesitate to contact us at any time.

### Eurex Repo Relationship Management

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