

	Number:	I-EX-DF-01/2020
	Contract Group:	Financial Derivatives
	Date:	23 March 2020
	Effective Date:	24 March 2020
	Replaces:	I-EX-DF-21/2019
Subject	Liquidity Provider Program in Physical Delivery Stock Futures.	
Summary	Minimum requirements to meet to be considered Liquidity Provider for Stock Futures Settled by Delivery. It is modified due to the dividend uncertainty caused by the Covid-19 pandemia.	

This Instruction is published to develop the established on Circular C-EX-DF-23/2019 or any Circular which may replace it.

ASSOCIATED BENEFIT TO LIQUIDITY PROVIDER PROGRAM ON STOCK FUTURES SETTLED BY DELIVERY

Associated benefit to the fulfilment of the minimum requirements will be that the fee per contract paid to MEFF and BME CLEARING of every traded contract on the Member prop account on every underlying, will be of 10 cents per contract except for those contracts where maximum per transaction has been already applied. Furthermore, no minimum per transaction will be applied.

Fee per contract for every contract will have a progressive reduction depending on the daily average number of credits obtained by the Member during the control period according to the following table. Fee will be applied to every contract of (traded by property account) the period and in all underlyings, even those that have not been quoted.

Credits. Daily Average	Fee
Uo to 49.440	0,100
From 49.441 to 96.055	0,090
From 96.056 to 119.363	0,085
From 119.364 to 142.671	0,080
From 142.672 to 165.978	0,075
From 165.979 to 189.286	0,070
From 189.287 to 235.900	0,060
From 235.901 to 282.515	0,050
From 282.516 to 329.130	0,040
From 329.131 to 375.743	0,030
375.744 or more	0,020

MINIMUM QUOTING CONDITIONS AND DEGREE OF FULFILLMENT MEASUREMENT

a) Each Member will quote at least a minimum of 10 single stock futures. 6 underlyings are mandatory and detailed below, the other 4 of them will be of free election.

- BBVA
- Iberdrola
- Inditex
- Repsol
- Banco Santander
- Telefónica

Furthermore, it will be possible to quote other underlyings in order to obtain extra credits.

b) Quoting on the first quarterly expiry will be mandatory.

c) The minimum quoting time to be considered Liquidity Provider will be 80% as an average of each control period that will be monthly.

d) Quotes will be for the minimum contracts and maximum spreads (expressed in euro cents) established on Annex 1.

e) Control system will take an observation each 5 seconds and will assign credits:

- Normal Conditions: One credit for each observation with correct spread and volume according to specifications on Annex 1.
- Special Conditions: Members can gain more credits as follows:

Control system will assign one credit per observation and contract quoted correctly if Members quote; more underlyings, more than 80% of the session on mandatory underlying.

Control system will assign two credits per observation and contract quoted correctly if Members quote: with tighter spreads according to the established on Annex 1 (improved Spread).

Obtaining credits above minimum will be rewarded progressively through additional reduction of fees, according to the table on “Benefits” section.

- For each underlying throughout the session, accumulated punctuation on observations will result on a figure. If during the control month, the Member obtains more than 80% or more possible points, it will be considered that conditions have been fulfilled.

FAST MARKET

Fast Market status will be triggered as described on the Circular Liquidity Provider Program and it will be activated at underlying level. When an underlying has “Fast Market” status, the quoting obligation will be established according the following criteria:

- The maximum quoting spread will be increased of 100% (Spread x 2).
- The minimum volume will be reduced on 50% (Volume / 2), always rounded up.

The “Fast Market” condition will last for 10 minutes, extendable in 10-minute tranches until the circumstances that caused it end and the variation in prices and volumes stabilizes.

ANNEX 1

Maximum and Improved Spreads, and Minimum Volume

<i>Underlying</i>	<i>Maximum Spread</i>	<i>Improved Spread</i>	<i>Minimum Volume</i>
ACCIONA	50	30	5
ACERINOX	20	12	5
ACS	25	15	5
AENA	50	30	3
AMADEUS	20	12	5
ARCELOR MITTAL	15	10	10
ATRESMEDIA	20	12	5
B. SABADELL	10	6	50
B. SANTANDER	4	3	50
BANKIA	10	6	50
BANKINTER	15	10	10
BBVA	5	3	25
BME	30	20	5
CAIXABANK	10	6	50
CELLNEX	15	10	10
CIE AUTOMOTIVE	30	20	10
COLONIAL	12	8	5
DIA	10	6	10
EBRO FOODS	30	20	5
ENAGAS	20	12	5
ENCE	15	10	10
ENDESA	15	10	10
FCC	25	15	10
FERROVIAL	25	15	10
GRIFOLS	25	15	5
IAG	6	4	25
IBERDROLA	4	3	50
INDITEX	10	6	5
INDRA	12	8	5
MAPFRE	5	3	25
MEDIASET	15	10	10
MELIA	12	8	5
MERLIN	20	12	5
NATURGY	15	10	10
OHL	25	15	5
RED ELECTRICA	30	20	5
REPSOL	50	8	25
SACYR	15	10	25
SIEMENS GAMESA	12	8	10
TECNICAS REUNIDAS	40	25	10
TELEFONICA	20	4	50
VISCOFAN	30	20	5