

## **Announcement**

of Frankfurter Wertpapierbörse (FWB)

### **Third Amendment Ordinance to**

### **the Exchange Rules for the Frankfurter Wertpapierbörse**

On 7 June 2018, the Exchange Council of the Frankfurter Wertpapierbörse decided on the Third Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse.

The Third Amendment Ordinance shall take effect on 11 June 2018.

A copy of the Ordinance is deposited at the reception desk of the trading floors, Frankfurter Wertpapierbörse Börsenplatz 4 60313 Frankfurt am Main, and is available for inspection during the general opening hours. The mentioned Ordinance was laid down on 8 June 2018.

---

**Third Amendment Ordinance  
to the Exchange Rules for the Frankfurter Wertpapierbörse**

**Article 1 Amendment to the Exchange Rules for the Frankfurter Wertpapierbörse in  
the version dated 29 June 2017, last amended by the Amendment Ordinance  
dated 30 January 2018**

\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

**§ 1 Definitions**

[...]	[...]
Bid	Naming of bid price at which a Trading Participant is willing to conclude a legally-binding transaction.
[...]	[...]
Quote Time	Daily trading hour without auctions, volatility interruptions and exceptional circumstances within the meaning of Article 3 of the Delegated Regulation (EU) 2017/578
<u>Quote Period</u>	<u>Period within the trading hours, in which the respective security is quoted</u>
Reference	In Continuous Trading with Intra-Day Auctions, the last determined price, and in the continuous auction, the Binding Quote of the quote provider or the Indicative Quote with a volume greater than zero of the Specialist, such quote being the quote which was entered last.
[...]	[...]

[...]

### **Section III Visit to the Trading Halls and Exchange Trading**

[...]

#### **Sub-section 3 Exchange EDP**

[...]

#### **§ 38 Direct Electronic Access**

- (1) A Trading Participant may, upon request of and after authorization by the Management Board, grant another person (indirect Trading Participant) direct electronic access via its infrastructure for the transmission of orders, provided that between the Trading Participant and the indirect Trading Participant a contract has been concluded which at least contains the requirements within the meaning of Article 22 of the Delegated Regulation (EU) 2017/589 and provided that the Trading Participant ensures that the indirect Trading Participant conducts control measures and fulfils its control obligations within the meaning of Article 19 to 21 and 23 of the Delegated Regulation (EU) 2017/589.
- (2) The Trading Participant is obliged to immediately notify the Management Board of any conclusion or termination of or any essential changes to the contract. Upon request by the Management Board, the Trading Participant must presents contracts pursuant to Paragraph 1 and provide information on the indirect Trading Participant's conduct of control measures and its outcome pursuant to Paragraph 1. Further supervisory and control rights of the exchange bodies and the exchange supervisory authority under statutory law remain unaffected.
- (3) The Trading Participant is obliged to flag orders and trades which are concluded by an indirect Trading Participant via direct electronic access pursuant to Paragraph 1. Further details are determined by the Management Board.
- (4) § 37 Paragraph ~~2~~ Number 4 and Paragraph 4 shall apply accordingly.
- (5) In case of violations against regulations on direct electronic access, in particular violations against the Exchange Rules or the Conditions for Trading, the Management Board may suspend or terminate a direct electronic access pursuant to Paragraph 1. § 25 Paragraph 1 of the German Stock Exchange Act shall remain unaffected.

[...]

**Section VII     Securities Transactions**

[...]

**Sub-section 2 Entry of Orders**

[...]

**§ 76            Execution Conditions, Validity Specifications and Trading  
Restrictions**

[...]

- (5) Paragraph 1 Number 1 and § 73 Paragraph 54 through 76 shall not apply to the entry of Binding Quotes.

[...]

**Sub-section 5 Best Service Provider****§ 83            Commissioning and Supervision of Best Service Providers**

- (1) Companies which agree to assume the duties under § 84 (Best Service Provider) in an agreement with the responsible operating institution pursuant to § 32 Paragraph 1, may offer Best Service in the Trading System. The agreement shall list the securities for which the Best Service Provider can assume Best Service. The Management Board shall define the securities for which a Best Service may be carried out.
- (2) The operating institution under § 32 Paragraph 1 shall, in a written agreement, commission the Best Service Provider with the adoption of duties pursuant to § 84 for each security in which a Best Service is to be carried out. The operating institution under Clause 1 shall immediately inform the Management Board about the commissioning. Only admitted companies which have access to the system and which
1. can guarantee an orderly performance of their duties pursuant to § 84 thanks to their personnel, technical and financial resources as well as their expertise and experience and to whom no legal provisions are opponent,
  2. guarantee that the information disclosed to them and to the third persons acting on their behalf within the activity as Best Service Provider are handled confidentially and are not disclosed to third parties,
  3. give no cause for concern that the orderly performance of the duties incumbent upon them as Best Service Provider oppose their other activity or their social circumstances,

4. carry out their activity in a way that allows for a complete supervision by the Management Board,

may be commissioned as Best Service Provider.

The operating institution may define detailed requirements in the agreement pursuant to Clause 1.

[...]

## Sub-section 6 Specialists

### § 85 Commissioning and Monitoring of the Specialists

- (1) In the Specialist Model of Continuous Auction, companies (Specialists) commissioned by the competent operating institution pursuant to Paragraph 2 accept the duties pursuant to §§ 71, 86 for the securities respectively included in the agreement pursuant to Paragraph 2 Clause 1. Provided this is necessary to maintain an orderly exchange trading the Specialist is, upon request of the operating institution, obliged to assume these duties for additional securities. In case of a change to the Market-Maker Model of Continuous Auction, the duties of the Specialist for the respective securities shall cease to exist; a claim to commissioning for certain securities does not exist.
- (2) The operating institution competent pursuant to § 3 Paragraph 1 shall, on basis of a written agreement, commission a Specialist with acceptance of the duties pursuant to §§ 71, 86 for each security traded in the Specialist Model (Specialist Agreement). The operating institution shall immediately notify the Management Board of the commissioning. Only those companies admitted to the Trading System who
  1. - due to their staff, technical and financial resources as well as their expertise and experience - guarantee the orderly fulfilment of the duties pursuant to §§ ~~7168~~, ~~8679~~,
  2. - in order to fulfil these duties - use a Limit Control System fulfilling the requirements of Paragraph 5 as well as adequate entry equipment (front ends) for entry of Indicative and Binding Quotes in the Trading System,
  3. guarantee that they keep confidential and, in particular, do not transfer to third parties the information disclosed to them in the course of their activity as Specialist,
  4. do not give cause for concern that their other duties or their situation under company law oppose the duties incumbent upon them as Specialist,
  5. perform their activity in such a way as to ensure extensive surveillance by the Exchange

may be commissioned as Specialists.

The operating institution may define detailed requirements in the agreement pursuant to Paragraph 1.

- (3) The Management Board shall collect and record, if and to which extent the Specialists perform their duties pursuant to §§ 71, 86 Paragraph 1 to 4. It may publish the respective information on the websites of FWB ([www.deutscheboerse.com](http://www.deutscheboerse.com)) or arrange for the announcement on the website of the Börse Frankfurt Zertifikate AG ([www.zertifikateboerse.de](http://www.zertifikateboerse.de)) provided this is necessary for the notification of the Trading Participants and issuers. The Management Board may interdict the activities of Specialists in whole or in part, also temporarily, if the prerequisites for their commissioning have not been fulfilled or have ceased to exist retroactively or if Specialists do not fulfil their duties incumbent upon them pursuant to §§ 71, 86. In case of the interdiction, the operating institution shall reserve the right to termination of the agreement pursuant to Paragraph 2 Clause 1 and shall, in case of termination, immediately commission a new Specialist who accepts the duties pursuant to §§ 71, 86 for the respective securities.
- (4) By way of termination of the agreement pursuant to Paragraph 2 Clause 1, Specialists and the responsible operating institution may terminate the activity of the Specialist. In this case, the operating institution shall immediately commission a new Specialist, who accepts the duties pursuant to §§ 71, 86 for the respective securities. The operating institution shall guarantee and trouble-free and orderly performance by Specialists.
- (5) The Limit Control System pursuant to Paragraph 2 Clause 3 Number 2 shall permanently verify the existence orders in the order book as well as their executability. The system shall fulfil the following minimum requirements:
  1. Permanent monitoring of all orders incoming and existing in the order book (Market Orders, Limit Orders, Stop Limit Orders and Stop Market Orders) with regard to their executability within the Indicative Quote of the Specialist, within the order book or, in trading pursuant to the provisions of the eighth sub-part, within the Indicative Quote of the quote provider.
  2. Immediate indication of executability of orders (Market Orders and Limit Orders) in the order book against the Indicative Quote of the Specialist, against other orders or, in trading pursuant to the provisions of the eighth sub-part, within the Indicative Quote of the quote provider.
  3. Immediate indication of stop-loss orders upon reaching the bid side of the Indicative Quote of the quote provider or the Indicative Quote of the Specialist as well as immediate indication of stop-buy orders upon reaching of the ask side of the Indicative Quote of the quote provider or the Indicative Quote of the Specialist. Clause 1 does not apply to Stop Orders of One-Cancels-Other Orders or to Trailing Stop Orders.
  4. Documentation of all orders not entered for the single auction according to § 92 Paragraph 4 which have not been executed by the Trading System within a certain time frame because the Specialist, in spite of an executable

order book situation obvious to him, has not entered a Binding Quote according to § 71 Paragraph 4 Number 2 Clause 1.

## **§ 86 Duties of the Specialists**

- (1) In the Specialist Model of Continuous Auction, Specialists shall assume the duties set forth in Paragraph 2 to 10 as well as in § 106 for the trading of structured products and in § 111 for the trading of other securities.
- (2) In case of executable order book situations pursuant to § 71 Paragraph 4 Number 2 and, in single auctions pursuant to § 92 Paragraph 4, Specialists shall provide liquidity by entering Binding Quotes or orders. Economically impractical partial executions by the Trading System should be avoided or initiated by the Specialist in conjunction with the Trading Surveillance Office. Partial executions with a value of less than EUR 500 per order or with a volume of less than 10% of the respective order shall be considered to be economically impractical.
- (3) With regard to orders which, if executed immediately, would lead to transactions which would have to be cancelled by the Management Board upon application, Specialists are – prior to the entry of a Binding Quote according to § 71 Paragraph 4 Number 2 Clause 1 – obliged to contact the Exchange Traders who have entered such orders and to request confirmation, change or cancellation of such entered orders.
- (4) To the extent securities are traded in foreign currencies and Exchange Transactions concluded in such securities are settled in Euro, Specialists must, for purposes of conversion, enter with their Binding Quote according to § 71 Paragraph 4 Number 2 Clause 1 an exchange rate in line with market conditions. The Management Board shall define any further requirements with regard to such exchange rate.
- (5) Securities other than those allocated to the Specialists may only be traded by the Specialists if the performance of their duties is not impaired thereby.
- (6) In order to guarantee the performance of their duties during the Trading Period, Specialists shall ensure that there is a sufficient number of Exchange Traders available in the Trading Halls which have been admitted to the Trading Halls for their company. Specialists shall notify to the Management Board such Exchange Traders, as well as an expert contact person who has been admitted at FWB as an exchange trader for their company, and a technical contact person. The contact persons shall be available for the Management Board and the Specialists via telephone within one hour before start of trading until one hour after end of trading. The operating institution may provide for further requirements in the agreement pursuant to § 85 Paragraph 2 Clause 1.

(7) The Management Board may determine deviations from the requirements pursuant to Paragraph 6 Clause 1 if the specialist's performance of its duties in the trading halls is considerably impaired due to circumstances beyond its control. The



Management Board shall notify the affected Specialist of its decision well in advance.

- (87) The only persons to have access to such areas in the Trading Halls which are reserved for the respective Specialists (pits) shall be the Exchange Traders respectively active in such pits in order to ensure performance of the duties of the Specialists.
- (98) Exchange traders active as Specialists shall conduct all telephone calls related to their performance of the tasks incumbent upon them using landline connections; they shall record such calls. They must not make any mobile phone calls from inside the respective areas reserved for them (pits).
- (109) Specialists shall ensure that, in case of an unforeseeable event which causes the Trading Halls to be unusable for a longer term (emergency), they can continue with their activities – in alternative premises provided by themselves – within two exchange days after occurrence of the emergency and for the duration of the non-availability of the Trading Halls. The Management Board shall determine any further aspects of the emergency procedure.
- (1140) Specialists shall, prior to entering such data into the Trading System, verify if the bid-/ask limit of their binding and Indicative Quotes correspond to the current Market Situation. If the bid-/ask limit of their binding and Indicative Quotes do not correspond to the current Market Situation, the binding or Indicative Quote must not be entered into the Trading System.

[...]

## **Sub-section 8 Special Provisions for the Trading of Structured Products in Continuous Auction**

[...]

### **§ 103 Quote Provider**

- (1) Irrespective of the selection of the Model, the issuer shall name a quote provider for the respective security in its application for introduction pursuant to § 58 Paragraph 1. The quote provider shall be admitted at FWB access for trading and shall be responsible for the provision of Indicative and/or Binding Quotes for individual securities or security categories through written declaration vis-à-vis the Management Board. In case of fulfilment of these prerequisites, also the issuer may be quote provider.
- (2) The quote provider shall guarantee the staff, technical and financial resources necessary for fulfilment of the quotation duty; the Management Board may define detailed requirements. It shall notify the Management Board of ~~an~~ expert contact persons being admitted at FWB as Exchange traders and ~~a~~ technical contact persons. The contact persons shall be available for the Management Board and the

Specialists via telephone within one hour before start of the ~~quote period~~trading until one hour after end of the ~~quote period~~trading of the respective security.

- (3) The Management Board may interdict quote providers the quotation in whole or in part, provided that the prerequisites for their appointment have not been fulfilled or have ceased to exist retroactively or if the quote providers fail to fulfil the duties incumbent upon them pursuant to §§ 104 and 105 in an orderly way. In case of interdiction, the issuer shall immediately name a new quote provider.

## **§ 104 Quotation- and Reporting Duties of the Quote Provider in the Market-Maker Model**

- (1) During the ~~quote period~~trading hours, the quote provider shall permanently enter Binding Quotes, that are in line with the market, in the system therefore provided; provided a Binding Quote has been executed, the next Binding Quote shall be entered within five minutes. Binding Quotes shall be valid up to a customary volume. The quote provider is obliged to conclude transactions for at minimum the indicated volumes within its Binding Quotes. The quote provider shall guarantee – by way of adequate contractual and technical precautions – that the Binding Quotes provided by it do not - to the detriment of the counterpart - deviate from the Binding Quotes being provided by the quote provider or the issuer of the security at FWB or vis-à-vis third parties. Separate Binding Quotes of the quote provider pursuant to § 71 Paragraph 3 Number 2 shall be entered at the latest five seconds after beginning of the call.
- (2) The quote provider shall guarantee at minimum one price determination per trading day through the Trading System for each security traded in the Market-Maker Model. In case no price determination with dealings is possible, the quote provider shall enter a separate quote in the Trading System for determination of an assessment price without dealings.
- (3) Upon request of the issuer, the Management Board may determine the quotation period in deviation of the trading hours, if the orderly exchange trading is not affected thereby.
- (4) The quotation duty does not exist, if, due to special circumstances in the area of the quote provider or due to a special Market Situation, the provision of Binding Quotes in individual cases is unacceptable for the quote provider (“Limitation of Quotation”). The quote provider shall immediately announce a limitation of quotation by indicating a quotation with a bid and ask limit of “0”. If a limitation of quotation occurs in particular due to a system failure or due to far-reaching restrictions concerning the trading of underlyings, a quotation with “0” must be indicated and, in addition, the Trading Surveillance Office and the Management Board may be notified in writing. The Management Board may announce the limitations of quotation on the website of FWB ([www.en.boerse-frankfurt.de](http://www.en.boerse-frankfurt.de)) or arrange for the announcement on the website of the Börse Frankfurt Zertifikate AG ([www.en.boerse-frankfurt.de/certificates](http://www.en.boerse-frankfurt.de/certificates)). Upon request by the Management Board

or Trading Surveillance Office, the quote provider must provide information on the reason for and the estimated duration of the limitations of quotation.

- (5) Quote providers are not obliged to indicate a volume for the ask side of the Binding Quotes entered into the Trading System, provided that a security, in particular,
1. is sold out completely by the issuer (sold-out status),
  2. has been terminated by the issuer,
  3. does not possess any security mechanisms due to violation of all security limits, or
  4. is affected by a legal amendment in such way so that a purchase of the security is no longer possible or reasonable.

- (6) In case of securities whose performance pursuant to the conditions in the prospectus depends on an underlying in such a way that
1. they become worthless upon reaching a certain value of the underlying or
  2. they will only be traded for a fixed call price upon reaching a certain value of the underlying and do not depend on the further price development of the underlying,

the quote provider shall immediately notify the Management Board of such event via e mail, thereby indicating the security as well as type and point in time of the event. In the case of Clause 1, the Management Board may determine that trading is suspended and any and all orders contained in the security affected, shall be deleted. The Trading Participants shall electronically be informed about the deletion. After resumption of trading, the Management Board may determine that the Quote Provider is eligible for purchases only and all remaining Trading Participants are eligible for sales only.

- (7) The Management Board shall collect and record if and to which extent the quote providers fulfil their quotation duty. It may publish the respective data on the website of FWB ([www.en.boerse-frankfurt.de](http://www.en.boerse-frankfurt.de)) or arrange for the announcement on the website of Börse Frankfurt Zertifikate AG ([www.en.boerse-frankfurt.de/certificates](http://www.en.boerse-frankfurt.de/certificates)), provided this is necessary for information of the companies, Exchange Traders and issuers.

[...]

## **§ 107 Quote Request in the Specialist Model**

- (1) During the ~~quote period~~~~trading hours~~, a Specialist shall – upon request by a Trading Participant (Quote Request) – continuously provide to the requesting Trading Participant an Indicative Quote.

- (2) Specialists may reject provision of an Indicative Quote if they are unable to provide such a quote. If the Quote Request of a Trading Participant has not been answered by the Specialist within a specified period of time, the Trading Participant will receive a rejection notice generated by the Trading System.
- (3) Upon provision of an Indicative Quote by the Specialist, the Trading Participant can, within a specified period of time, enter a binding, non-adjustable Limit Order relating to its Quote Request. If the Limit Order is entered outside such specified period of time, the Trading System will generate a rejection notice relating to such order entry. If the order is entered within the specified period of time, the Specialist shall – within a specified period of time – provide a Binding Quote which initiates the execution of the Limit Order.
- (4) If the Limit Order is not executed within a specified period of time, the order shall be deleted. An order can be deleted in all trading phases.
- (5) Partial executions are not possible. The Limit Order shall either be executed completely or deleted pursuant to Paragraph 4 Clause 2.
- (6) The Management Board shall determine the specified periods of time referenced in Paragraph 2 to 4 and the permitted number of Quote Requests per day and Trading Participant.
- (7) § 106 Paragraph 1 Clause 3, 4 and Paragraph 2 shall apply accordingly.
- (8) Quote Requests may not be used in single auctions.

[...]

## **Section XI Final Provisions**

[...]

### **§ 123 Trading Hours**

- (1) Trading can take place ~~between~~from 8.30 a.m. ~~to~~and 5.30 p.m. plus the duration of a potential closing auction.
- (2) In deviation to Paragraph 1, trading in ~~Structured Products~~securities in the Continuous Auction can take place ~~between~~from 8.00 a.m. ~~to~~and ~~10~~108.00 p.m. In all other securities, trading in the Continuous Auction can take place from 8.00 a.m. to 8.00 p.m.
- (3) In deviation to Paragraph 1, the Management Board may instruct that trading shall take place after 5.30 p.m. if, as a result of a technical problem in the Trading System, a closing auction cannot take place before the end of trading pursuant to Paragraph 1.

An instruction pursuant to Clause 1 may only be made if the technical problem can be expected to be resolved for an appropriate period of time after 5.30 p.m.

- (4) The Management Board shall determine the beginning and the end of price determination (trading time), taking into account the provisions pursuant to Paragraph 1 to 2. The determination of the trading hours on the last trading day of a year is subject to explicit approval of the Exchange Council.

[...]

\*\*\*\*\*

## **Article 2 Effectiveness**

Article 1 shall become effective on 11 June 2018.

The foregoing Third Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse is hereby executed. Pursuant to the decision of the Exchange Council of the Frankfurter Wertpapierbörse dated 7 June 2018, the Amendment Ordinance shall become effective on 11 June 2018.

The Hessian Ministry for Economics, Energy, Transportation and Regional Development has given its approval required pursuant to §16 Paragraph 3 of the Exchange Act by letter dated 7 June 2018 (File No: III 7 – 37 d 02.05.02#014).

The Third Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse shall be announced by notice on the premises of the Frankfurter Wertpapierbörse and by electronic publication on the internet, available on the websites of the Frankfurter Wertpapierbörse (<http://www.deutsche-boerse.com>).

Frankfurt/Main, 8 June 2018

Management Board of the Frankfurter Wertpapierbörse

Dr. Martin Reck

Dr. Cord Gebhardt