

Announcement

of Frankfurter Wertpapierbörse (FWB)

First Amendment Ordinance to the

Conditions for Transactions on the Frankfurter Wertpapierbörse

On 23 November 2017, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following First Amendment Ordinance to the Conditions for Transactions on the Frankfurter Wertpapierbörse.

The First Amendment Ordinance shall take effect on 3 January 2018.

A copy of the Ordinance is deposited at the reception desk of the trading floors, Frankfurter Wertpapierbörse, Börsenplatz 4, 60313 Frankfurt/Main, and is available for inspection during the general opening hours. The mentioned Ordinance was laid down on 7 December 2017.

**Conditions for Transactions
on the Frankfurter Wertpapierbörse**

**First Amendment Ordinance
to the Conditions for Transactions
on the Frankfurter Wertpapierbörse (FWB)**

***Article 1 Amendment to the Conditions for Transactions on the Frankfurter Wertpapierbörse
in the version dated 29 June 2017***

The Conditions for Transactions on the Frankfurter Wertpapierbörse in the version dated 29 June 2017, will be amended as follows:

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

Conditions for Transactions on the Frankfurter Wertpapierbörse

I. Part Scope of Application, Accomplishment of Transactions, Non-Permissible Trades

[...]

§ 3 Pre-arranged Trades and Crossing

- (1) Orders and binding quotes relating to the same security may, in case they could immediately be executed against each other, neither be entered knowingly by an exchange trader or by several exchange traders of a company (a cross trade) nor pursuant to a prior understanding by exchange traders of two different companies (a pre-arranged trade), unless the conditions according to paragraph 2 have been fulfilled.
- (2) A cross trade or a pre-arranged trade shall, during continuous trading in the trading model Continuous Trading with Intra-Day Auctions, be admissible if a participant in a cross-trade or a pre-arranged trade, prior to entering its order or binding quote, has entered a cross request with a volume equivalent to such order or binding quote into the order book in which the participant intends to execute such cross trade or pre-arranged trade. The order or binding quote giving rise to the cross trade or pre-arranged trade must be entered five seconds at the earliest and 35 seconds at the latest after having entered the cross request. The purchasing exchange trader shall bear the responsibility for compliance with the content of the cross request entry.
- (3) The company may provide the Trading Surveillance Office with a written statement giving details on the structure of its internal and external technical connection to the trading system; on the basis of such statement, it will be decided in each individual case if a company or an exchange trader has acted knowingly pursuant to paragraph 1 sentence 1. The Trading Surveillance Office shall, in agreement with the Management Board, specify the details regarding the requirements of such written statement detailing the connection structure pursuant to sentence 1; such requirements are to be made public.
- (4) Paragraph 1 and paragraph 2 shall apply mutatis mutandis to any other practices involving a circumvention of these provisions.
- (5) It is not permitted to enter orders or binding quotes with the intention of influencing the price of any derivatives relating to such security, which are being traded on the Eurex Deutschland.
- (6) Paragraph 1 and Paragraph 2 shall not apply to orders and binding quotes entered in the trading model Auction, during Auctions within the trading model Continuous Trading with Intra-Day Auctions upon determination of the first exchange price pursuant to § 8884 of the Exchange Rules or during a volatility interruption or an extended volatility interruption, as well as in the trading model Continuous Auction in Structured Products.

Conditions for Transactions on the Frankfurter Wertpapierbörse

[...]

III.Part Cancellation of Transactions

[...]

§ 24 Application for Cancellation of Transactions

- (1) The cancellation of transactions shall be applied for with the Management Board (Mistrade Rules). The following parties are authorized to file an application.
 1. the business parties according to § 2 Paragraph 1 and 2; however, the Clearing Member and Eurex Clearing AG are excluded from this authorization;
 2. the respective specialist;
 3. the respective quote provider.
- (2) In case of transactions in securities traded in Continuous Auction, the Mistrade application shall be submitted within two trading hours upon receipt of the transaction confirmation pursuant to § 2 Paragraph 1 Clause 2. As far as transactions of securities other than structured products, which are traded in Continuous Auction, are concerned, the application term ends according to Clause 1 upon closing of trading hours for that day, so the mistrade application has to be submitted within half an hour after the closing of trading hours at the latest. The application may be submitted in writing, via telecopy (+49 (0) 69 - 211 - 1 44 19), electronically (mistrade@deutsche-boerse.com) or via telephone (+49 (0) 69 - 211 - 1 38 70). In case of an application via telephone, the information required pursuant to Paragraph 4 shall be submitted in written form, via telecopy or electronically within one hour after the end of the application term pursuant to Clause 1. Otherwise, the Mistrade application is deemed to have been withdrawn.
- (3) In case of securities traded in Continuous Trading with Intra-Day Auctions or in the auction, the Mistrade application shall be submitted within ten minutes upon receipt of the transaction confirmation pursuant to § 2 Clause 2. The application may be submitted in writing, via telecopy (+49 (0) 69 – 211 – 1 14 01), electronically (xetrahelpdesk@deutsche-boerse.com) or via telephone (+49 (0) 69 - 211 - 1 14 00).
- (4) The Mistrade application shall contain the following information:
 1. company and contact person of the applicant;
 2. name of security being subject matter of transaction, under indication of name and ISIN;

Conditions for Transactions on the Frankfurter Wertpapierbörse

3. point in time as well as volume and price of transaction;
4. with regard to applications according to § 23 Clause 1 Number 1, details regarding market-driven price.

In case of transactions in structured products, the details on the market-driven price shall also include the calculation formula and all factors relevant therefore.

- (5) A mistrade application is inadmissible
 1. in cases regulated in § ~~10693~~ of the Exchange Rules,
 2. if, upon request by the Management Board, or, during Continuous Auction, by the Specialist, the applying business party has confirmed or changed the binding order entered by it and executed upon transaction or the binding quote entered by it and executed upon the transaction on the bid- or ask side,
 3. when determining the First Exchange Price pursuant to §§ ~~91, 9281, 82~~ of the Exchange Rules.

Clause 1 shall not apply for Mistrade applications relating to transactions according to § 23 Clause 1 Number 2.

- (6) The Management Board shall publish the submission of the mistrade application and its acceptance or refusal. Irrespective of the publication pursuant to Clause 1, it shall notify the business parties as well as the specialist and the quote provider of the submitted mistrade application.

[...]

§ 29 Official Cancellation of Transactions

- (1) The Management Board may officially cancel transactions if the latter do not fulfil the requirements of orderly exchange trading, in particular, if the price determination was erroneous. The cancellation of transactions in securities for which the settlement is carried out by Eurex Clearing AG comprises all transactions accomplished pursuant to § 2 Paragraph 2.
- (2) In particular, transactions may be officially cancelled which
 1. – in case a mistrade application admissible pursuant to § 24 is missing – have been accomplished at a price obviously not in line with the market pursuant to §§ 25 to 28;
 2. are based on an error in the technical system of the exchange;
 3. have been accomplished in securities for which an event leading to a cancellation of existing orders pursuant to § ~~7875~~ of the Exchange Rules has not or has erroneously been realized by according system entries;
 4. – in securities which are traded in the Specialist Model of Continuous Auction in the single auction – have been accomplished outside the first

Conditions for Transactions on the Frankfurter Wertpapierbörse

price determination, such price determination taking place in the single auction within the time period specified by the Management Board for the entry of the binding specialist quote according to § ~~7168~~ Paragraph 4 Number 2 Clause 1 of the Exchange Rules;

5. have been accomplished outside the trading hours specified by the Management Board according to § ~~123444~~ Paragraph 4 of the Exchange Rules;
 6. have been accomplished in securities which – in the Specialist Model of Continuous Auction – are traded in foreign currency and settled in Euro, and for which the specialist has, for purposes of conversion of currency, entered an exchange rate which does not comply with the requirements set by the Management Board.
- (3) Transactions in structured products traded in Continuous Auction may – in excess of the cases named in Paragraph 2 – in particular be officially cancelled if the structured products
- a) Transactions in structured products traded in Continuous Auction may – in excess of the cases named in Paragraph 2 – in particular be officially cancelled if the structured products
 - b) belong to the same product type and have the same underlying as a structured product which is subject matter of a transaction having been cancelled upon application or officially due to an obvious deviation from the market-driven price.
- (4) Transactions in fund shares and ETFs traded in Continuous Auction may – in excess to the cases named in Paragraph 2 – in particular be officially cancelled if
1. the investment company has suspended the repurchase or issuance of the fund shares or ETFs and
 2. the transactions have been accomplished in the period between the last repurchase- or issuance possibility prior to the suspension and
 - a) the end of trading of the exchange day on which the specialist has informed the Management Board about the suspension of repurchase or issuance of the fund shares or ETFs by the investment company, or
 - b) any suspension of trading of the fund shares or ETFs by the Management Board.
- The last event pursuant to item a) or b) shall thereby be relevant.
- (5) When taking its decision on the cancellation of transactions, the Management Board shall in particular consider
1. the damage potentially occurring in case of cancellation or continuance of the transactions;

Conditions for Transactions on the Frankfurter Wertpapierbörse

2. a confirmation of or amendment to an order entered and executed with the transaction upon request of the Management Board or, in Continuous Auction, of the Specialist before execution of the order or a binding order entered and executed by a business party with the transaction on the bid- and ask side;
3. any trust of companies admitted for trading on FWB in the continuance of the transactions;
4. the period since the accomplishment of the transactions.

[...]

§ 31 Deletion of Orders

The Management Board may officially delete orders

1. which, in case of their execution, would result in transactions which would have to be cancelled by the Management Board upon application or officially, and
2. if the company entering orders, is not available for feedback concerning the entered orders, or if orders were or were not confirmed in connection with an extended volatility interruption according to § ~~10193~~ of the Exchange Rules.

[...]

Article 2 Effective Date

Article 1 shall become effective on 3 January 2018.

The foregoing First Amendment Ordinance to the Conditions for Transactions on the Frankfurter Wertpapierbörse is hereby executed. Pursuant to the decision of the Exchange Council of the Frankfurter Wertpapierbörse dated 23 November 2017, the Amendment Ordinance shall become effective on 3 January 2018.

The First Amendment Ordinance 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>).

**Conditions for Transactions
on the Frankfurter Wertpapierbörse**

Frankfurt/Main, 7 December 2017

Management Board of Frankfurter Wertpapierbörse

Dr. Martin Reck

Dr. Cord Gebhardt