

## Announcement of Frankfurter Wertpapierbörse (FWB)

### Fourth Amendment Ordinance to the Conditions for Transactions on the Frankfurter Wertpapierbörse

On 28 March 2019, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following Fourth Amendment Ordinance to the Conditions for Transactions on the Frankfurter Wertpapierbörse.

The Amendment Ordinance shall take effect at the point in time specified in Article 2 of the Amendment Ordinance.

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 24 April 2019.

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**Fourth 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, last amended by the  
Amendment Ordinance dated 22 November 2018**

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[...]

## **I. a. Part: Scope of Application, Accomplishment of Transactions, Non Permissible Transactions for OFF Book Trades**

### **§ 3 a Scope of Application**

~~All transactions that have been accomplished as off-book trades pursuant to Section VII Sub-section 1 a of the Exchange Rules for the Frankfurter Wertpapierbörsein the T7 Entry Service (TES)~~ are concluded according to the following conditions.

### **§ 3 b T7 Entry Service (“TES”) ~~Accomplishment of OFF-Book Trades~~**

(1) ~~If TES is used, A~~an off-book trade ~~will be~~ initiated by entering the trade details (“offer conditions”). The offer conditions must be entered within a time period specified by the Management Board after the buying and selling trading participants have agreed on the security, the volume, the price and the fact that such trade is concluded at FWB in a binding manner. The off-book trade is accomplished between the trading participants ~~involved in the off-book trade~~ after the entry matching of the respective orders that are generated through confirmation of the offer conditions and their subsequent electronic storage in the FWB system (TES orders).

Each confirmation of the offer conditions must be submitted within a time period specified by the Management Board upon entry of the offer conditions. Employees of the trading participants that are not admitted to trading or another trading participant may also enter the offer conditions. The trading participant entering the offer conditions into the system must ensure that the obligations pursuant to Sentence 2 are met. However, the offer conditions may only be confirmed by the trading participants involved in the off-book trade.

(2) ~~Off book trades are accomplished according to the rules specified in Paragraph 1 and their subsequent electronic storage in the system.~~ § 2 Paragraphs 2 to 4 shall apply accordingly.

(3) The Management Board of FWB may allow trading participants to provide the confirmation of the offer conditions according to § 3 b Paragraph 1 in advance by way of an automatic process.

### **§ 3 c Request-for-Quote Functionality Xetra EnLight**

— “Xetra EnLight” is a request-for-quote functionality, which enables a trading participant (“Requester”) to request, accept and execute offers from one or more trading participants which have agreed with FWB to receive requests via Xetra EnLight (“Responders”) to conclude off-book trades.

(1) Request-for-Quote

Requesters may request offers to purchase or sell a certain amount of a security directly from one or more Responders via Xetra EnLight ("Request-for-Quote"). Pursuant to § 3 c (3), the Management Board of FWB may additionally offer an automatic process. Responders receiving the request are not obligated to respond to a Request-for-Quote by submitting an offer to sell or purchase the requested amount of a security ("Xetra EnLight Offer").

(2) Accomplishment of Transactions

Xetra EnLight Offers may only be made and accepted within a timeframe determined by the Management Board of FWB. If several Responders submit a Xetra EnLight Offer, the Requester may only accept one Xetra EnLight Offer. Accepting partial amounts of several Xetra EnLight Offers is not permissible. The off-book trade is accomplished between the trading participants after the respective orders that are generated by the Requester accepting the Xetra EnLight Offer have been matched and subsequently stored electronically in the FWB system. § 2 Paragraphs 2 to 4 shall apply accordingly.

(3) Automatic Process "Smart RFQ"

In case of Requests-for-Quotes which are executed via the Smart RFQ functionality, the Responders receiving the Request-for-Quote are selected based on an automatic process determined by FWB. In this process, a probability of Responders being willing to respond to a Request-for-Quote by submitting a Xetra EnLight Offer is determined on the basis of such Responders' trade and post-trade data. The Request-for-Quote will only be sent to Responders for which it is sufficiently probable that they will submit a Xetra EnLight Offer to the Requester. In order to be able to participate in Smart RFQ as Responder, it is required to agree in advance to own trade and post-trade data being analysed and to registration as Smart RFQ Responder at FWB.

(4) Selective Addressing and Anonymity

The Requester is only permitted to send Requests-for-Quotes by disclosing its identity. If a Responder submits a Xetra EnLight Offer, it can also only be submitted by disclosing such Responder's identity. The identity of other Responders which have been addressed in a Request-for-Quote will not be disclosed to the relevant other Responders which were addressed as well. Via Smart RFQ, Requests-for Quotes may exclusively be sent and executed anonymously. § 3 c (4) Clause 1 shall not apply to Smart RFQ.

### **§ 3 de Cross-Trades**

Trading participants are prohibited from making entries using the TES order functionality for off-book trades ~~to submit orders for off-book trades~~ under which the beneficial owner on both the buy and sell sides is identical. Within the meaning of this provision, beneficial owners are persons trading for their own account or for whose account an exchange participant trades.

## **II. Part: Performance of Transactions**

### **§ 4 Time of Performance of Transactions**

(1) Performance with respect to Exchange transactions accomplished pursuant to § 2 must be made on the second day of performance following the day the transaction is entered into; the Management Board may adopt different rules for Exchange transactions in securities which are quoted and/or settled in a foreign currency or in a unit of account, or for Exchange transactions in debt securities and money-market funds ~~with a constant net inventory value.~~

(2) The purchaser is obligated to pay the price for the securities that are the subject of the transaction upon delivery, but no earlier than on the second day of performance after entering into the transaction.

(3) In respect of Exchange transactions accomplished pursuant to § 3 b and § 3 c, the trading participants involved in the transaction may ~~agree on~~ determine the day of performance. Performance with respect to Exchange transactions must be made no earlier than on the day following the day the transaction is entered into and no later than eighty-nine days following the day the transaction is entered into.

[...]

## **III a. Part: Cancellation of Off-Book Trades**

### **§ 32 a Cancellation of Off-Book Trades Upon Application**

The Management Board will cancel an off-book trade if the trading participants involved in the off-book trade assert without delay – however, no later than 30 minutes after the closing of the off-book trading hours for the security traded – that they have erroneously or incorrectly entered the off-book trade into the system and request a cancellation.

§ 23 Clause 2, § 30 and § 32 shall apply accordingly.

### **§ 32 b Official Cancellation of Off-Book Trades**

The Management Board may officially cancel off-book trades if this is required in order to guarantee an orderly exchange trading, ~~or~~ if an off-book trade has been accomplished due to an error in the system or if an off-book trade has not been accomplished pursuant to § 72 a Paragraph 5 of the Exchange Rules.

§ 23 Clause 2, § 30 and § 32 shall apply accordingly.

[...]

**Article 2 Effectiveness**

- (1) §§ 3 a, 3 b, 3 c, 3 d, 4, 32 a und 32 b shall become effective, as amended by Article 1, three days following approval of a waiver from the pre-trade transparency requirement pursuant to Article 4 (1) and Article 9 (1) of Regulation (EU) No 600/2014, however, no earlier than 27 May 2019.
- (2) The Management Board shall announce effectiveness pursuant to Paragraph 1 by notice on the premises of the FWB and by electronic publication on the internet, available on the websites of the FWB at <http://www.deutsche-boerse.com>.

The foregoing Fourth 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 28 March 2019, the Amendment Ordinance shall become effective at the point in time specified in Article 2 of the Amendment Ordinance.

The Fourth 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>).

Frankfurt/Main, 24 April 2019

Management Board of Frankfurter Wertpapierbörse

Dr. Martin Reck

Michael Krogmann