

Announcement  
of Frankfurter Wertpapierbörse (FWB)

Seventh Amendment Ordinance to the  
Exchange Rules for the Frankfurter Wertpapierbörse

On 11 June 2013, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following Seventh Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse.

The Seventh Amendment Ordinance shall take effect on 17 June 2013.

---

**Seventh Amendment Ordinance  
to the Exchange Rules for the Frankfurter Wertpapierbörse (FWB)**

On 11 June 2013, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following Amendment Ordinance:

***Article 1 Amendment to the Exchange Rules for the Frankfurter Wertpapierbörse in the version dated 28 March 2011, last amended by the Amendment Ordinance dated 13 March 2013***

The Exchange Rules for the Frankfurter Wertpapierbörse in the version dated 28 March 2011, last amended by the Amendment Ordinance dated 13 March 2013, will be amended as follows:

\*\*\*\*\*

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

**Exchange Rules for the Frankfurter Wertpapierbörse (FWB)**

**Table of Contents**

[...]

**Section VII Securities Transactions**

[...]

**Sub-section 5 Specialists**

§ 80 Commissioning and Monitoring of the Specialists

§ 81 Commissioning and Monitoring of the Specialists for Specific Shares  
and Certificates representing Shares

§ 82 Duties of the Specialists

**Sub-section 5a Block Agents**

§ 82a Assignment and Supervision of Block Agents

§ 82b Rights and Obligations of Block Agents

**Sub-section 6 Price Determination and Order Execution**

[...]

[...]

**Section VII Securities Transactions**

**Sub-section 1 Trading Models and Trading Periods**

[...]

**§ 70 Midpoint Order Matching**

- (1) A security traded in Continuous Trading with Intra-Day Auctions, may additionally be traded in Midpoint Order Matching. In the Midpoint Order Matching, limit and Market Orders shall continuously be executed against each other, such orders being entered with the proviso that the price determination takes place pursuant to § 89. ~~During an auction in Continuous Trading with Intra-Day Auctions, no Midpoint Order Matching takes place.~~
- (2) In the Midpoint Order Matching, the order book remains closed except for Block Agents~~orders are not disclosed (closed order book)~~. The Management Board may define a minimum amount for orders in the Midpoint Order Matching.
- (3) The Management Board may determine that orders in the Midpoint Order Matching may be entered with a minimum execution lot size. The minimum execution lot size may individually be determined by the companies for each order. When a minimum

execution lot size is entered, the order will only be executed if at least the minimum execution lot size can be executed in case of a price determination. If, as a result of partial executions, the remaining order volume undergoes the minimum execution lot size, the minimum execution lot size shall be made equal to the order volume.

- (4) The Management Board may determine that Block Agents can freeze the order book. Orders entered prior to the order book freeze may not be changed nor deleted by the customer during the order book freeze. Orders, changes or deletions of orders addressed to the Trading System during an order book freeze shall be rejected by the Trading System. In deviation to Clause 2 and 3, a Block Agent who has frozen the order book may, during order book freeze, enter a customer order into the frozen order book pursuant to § 82b Paragraph 3; a change or a deletion of orders shall not be permitted. Price determination shall occur pursuant to § 89.

The order book shall be unfrozen automatically by entry of a Block Agent's order or after a period of time specified by the Management Board has elapsed. The order book shall also be automatically unfrozen by the Trading System if, during an order book freeze, an Auction in Continuous Trading with Intra-Day Auctions is started or if the Management Board interrupts or suspends trading.

## **§ 71 Trading in Subscription Rights**

- (1) Subscription rights can be traded on the Trading System if they refer to securities that are admitted to or included in the regulated market at FWB. The Management Board shall, upon application by the issuer, decide upon the start of trading of subscription rights.
- (2) The trading of subscription rights shall, at the earliest, start on the first day of the subscription period, however, not before the first business day upon publication of the prospectus, and may last over the entire subscription period, with the exception of the last two exchange days of such period. Upon expiration of the penultimate trading day, all existing limited orders valid until the last trading day shall be deleted automatically.
- (3) The Management Board may determine that the trading in subscription rights takes place in Continuous Trading with Intra-Day Auctions, in the Auction or in the Continuous Auction. Price determination in the trading in subscription rights shall take place pursuant to § 90. Entry of Orders

[...]

## Sub-section 5 Specialists

### § 82 Duties of the Specialists

[...]

#### Sub-section 5a Block Agents

#### § 82a Assignment and Supervision of Block Agents

- (1) In Midpoint Order Matching, admitted companies may obtain rights and obligations pursuant to § 82b (Block Agents) by concluding an Agreement with the operating institution pursuant to § 3 Paragraph 1. This Agreement contains a list of securities and related rights and obligations that the Block Agent accordingly obtains. Block Agent activities may be carried out with regard to any security traded in Midpoint Order Matching.
- (2) The operating institution pursuant to § 3 Paragraph 1 must assign a Block Agent in a written agreement with regard to each security in which a Block Agent is to carry out its Block Agent activities. The operating instruction pursuant to Clause 1 must immediately notify the Management Board of such assignment. Block Agenting may only be undertaken by an admitted company which has access to the Trading System and
  1. with regard to which an orderly performance of its activities is guaranteed by way of its personnel, technical and financial resources as well as its expertise and experience, on provision that no opposing legal provisions exist,
  2. which guarantees and provides proof that confidential areas (Chinese Walls) within its company are separated both physically and functionally; this particularly applies to proprietary trading and to customer trading relating to activities as a Block Agent,
  3. which guarantees that the information disclosed to it or to the persons acting for it during the activity as a Block Agent are handled confidentially and, in particular, are not disclosed to third parties; in particular, the organisational unit acting as a Block Agent is not permitted to engage in proprietary trading
    - a) in a security with regard to which the Block Agent is assigned or
    - b) in a financial instrument the price of which is directly or indirectly dependent on the security pursuant to a),

4. which does not give rise to any concerns about the orderly performance of the activities incumbent upon it as a Block Agent being opposed by any of its other activities or by its company law situation,
5. which undertakes its activities in such a way that an extensive supervision by the exchange is possible,
6. which operates a Multilateral Trading System in a member state of the European Union or another contractual state of the Treaty on the European Economic Area, such Multilateral Trading System – due to its market model – having been exempted by the competent authority from the obligation to publish information pursuant to Article 29 of the Directive (EC) 2004/39/EC,
7. which receives customer orders which are executable both in the Multilateral Trading System operated by it according to Number 6 and in Midpoint Order Matching,
8. which uses an electronic system for undertaking its activities, such system being able to enter orders into Midpoint Order Matching.

The operating institution may, in such Agreement specified pursuant to Clause 1, request further details.

- (3) The Management Board records and documents whether and to which extent the Block Agents perform their activities. The Management Board may prohibit Block Agent activities in whole or in part, or even for a specified period of time, if the prerequisites for their assignment did not exist or subsequently ceased to exist, or if the Block Agents did not perform their activities in an orderly way. In case of such prohibition, the operating institution must reserve the right to terminate the Agreement pursuant to Paragraph 2 Clause 1.
- (4) Block Agents and der competent operating institution may, by termination of the Agreement pursuant to Paragraph 2 Clause 1, terminate the Block Agent's activities altogether or with regard to specific securities.

## **§ 82b Rights and Obligations of Block Agents**

- (1) In Midpoint Order Matching, a Block Agent may view the order book with regard to such securities in which they have been assigned as a Block Agent. In all other respects, the order book is closed to Trading Participants in Midpoint Order Matching.
- (2) In Midpoint Order Matching, a Block Agent may enter customer orders pursuant to Paragraph 3. During an order book freeze, the Block Agent which has frozen the order book may, pursuant to § 70 Paragraph 4, enter a single additional customer order into the order book for execution.

- (3) Block Agents may enter customer orders into Midpoint Order Matching which had previously been sent to the Block Agent by a Block Agent's customer for execution both in Midpoint Order Matching and in the Multilateral Trading System operated by the Block Agent.
- (4) The Management Board may, upon application by a Block Agent, grant permission to the Block Agent that it may, in deviation to § 82a Paragraph 2 Clause 3 Number 3 and provided that the order book is not frozen, notify its customers which, regarding a certain security, have communicated to it a trading interest executable in Midpoint Order Matching, that there exists an opposing trading interest. Such notification must not disclose to the customers whether the opposing trading interest exists in Midpoint Order Matching or in the Multilateral Trading System operated by the Block Agent. The Block Agent must explain in its application which notification procedures it has implemented.

The Management Board may revoke the permission pursuant to Clause 1 with immediate effect if

1. following the notification of an opposing trading interest to its customers, a Block Agent does not regularly enter orders pursuant to Paragraph 3 into Midpoint Order Matching; or if
  2. the prerequisites for the permission did not exist – in particular, if such permission was granted upon incorrect or incomplete information given by the Block Agent; or if
  3. the prerequisites for the permission have subsequently ceased to exist.
- (5) Block Agents must observe a certain ratio between order book freezes and the execution of orders, such ratio being set by the Management Board of FWB.

## Sub-section 6 Price Determination and Order Execution

[...]

### § 89 Price Determination and Order Execution in Midpoint Order Matching

- (1) In the Midpoint Order Matching, orders being entered with the provision that the price determination takes place pursuant to Paragraph 2 are permanently executed against each other. During an auction in the Continuous Trading with Intra-Day Auctions, no Midpoint Order Matching takes place and Block Agents cannot freeze the order book. Following an order book freeze, price determination will, in each case, occur pursuant to Paragraph 2. Provided that only potentially executable orders without minimum execution lot size exist in the order book, the orders with the respectively higher entered lot size shall be executed with priority and, in case of the same lot size, according to the chronology of the entries in the Trading

System. Regarding partly executed orders, the originally entered lot size shall be relevant.

Provided that at least one of the potentially executable orders has been entered with a minimum execution lot size, the highest possible execution volume shall be determined under consideration of the minimum execution lot size. The potentially executable orders shall thereby be sorted according to volume-time priority and be executed under consideration of the minimum execution lot size with the lot size with which the remaining orders in the order book can be executed at the highest possible volume.

- (2) In the Midpoint Order Matching, only prices which result from the calculated midpoint of the best bid and ask limit indicated in the order book at the same time are determined. During an order book freeze initiated by a Block Agent, price determination does not take place. If, during an order book freeze, a Block Agent enters an order into the order book, the resulting unfreeze of the order book shall – in deviation to Clause 1 – lead to a price determination involving the midpoint of the best buy limit and ask limit in continuous trading existing in the order book at the time of the order book freeze. If the price to be expected pursuant to Clause 1 or Clause 2 is outside the Dynamic Price Range or outside the Static Price Range pursuant to § 97 or § 98, no execution of orders shall take place.
- (3) The prices accomplished within the Midpoint Order Matching shall be marked separately upon publication.

[...]

## **Article 2 Effective Date**

Article 1 of this Amendment Ordinance shall become effective on 17 June 2013.



The foregoing Seventh 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 11 June 2013, the Amendment Ordinance shall become effective on 17 June 2013.

The Hessian Ministry for Economics, Transportation and Regional Development has given its approval required pursuant to §16 Paragraph 3 of the Exchange Act by letter dated 14 June 2013 (File No: III 8 – 37 d 02.07.02#007).

The Seventh 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, 14 June 2013

Management Board of the Frankfurter Wertpapierbörse

Dr. Martin Reck

Dr. Cord Gebhardt