

Announcement
of Frankfurter Wertpapierbörse (FWB)

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

On 30 June 2011, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following First Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse.

It shall take effect on 11 July 2011.

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

On 30 June 2011, 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*

The Exchange Rules for the Frankfurter Wertpapierbörse in the version dated 28 March 2011 will be amended as follows:

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

**Section VI Inclusion of Securities in the Regulated Market (General
Quoted)**

[...]

§ 62 Notification of the Parties Involved in Exchange Trading

The applying trading participant shall notify the parties involved in exchange trading immediately in an easily accessible and appropriate mode of all circumstances notified by it to the Management Board pursuant to § 61~~2~~ Paragraph 1.

[...]

Section VII Securities Transactions

Sub-section 1 Trading Models and Trading Periods

[...]

§ 69 Continuous Auction

- (1) If a security is traded during Continuous Auction, market orders, limit orders, stop-market orders and stop-limit orders may be entered.
- (2) The trading of securities in the Continuous Auction shall be carried out in the Market-Maker Model or in the Specialist Model pursuant to the provisions of the seventh and eighth sub-part. The Continuous Auction is divided in the pre-call and call pursuant to Paragraph 3 and 4 and the price determination pursuant to § 88. Immediately after termination of the Auction, the next Auction shall be initiated.
- (3) In the Continuous Auction in the Market-Maker Model, pre-call and call shall take place as follows:
 1. During the pre-call, the orders existing in the order book shall permanently be checked with regard to their executability within the ~~indicative or binding~~ quote of the quote provider and within the order book. Orders may be entered, modified or cancelled. Provided that ~~indicative or binding~~ orders can be executed against each other within the quote of the quote provider or completely against the binding quote of the quote provider, an immediate execution of the orders by the trading system takes place.
 2. The call phase starts, if
 - a) there are orders in the order book which are executable against the binding quote of the quote provider, but cannot be executed completely, ~~or which would be executable against the indicative quote of the quote provider, or~~
 - b) there are unlimited orders or orders executable against each other in the order book, without an ~~indicative or binding~~ quote of the quote provider being available, or
 - c) the stop limit of an order is reached by the ~~indicative or binding~~ quote of the quote provider.

During the call, the quote provider may enter a separate binding quote. ~~He is obligated to enter a separate binding quote if he has previously entered indicative quotes only.~~ The bid-/ask limit of this binding quote shall correspond to or be narrower than the ~~indicative or binding~~ quote entered in the pre-call phase. The volume of this binding quote may not be smaller than the volume

of the ~~indicative or~~ binding quote provided during the pre-call phase. During the call phase, orders may be entered, modified or cancelled. The call shall be terminated by the entry of a separate binding quote by the quote provider or by time of expiration.

[...]

[...]

Sub-section 2 Entry of Orders

§ 72 Orders in the Trading System

- (1) All orders must be marked as proprietary trading order or customer order. Binding quotes shall also be marked separately. Details shall be defined by the Management Board.
- (2) Binding ~~and indicative~~ quotes may only be entered by a Designated Sponsor, Quote Provider and Specialist. The Management Board may, for securities in Continuous Trading with Intra-Day Auctions, determine that all companies are entitled to enter binding ~~and indicative~~ quotes.

[...]

§ 73 Execution Conditions, Validity Specifications and Trading Restrictions

- (1) In Continuous Trading with Intra-Day Auctions:
 1. market orders, limit orders and market-to-limit orders may be entered during continuous trading subject to one of the following execution conditions:
 - immediate execution of the order in full or cancellation (“fill-or-kill”)
 - immediate execution of the order to the extent possible and cancellation of the unexecuted part (“immediate-or-cancel”)
 2. limit orders may be entered during continuous trading subject to the following execution condition, provided that such entry would not lead to an auction being started within a volatility interruption:
 - no immediate execution against the visible order in the order or deletion of order (book-or-cancel).

Orders with execution condition book-or-cancel shall be deleted upon beginning of the call of an auction. This shall also apply provided that an auction is started within a volatility interruption.

3. All orders except Iceberg Orders may be entered subject to one of the following validity specifications:
- valid for the respective Exchange day (“Good-for-Day”)
 - valid until revoked, but no longer than 90 calendar days after entry (“good-till-cancelled”)
 - valid until the end of the specified period (“Good-till-Date”)

Orders which are entered without validity specifications are only valid until the end of the respective Exchange day. Orders which have not or not completely been executed shall be deleted from the Trading System upon expiry of the last validity date. Binding quotes and Iceberg Orders are only valid for the Exchange Day for which they have been entered.

[...]

- (4) Stop-market-orders and stop-limit-orders shall be initiated and executed in the Continuous Auction in the Market-Maker Model on basis of the ~~indicative or binding~~ quotes of the quote provider, and in the Specialist Model on basis of the binding quotes of the Specialist. For stop-loss-orders, the bid side, and for stop-buy-orders, the ask side of the respective ~~indicative or binding~~ quote shall be relevant. The volume of the ~~indicative or binding~~ quote shall not be considered. Initiated stop-market orders and stop-limit orders may be considered in the next price determination.

- (5) In the Midpoint Order Matching, orders may only be entered with the Execution Conditions

- immediate total execution or deletion of order (Fill-or-Kill) and
- immediate execution of order as far as possible and deletion of non-executed part (Immediate-or-Cancel)

Regarding Midpoint Order Matching, only the following validity provisions are admitted:

- valid for the respective Exchange day (Good-for-Day)
- valid until cancelled, however, at maximum 90 calendar days from entry (Good-till-Cancelled)
- valid until expiring date (Good-till-Date).

- (6) Paragraph 1a Number 1 and § 72 Paragraph 5 through 7 shall not apply to the entry of binding quotes.

[...]

§ 75 Existing Orders

- (1) Dividend Payments / Changes of the ISIN or Securities Identification Number/Other Distributions
1. Orders for German shares expire in the event that a dividend payment and other distribution shall be decided upon in the annual general meeting, they expire on the first Exchange Day following the day of the annual general meeting. The day of the annual general meeting shall be the first day for which the annual general meeting was convened in an orderly manner.
 2. Orders for foreign shares expire on the first Exchange Day following the last day on which the shares including the dividend or the right to other distributions were traded at the principal domestic stock exchange.
 3. Orders for Exchange Traded Funds (ETFs) expire in the event of dividend payments and other distributions on the first Exchange Day following the day on which the ETF was traded for the last time, including dividends or the right of other distributions.
 4. The Management Board may determine other cases in which pending orders expire at the time specified in Clause 1 in the event of dividend payments or other distributions provided that such action is necessary to ensure orderly exchange trading. The Management Board shall announce these cases pursuant to Clause 1.

[...]

[...]

Sub-section 5 Specialists

[...]

§ 82 Duties of the Specialists

- (1) In the Specialist Model of Continuous Auction, Specialists shall assume the duties set forth in Paragraph 2 and 3 as well as in § 103 for the trading of structured products and in § 107 for the trading of other securities.
- (2) In case of executable order book situations pursuant to § 69 Paragraph 4 Number 2 and, in ~~cases of single auctions, prior to the entry of the binding quote~~ pursuant to § 88 Paragraph 4 ~~Clause 2~~, Specialists shall provide liquidity by entering binding quotes or orders. Partial executions by the Trading System, in

particular such executions with a volume of less than EUR 500 per order, should be avoided.

[...]

Sub-section 6 Price Determination and Order Execution

[...]

§ 86 Price Determination and Execution of Orders in the Auction

- (1) In the Auction, the price at which the biggest order volume can be executed with minimum overhang shall be determined on basis of the orders existing at a certain point in time (maximum execution principle); unlimited orders shall be executed preferentially (price-time priority).
- (2) The companies shall be informed by the Management Board in the system of the point in time at which the call phase which starts the Auction pursuant to § 68 a Paragraph (2) of the Exchange Rules shall commence. For changes made to entered orders during the call, § 74 Paragraph (2) Clause 43 shall apply accordingly.

[...]

§ 87 Price Determination and Order Execution in Continuous Trading with Intra-Day Auctions

- (1) Continuous Trading with Intra-Day Auctions shall commence with an opening auction, to which the provisions of § 86 apply accordingly with the proviso that unexecuted or partially executed orders shall be transferred to continuous trading unless the execution of said orders is restricted to the auction. If it is not possible to determine an opening price, continuous trading shall commence immediately.
- (2) During continuous trading, the orders which can be executed with one another shall be matched and transactions concluded. The Trading System shall rank the orders initially according to the limit, where an unlimited order has the highest priority. Accordingly, the highest bid limit and/or the lowest offer limit shall be ranked first. In case of unlimited orders and equal limits, the chronological order of entry is determinative; § 74 Paragraph (2) Clause 43 shall apply accordingly. If both visible and Hidden Orders occur with a price, the visible orders shall always be executed at first. Specifically, orders shall be executed according to the following rules:
 1. If limited or market orders are recorded in the order book and if they can be executed with limit orders only, the price shall be determined on the basis of

the respective highest bid limit or lowest offer limit in the order book and the orders executed at this price.

2. If the order book contains only executable market orders and no limit order is entered, the incoming market orders shall be executed at the reference price pursuant to § 92.
3. If the order book contains market and limit orders, incoming market ask orders shall be matched with market bid orders at the reference price determined pursuant to § 92 of the Exchange Rules, or at the highest limit of the executable orders if such limit is lower. Incoming market bid orders shall be matched with the market ask orders contained in the order book at the reference price or at the lowest limit of the executable orders if such limit is lower. Clauses 1 and 2 shall apply accordingly if limit orders are entered and such orders can be executed with unlimited or unlimited and limit orders in the order book.

[...]

§ 88 Price Determination and Execution of Orders in the Continuous Auction

- (1) During the Continuous Auction, the price at which the highest order volume can be executed with a minimum overhang – in the Market-Maker Model, ~~within the indicative quote~~ or corresponding to or within the binding quote of the quote provider, and in the Specialist Model, corresponding to or within the binding quote of the Specialist – shall be determined by the Trading System on basis of the existing orders available until the respectively relevant point in time; unlimited orders shall be executed with priority.

[...]

[...]

Sub-section 7 Special Provisions for the Trading of Structured Products in Continuous Auction

[...]

§ 101 Quotation- and Reporting Duties of the Quote Provider in the Market-Maker Model

- (1) During the trading hours, the quote provider shall permanently enter ~~indicative or~~ binding quotes in the system therefore provided; provided a binding quote has been executed, the next binding quote shall be entered within five minutes.

~~Indicative and b~~Binding quotes may be provided with three decimal places up to a limit of 0.10 units of the respective trading currency. ~~Indicative or binding quotes~~They shall be valid up to a customary volume. ~~The volume of binding quotes must – at least – correspond to the volume of indicative quotes; this shall also apply to separate binding quotes according to § 69 Paragraph 3 Number 2.~~ The quote provider is obligated to conclude transactions for at minimum the indicated volumes within its binding quotes. In case the quote provider is not the issuer of the security for which it provides quotes, it 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 issuer of the security at FWB or vis-à-vis third parties. Separate binding quotes of the quote provider pursuant to § 69 Paragraph 3 Number 2 shall be entered at the latest five seconds after beginning of the call.

[...]

- (5) Quote providers are not obligated to indicate a volume for the ask side of the ~~indicative and binding~~ quotes entered into the Trading System, provided that a security
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.

[...]

§ 102 Quotation- and Reporting Duties of the Quote Provider in the Specialist Model

- (1) The quote provider shall provide at least one indicative quote to the Specialist on each trading day. For indicative quotes and the reporting duty of the quote provider in the Specialist Model, § 101 Paragraph 1 Clause 2 ~~and 3 as well as through 5 and 6,~~ and Paragraph 3 through 7 shall apply accordingly.

[...]

[...]

Article 2 Effective Date of the Exchange Rules

- (1) Article 1 of this Amendment Ordinance shall become effective on 11 July 2011.

The foregoing First Amendment Ordinance of the Exchange Rules for the Frankfurter Wertpapierbörse is hereby executed. Pursuant to the decision of the Exchange Council of the Frankfurter Wertpapierbörse dated 30 June 2011, the Amendment Ordinance shall become effective on 11 July 2011.

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 4 July 2011 (File No: III 8 – 37 d 02.07.02).

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>).

Frankfurt/Main, 7 July 2011

Management Board of Frankfurter Wertpapierbörse

Frank Gerstenschläger

Dr. Roger Müller