

Announcement

of Frankfurter Wertpapierbörse (FWB)

Second Amendment Ordinance to the

Conditions for Transactions on the Frankfurter Wertpapierbörse

On 7 June 2018, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following Second Amendment Ordinance to the Conditions for Transactions on the Frankfurter Wertpapierbörse.

The Second 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/Main, and is available for inspection during the general opening hours. The mentioned Ordinance was laid down on 8 June 2018.

**Second 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 on 7 December 2017**

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

II. Part Performance of Transactions

[...]

§ 6 Compulsory Settlement (Zwangsregulierung)

- (1) If, with respect to a transaction which has directly been entered into between two trading participants, a party has not performed in a timely manner, the non-defaulting party may specify a grace period for performance by registered mail or in writing, return receipt requested, or in another suitable manner, in any case under penalty of Compulsory Settlement. The grace period may elapse no earlier than one-and-a-half hours prior to the commencement of trading on the next Exchange Day if the defaulting party received the letter in his or her offices no later than thirty minutes prior to the commencement of trading or at the FWB no later than thirty minutes after the commencement of trading, in all other cases no earlier than one-and-a-half hours prior to the commencement of trading on the next succeeding Exchange Day. After the futile expiration of the grace period and unless otherwise agreed between the parties, the non-defaulting party is obligated to conduct Compulsory Settlement on the Exchange Day on which the grace period expires.

[...]

[...]

§ 8 Special Cases of Compulsory Settlement

In special cases upon request, ~~a representative of~~ the Management Board may permit Compulsory Settlement to be conducted by the Lead broker becoming a party to the transaction or a purchase or sale on another exchange.

[...]

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 application). 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 ~~31 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 Paragraph ~~31 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).

[...]

§ 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 § 78 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 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 § 71 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 § 123 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
- ~~1.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
 - ~~2.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 lit. 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;
 - 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.

§ 30 Implementation of Transaction Cancellations

If the Management Board cancels transactions, such transactions shall be deleted in the trading system. In case the deletion is not possible any more,

- 1. the Management Board shall, with regard to transactions in securities for which a settlement takes place via Eurex Clearing AG, enter according counter-transactions in the trading system~~Exchange EDP~~;
- 2. the business parties shall – with regard to transactions in securities for which a settlement does not take place via Eurex Clearing AG – be obligated to delete any delivery instructions relating to the settlement of such transactions. If such transactions have already been settled, the business parties are obliged to enter counter transactions.

[...]

Article 2 Effective Date

Article 1 shall become effective on 11 June 2018.

The foregoing Second 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 7 June 2018, the Amendment Ordinance shall become effective on 11 June 2018.

The Second 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, 8 June 2018

Management Board of Frankfurter Wertpapierbörse

Dr. Martin Reck

Dr. Cord Gebhardt