

Announcement
of Frankfurter Wertpapierbörse (FWB)

Fourth Amendment Ordinance to the
Exchange Rules for the Frankfurter Wertpapierbörse

On 1 August 2012, the Exchange Council of the Frankfurter Wertpapierbörse decided on the following Fourth Amendment Ordinance to the Exchange Rules for the Frankfurter Wertpapierbörse.

The Amendment Ordinance shall take effect on 6 August 2012.

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

The Exchange Council of the Frankfurter Wertpapierbörse decided in circular procedures 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 26 June 2012

The Exchange Rules for the Frankfurter Wertpapierbörse in the version dated 28 March 2011, last amended by the Amendment Ordinance dated 26 June 2012, will be amended as follows:

MODIFICATIONS ARE MARKED AS FOLLOWS:
INSERTIONS ARE UNDERLINED
DELETIONS ARE CROSSED OUT

[...]

§ 1 Definitions

[...]	
Model	Market-Maker Model and/or Specialist Model
<u>One-cancels-other Orders</u>	<u>Combined orders consisting of a limit order and a stop order provided that the order whose limit or stop limit is reached first is executed first; the excluded order is deleted at the time of execution. The following order combinations are possible:</u> <u>- sell limit order with a sell stop market order</u> <u>- sell limit order with a sell stop limit order</u> <u>- buy limit order with a buy stop market order</u>

	<p><u>buy limit order with a buy stop limit order</u></p> <p><u>In case of a partial execution of the limit order, the limit order with the non-executed volume remains in the order book and the volume of the stop order is adjusted accordingly.</u></p> <p><u>In case of a partial execution of a market order or limit order, such market order or limit order having resulted from a triggered stop order, the order with the non-executed volume remains in the order book.</u></p>
Order Situation	All valid orders which are available in the order book at a certain point in time
Organized Market	A multilateral system recognized, regulated and supervised by national authorities operated or managed at home, in another member state of the European Union or another contractual state of the Treaty on the European Economic Area. Such market brings together or supports approach of the interests of numerous persons regarding purchase and sale of financial instruments admitted to trading in said states, within the system and pursuant to determined provisions, with the result of an agreement on purchase of these financial instruments
<u>Reference</u>	<u>In continuous trading with intraday auctions, the last determined price, and in the continuous auction the revenue-weighted, indicative quote of the Specialist, such quote being the quote which was entered last.</u>
Reference Market	Organized market or a respective market in a non-EU country on which the most liquid trading in the respective security takes place.
Session	Technical connection between the Participant Trading System and the Exchange EDP
Spread	Absolute or relative difference between a bid- and ask side
<u>Stop Limit</u>	<u>Price limit at which a stop order, a stop order of a one-cancels-other order, or a trailing stop order is to be triggered and/or executed according to the respective requirements in the Exchange Rules</u>

Stop-Limit Orders	Buy- or Sell orders which are entered as limit orders into the order book upon reaching or exceeding/undergoing a certain price <u>Stop Limit</u>
Stop-Market Orders	Buy- or Sell orders which are entered as unlimited orders into the order book upon reaching or exceeding/undergoing a certain price <u>Stop Limit</u>
<u>Stop Orders</u>	<u>Stop Limit Orders or Stop Market Orders</u>
Strike Match Limit	Minimum buy price with regard to a limit buy order or market buy order or maximum sell price with regard to a limit sell order or market sell order
[...]	
Trailing Stop Orders	<p><u>Stop orders with a specified dynamic stop limit.</u></p> <p><u>A margin with respect to the reference, expressed as an absolute value or as a percentage, and/or a stop limit may be entered as the dynamic stop limit.</u></p> <p><u>If a stop limit and an absolute or percentage margin are entered simultaneously, the trading system calculates the initial dynamic stop limit according to the following criteria:</u></p> <ul style="list-style-type: none">- <u>If the difference between the reference and the stop limit is greater than the entered percentage or absolute margin, the initial dynamic stop limit is, in case of a sell trailing stop order, calculated by subtracting the reference and the absolute or percentage difference; or, in case of a buy trailing stop order, by adding the reference to the absolute or percentage margin.</u>- <u>If the difference between the reference and the stop limit is less than the entered percentage or absolute margin, the stop limit equals the initial dynamic stop limit.</u> <p><u>If nothing but a stop limit is entered as the dynamic stop limit, adjustment takes place according to the</u></p>

	<p><u>absolute difference with respect to the reference.</u></p> <p><u>From the time of the entry of the order into the order book, the trading system continually checks the dynamic stop limit against the reference.</u></p> <p><u>In case the trailing stop order can be triggered immediately at the time the order is entered into the order book due to the entered stop limit, the trading system, in derogation from Clause 3 and 4, shall exclusively use the stop limit as the initial dynamic stop limit.</u></p> <p><u>If the reference increases - in case of a sell trailing stop order -, the trading system automatically adjusts the dynamic stop limit to fit the requirements. If the reference decreases, the dynamic stop limit remains unchanged. If the reference reaches or falls below the dynamic stop limit, the trailing stop order is triggered.</u></p> <p><u>If the reference decreases - in case of a buy trailing stop order -, the trading system automatically adjusts the dynamic stop limit to fit the requirements. If the reference increases, the dynamic stop limit remains unchanged. If the reference reaches or exceeds the dynamic stop limit, the trailing stop order is triggered.</u></p>
Volume	Lot size or nominal amount

[...]

Section VII Securities Transactions

Sub-section 1 Trading Models and Trading Periods

[...]

§ 67 Continuous Trading with Intra-Day Auctions

- (1) If a security is traded in Continuous Trading with Intra-Day Auctions, market orders, limit orders, market-to-limit orders, stop-market orders, stop-limit orders, one-cancels-other orders, trailing stop orders and Iceberg Orders may be entered. Orders in shares,

certificates representing shares, ETFs and ETCs may also be entered as Hidden Order.

[...]

- (5) During continuous trading, the prices are accomplished pursuant to § 87. The limits, the accumulated order volumes and the number of orders per limit are displayed (open order book). Hidden Orders are not disclosed in the order book.

Independent of the dynamic stop limit, the sell trailing stop order is entered into the order book with the highest possible limit for the concerned security; the buy trailing stop order is entered with a limit corresponding to the smallest tick size in the concerned security. In case of a sell trailing stop order, the trading system changes the limit order entered into the order book into a market order upon reaching or falling below the dynamic stop limit; in case of a buy trailing stop order, such change takes place upon reaching or exceeding the dynamic stop limit. § 74 Paragraph 2 Clause 5 shall apply accordingly.

In the case of a one-cancels-other order, only the limit order is entered into the order book. In case the stop order is triggered upon reaching, exceeding or falling below the stop limit, the limit of the limit order which is displayed in the order book is adjusted to the limit of the stop limit order, or the limit order is changed into a market order. § 74 Paragraph 2 Clause 5 shall apply accordingly.

[...]

[...]

§ 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. Orders in the Specialist Model may also be entered as one-cancels-other orders and trailing stop orders. § 67 Paragraph 5 Clause 4 to 9 shall apply accordingly.

[...]

[...]

Sub-section 2 Entry of Orders

§ 72 Orders in the Trading System

[...]

- (5) In case of stop-limit orders, ~~and stop-market orders~~, stop orders of one-cancels-other orders and in case of trailing stop orders ~~other orders may the triggering event executed~~ after reaching or exceeding/undergoing the stop limits until execution of these orders by the Trading System. Prices accomplished in Midpoint Order Matching as well as during the Xetra Best Services do not result in an entry of such orders in the order book.
- (6) Market-to-limit orders may only be entered during continuous trading, if limited orders exist on the opposite side of the order book. During the Auction, market-to-limit orders may also be entered if unlimited orders exist on the opposite side of the order book. In the market compensation phase, no market-to-limit orders may be entered. In case an order is not executed during an auction, such order shall be entered into the order book with a limit according to the price of this auction.
- (7) In case of Iceberg Orders, the Management Board shall for each security determine the minimum total volume (Minimum Overall Quantity) of such order and the minimum partial volume to be respectively entered in the order book (Minimum Peak Quantity).
- (8) Hidden Orders in shares which are admitted to an organized market, have a big volume if, according to the provisions of the regulation (EG) No. 1287/2006 of the Commission of 10 August 2006, the order is classified as order with big volume. Concerning all other securities, the Management Board shall define the prerequisites for occurrence of a big volume.
- (9) One-cancels-other orders und trailing s-Stop orders may not be entered in shares or certificates representing shares.

§ 73 Execution Conditions, Validity Specifications and Trading Restrictions

[...]

- (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 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 binding quote shall be relevant. The volume of the binding quote shall not be considered. In the Specialist Model, trailing stop orders and stop orders of one-cancels-other orders are triggered based on the revenue-weighted, indicative quote of the Specialist. In the case of a sell trailing stop order and a stop order of the sell one-cancels-other order, the bid side of the revenue-weighted, indicative is decisive; in case of a buy trailing stop order and a stop order of a buy one-cancels-other order, the ask side is decisive.

In continuous trading with intraday auctions, stop market orders and stop limit orders are triggered and executed, and trailing stop orders and stop orders of one-cancels-other orders are triggered based on a price.

Initiated stop-market orders, and stop-limit orders, trailing stop orders as well as separated stop -orders of the one-cancels-other orders may be considered in the next price determination.

[...]

§ 74 Recording and Administration of Orders in the Trading System

[...]

- (6) In case of a complete or partial technical interruption of the operation of the Exchange EDP, orders and quotes in the order books of the Trading System affected by the interruption shall be deleted, provided that all trading participants are affected by such interruption. This shall not apply to orders which have been entered as persistent orders and indicative and binding quotes of the quote providers during Continuous Auction. In Continuous Auction, in midpoint order matching, in case of stop-market orders, ~~and~~ of stop-limit orders, of one-cancels-other orders and trailing stop orders only persistent orders can be entered. Provided the trading pursuant to § **Error!** **Reference source not found.** Paragraph 2 is interrupted, all orders

and quotes are deleted. The companies shall electronically be informed about the deletion. Clause 1 to 5 shall apply from 8 June 2009.

[...]

Sub-section 5 Spezialisten

§ 80 Commissioning and Monitoring of the Specialists

[...]

- (5) The limit control system pursuant to Paragraph 2 Clause 3 Number 2 shall permanently verify the existence orders in the order book as well as their executability. The system shall fulfil the following minimum requirements:
1. Permanent monitoring of all orders incoming and existing in the order book (market orders, limit-orders, stop limit orders and stop market orders) with regard to their executability within the indicative quote of the Specialist, within the order book or, in trading pursuant to the provisions of the seventh sub-part, within the indicative quote of the quote provider.
 2. Immediate indication of executability of orders (market- and limit orders) in the order book against the indicative quote of the Specialist, against other orders or, in trading pursuant to the provisions of the seventh sub-part, within the indicative quote of the quote provider.
 3. Immediate indication of stop-loss orders upon reaching the bid side of the indicative quote of the quote provider or the indicative quote of the Specialist as well as immediate indication of stop-buy orders upon reaching of the ask side of the indicative quote of the quote provider or the indicative quote of the Specialist. Clause 1 does not apply to stop orders of one-cancels-other orders or to trailing stop orders.
 4. Documentation of all orders not entered for the single auction according to § 88 Paragraph 4 which have not been executed by the Trading System within a certain time frame because the Specialist, in spite of an executable order book situation obvious to him, has not entered a binding quote according to § 69 Paragraph 4 Number 2 Clause 1.

[...]

Sub-section 6 Price Determination and Order Execution

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

[...]

- (6) If, at the end of the call phase of a closing auction, no price according to § 86 is determined, the mean value from the best bid- and ask limit is determined as assessment price without dealings for securities specified by the Management Board; in publication, such securities shall be indicated by the turnover “zero”. Hidden Orders shall not be considered when calculating the assessment price without dealings. The assessment price without dealings shall be within the Dynamic Price Range and within the Static Price Range. In deviation to Sentence 3, the assessment price without dealings may be outside the Dynamic Price Range and outside the Static Price Range if a Designated Sponsor has placed a binding quote during the closing auction. The assessment price without dealings does not cause stop-market- and stop-limit orders as well as stop orders of one-cancels-other orders and trailing stop orders.

[...]

Article 2 Effective Date

Article 1 of this Amendment Ordinance shall become effective on 6 August 2012.

The foregoing Fourth 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 1 August 2012, the Amendment Ordinance shall become effective on 6 August 2012.

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 2 August 2012 (File No: III 8 – 37 d 02.07.02#007).

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.deutscheboerse.com>).

Frankfurt/Main, 2 August 2012

Management Board of the Frankfurter Wertpapierbörse

Rainer Riess

Dr. Cord Gebhardt