

# Exchange Rules of Börse Berlin

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Part 1	Organisation	7
Chapter 1.	General Provisions .....	7
Article 1	Areas of Business	7
Article 2	Price fixing process	7
Article 3	Market Operator	7
Article 4	Exchange Supervisory Authority	7
Chapter 2.	Exchange Bodies.....	7
Article 5	Exchange Bodies	7
Article 6	Duties and Responsibilities of the Exchange Council	7
Article 7	Composition, Election and Term of Office	7
Article 8	Exchange Management, Representation	8
Article 9	Authority of the Management Board	8
Article 10	Market Surveillance	8
Article 11	Disciplinary committee	8
Part 2	Admission to Participation in Exchange Trading	8
Chapter 1.	Participatin in Exchange Trading.....	8
Article 12	Application for Admission	8
Article 13	Trading Participants	9
Article 13 a	Technical Facilities	9
Article 14	Admission of Exchange Traders	10
Article 15	Reliability	10
Article 16	Professional Suitability	10
Article 17	Evidence of the Conditions for Admission	11
Article 18	Termination, Withdrawal, Revocation and Suspension of the Admission	11
Article 19	Admission to the Exchange Premises	12
Chapter 2.	Direct Electronic Access.....	12
Article 19 a	Direct Electronic Access (DEA)	12
Article 19 b	Sponsored Access	13
Article 19 c	Liability of orders and transactions	13
Article 19 d	Requirements to offer DEA services, Flagging of DEA-orders	13
Article 19 e	Actions in case of violations	13
Part 3	Lead Brokers in Floor Trading	14
Article 20	Determination of Exchange Price	14
Article 21	Obligations of the Lead Broker	14
Chapter 1.	Admission of Lead Brokers, Allocation of Order Books.....	14
Article 22	Admission of Lead Brokers	14
Article 23	Technical Equipment of the Lead Broker	14
Article 24	Revocation, Withdrawal and Suspension of Lead Broker Admission	15

Article 25	Allocation of order books	15
Article 26	Addenda and Information to prices	15
Chapter 2.	Remuneration for Lead Brokers .....	16
Article 27	Remuneration for Lead Brokers	16
Article 28	Remuneration Creditor	17
Article 29	Remuneration Debtor	17
Article 30	Amount of remuneration	17
Article 31	Remunerations for shares, rights issues, warrants and other unit-quoted instruments	17
Article 32	Remunerations for fixed-income instruments, zero-coupon bonds and participation certificates	17
Chapter 3.	Security .....	19
Article 33	Security, Security coverage	19
Article 34	Supervision of the Security Coverage	19
Article 35	Measures in the Event of Security Limits Being Exceeded	19
Article 36	Use of Security Deposit	19
Part 4	Electronic Trading Equiduct	20
Article 37	Determination of Exchange Prices	20
Article 38	Market Maker Obligation	20
Article 39	Liquidity Provider Obligation	20
Article 40	Admission as Market Maker	20
Article 41	Admission as Liquidity Provider	21
Article 42	Application for Admission as Market Maker and Liquidity Provider	21
Article 43	Exemption from the obligation to quote	21
Article 44	Exemption from the obligation to execute orders at the VBBO	22
Article 45	Ban on anticompetitive behaviour; Avoidance of conflict of interest, Ban on benefits	22
Article 46	Revocation and Withdrawal of the Admission, Temporary exclusion from Market Making	22
Article 47	Deregistration as Market Maker or Liquidity Provider	22
Article 48	Addenda to prices fixed	22
Part 5	Listing and Trading of Instruments in the regulated market, Procedure	23
Article 49	Conditions for Admission Listing on the Regulated Market, Procedures, Applications	23
Article 50	Trading of instruments in the regulated market	23
Article 51	Revocation of the Admission	23
Article 52	Introduction to Trading	23
Part 6	Open Market, Berlin Second Regulated Market	23
Article 53	Open Market	23
Article 54	Berlin Second Regulated Market	24
Part 7	Measures to ensure orderly trading	24
Article 55	Flagging of orders created by algorithmic trading	24
Article 55 a	Suspension, Termination and Halting of Trading	24

Article 55 b	Order-Trade-Ratio	25
Art. 55c	Cancellation, Amendment and Correction of Trades	25
Art. 55 d	Tick size	25
Part 8	Transparency Requirements	25
Article 56	Pre-Trade Transparency in Floor Trading	25
Article 57	Pre-Trade Transparency in electronic trading	26
Article 58	Publication of Exchange Prices and Turnover	26
Article 59	Evaluation of Trading Data and Information	26
Part 9	Clearing and Settlement, external clearing systems	26
Article 60	Clearing and Settlements in Floor Trading	26
Article 61	Clearing and Settlement in electronic trading	27
Part 10	Final Provisions	27
Article 62	Effective Date	27
Part 1	Organisation	5
Chapter 1.	General Provisions .....	5
Article 1	Areas of Business	5
Article 2	Price fixing process	5
Article 3	Market Operator	5
Article 4	Exchange Supervisory Authority	5
Chapter 2.	Exchange Bodies.....	5
Article 5	Exchange Bodies	5
Article 6	Duties and Responsibilities of the Exchange Council	5
Article 7	Composition, Election and Term of Office	5
Article 8	Exchange Management, Representation	6
Article 9	Authority of the Management Board	6
Article 10	Market Surveillance	6
Article 11	Disciplinary committee	6
Part 2	Admission to Participation in Exchange Trading	6
Chapter 1.	Participatin in Exchange Trading.....	6
Article 12	Application for Admission	6
Article 13	Trading Participants	6
Article 14	Admission of Exchange Traders	7
Article 15	Reliability	7
Article 16	Professional Suitability	8
Article 17	Evidence of the Conditions for Admission	8
Article 18	Termination, Withdrawal, Revocation and Suspension of the Admission	8
Article 19	Admission to the Exchange Premises	9
Chapter 2.	Direct Market Access, Sponsored Access.....	10

Article 19 a – Direct Market Access	10
Article 19 b – Sponsored Access	10
Article 19 c – Liability of orders and transactions	10
Article 19 d – Approval of the Management Board	10
Article 19 e – Requirements for the Member	10
Article 19 f – Requirements for the clients	10
Art. 19 g – Transitional Rule	10
Part 3 – Lead Brokers in Floor Trading	10
Article 20 – Determination of Exchange Price	10
Article 21 – Obligations of the Lead Broker	11
Chapter 1. – Admission of Lead Brokers, Allocation of Order Books	11
Article 22 – Admission of Lead Brokers	11
Article 23 – Technical Equipment of the Lead Broker	11
Article 24 – Revocation, Withdrawal and Suspension of Lead Broker Admission	11
Article 25 – Allocation of order books	12
Article 26 – Addenda and Information to prices	12
Chapter 2. – Remuneration for Lead Brokers	13
Article 27 – Remuneration for Lead Brokers	13
Article 28 – Remuneration Creditor	13
Article 29 – Remuneration Debtor	13
Article 30 – Amount of remuneration	13
Article 31 – Remunerations for shares, rights issues, warrants and other unit quoted instruments	13
Article 32 – Remunerations for fixed income instruments, zero-coupon bonds and participation certificates	14
Chapter 3. – Security	15
Article 33 – Security, Security coverage	15
Article 34 – Supervision of the Security Coverage	16
Article 35 – Measures in the Event of Security Limits Being Exceeded	16
Article 36 – Use of Security Deposit	16
Part 4 – Electronic Trading Equiduct	16
Article 37 – Determination of Exchange Prices	16
Article 38 – Market Maker Obligation	16
Article 39 – Liquidity Provider Obligation	17
Article 40 – Admission as Market Maker	17
Article 41 – Admission as Liquidity Provider	17
Article 42 – Application for Admission as Market Maker and Liquidity Provider	17
Article 43 – Exemption from the obligation to quote	18
Article 44 – Exemption from the obligation to execute orders at the VBBO	18
Article 45 – Ban on anticompetitive behaviour; Avoidance of conflict of interest, Ban on benefits	18

Article 46	Revocation and Withdrawal of the Admission, Temporary exclusion from Market Making	18
Article 47	Deregistration as Market Maker or Liquidity Provider	18
Article 48	Addenda to prices fixed	18
Part 5	Listing and Trading of Instruments in the regulated market, Procedure	19
Article 49	Conditions for Admission Listing on the Regulated Market, Procedures, Applications	19
Article 50	Trading of instruments in the regulated market	19
Article 51	Revocation of the Admission	19
Article 52	Introduction to Trading	19
Part 6	Open Market, Berlin Second Regulated Market	20
Article 53	Open Market	20
Article 54	Berlin Second Regulated Market	20
Part 7	Measures to ensure orderly trading	20
Article 55	Flagging of orders created by algorithmic trading	20
Article 55 a	Suspension, Termination and Halting of Trading	20
Article 55 b	Order-Trade-Ratio	21
Part 8	Transparency Requirements	21
Article 56	Pre-Trade Transparency for shares and certificates representing shares in Floor Trading	21
Article 57	Pre-Trade Transparency for shares and certificates representing shares in electronic trading	21
Article 58	Publication of Exchange Prices and Turnover in electronic trading	21
Article 59	Evaluation of Trading Data and Information	21
Part 9	Clearing and Settlement, external clearing systems	21
Article 60	Clearing and Settlements in Floor Trading	21
Article 61	Clearing and Settlement in electronic trading	22
Part 10	Final Provisions	22
Article 62	Effective Date	22

## Part 1 Organisation

### Chapter 1. General Provisions

#### Article 1 Areas of Business

- (1) Börse Berlin provides a forum for effecting transactions in financial instruments within the meaning of Art. 2 (1) of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) and derivatives-derivative transaction within the meaning of Art. 2 (~~23~~) of the German Securities Trading Act (~~Wertpapierhandelsgesetz, WpHG~~), as well as other financial instruments within the meaning of Art. 2 (~~2-b4~~) of the Securities Trading Act and in precious metals.
- (2) If fulfilling the requirements of Art.23 of the German Exchange Act, the Management Board may permit the use of the Exchange facilities for business activities other than those specified in (1). This shall be communicated to the Trading Participants in a suitable manner.

#### Article 2 Price fixing process

- (1) The execution of transactions and the determination of prices in the instruments mentioned in the Art. 1 (1) above may be performed by companies admitted for the determination of Exchange Prices (lead brokers) and/or as well as in Electronic Trading.
- (2) The Management Board determines the type of price determination (price determination process) taking into consideration the requirements of trading these instruments, the protection of investors and orderly Exchange Trading. The Management Board may stipulate that price determination be performed by the lead broker as well as in Electronic Trading.
- (3) The Management Board can require Floor Trading for the fixing of Exchange Prices by lead broker for sound reasons. There is no entitlement to conduct Floor Trading.
- (4) More detailed provisions are set forth in the Terms and Conditions for Floor Trading on the Börse Berlin and in the Terms and Conditions for electronic trading on Börse Berlin.

#### Article 3 Market Operator

The Market Operator of the Börse Berlin is Börse Berlin AG.

#### Article 4 Exchange Supervisory Authority

The Senate Department for Economics, ~~Technology and Research~~Energy and Public Enterprises of the State of Berlin (Exchange Supervisory Authority, Börsenaufsichtsbehörde) shall be responsible for supervising the operations of Börse Berlin.

### Chapter 2. Exchange Bodies

#### Article 5 Exchange Bodies

The Exchange Council, the Management Board, Market Surveillance and the Disciplinary Committee are bodies of the Exchange.

#### Article 6 Duties and Responsibilities of the Exchange Council

The Exchange Council enacts the regulations for the Exchange and appoints the Management Board as well as the head of Market Surveillance. More detailed provisions are set forth in Art. 12 (2) of the German Exchange Act.

#### Article 7 Composition, Election and Term of Office

More detailed provisions about the composition and the election of the members of the Exchange Council as well as the term of office of its member are stipulated in Art. 13 of the German Exchange Act in conjunction with the Ordinance on the Election of the Exchange Council and the establishing of a Penalty Board on the exchanges in Berlin (Verordnung über die Wahl des Börsenrates und die Errichtung eines Sanktionsausschusses an den

Börsen in Berlin – BörsenratswahlVO) enacted by the Senate Department for Economics, Technology and Women's Issues on October 12th, 2010 in its current wording.

## Article 8 Exchange Management, Representation

- (1) The Management Board shall manage the Börse Berlin on its own responsibility. The Management Board is responsible for all tasks that are not expressly assigned to other bodies of the Exchange. The Management Board may delegate certain responsibilities to other persons.
- (2) Börse Berlin shall be represented in court and out of court by the Management Board, unless the Market Operator is responsible. The Management Board may also entrust third persons with the representation in individual cases.
- (3) If only one Member of the Management Board is appointed, he represents the Exchange solely. If several Members are appointed, at least two represent the Exchange jointly. The Exchange Council may appoint individual members of the Management Board as sole representative. Such decision has to be made public pursuant to (4) below.
- (4) Publications of the Management Board will be made on the web-site [www.boerse-berlin.de](http://www.boerse-berlin.de).
- (5) The Management Board is located in Berlin

## Article 9 Authority of the Management Board

- (1) The persons and companies admitted to Exchange Trading, and if Floor Trading takes place, the persons and companies authorized to visit the Exchange's premises must comply with the instructions issued by of the Management Board or its authorized representatives [in accordance with Art. 15 \(4\) of the German Exchange Act](#).
- (2) In order to fulfil its duty to monitor market participants who transmit orders to the Exchange solely by means of electronic data processing or who participate in Exchange Trading by means of the Electronic Trading System only, the Management Board may avail itself of the services of the Market Operator or of third parties, who must ensure that they may demand information and evidence from the participant to the extent that this serves the purpose of fulfilling the monitoring function at any time and in a suitable manner, in particular through an agreement with the participant.

## Article 10 Market Surveillance

Market Surveillance monitors trading on the Exchange and the clearing and settlement of Exchange transactions. More detailed provisions are set forth in Art. 7 of the German Exchange Act.

## Article 11 Disciplinary committee

Where Trading Participants or issuers are in violation of exchange regulations, the Disciplinary Committee may be applied to. [More detailed provisions about establishing the Disciplinary Committee, its composition and the proceedings are stipulated in the Ordinance on the Election of the Exchange Council and the establishing of a Penalty Board on the exchanges in Berlin \(Verordnung über die Wahl des Börsenrates und die Errichtung eines Sanktionsausschusses an den Börsen in Berlin – BörsenratswahlVO\) enacted by the Senate Department for Economics, Technology and Women's Issues on October 12th, 2010 in accordance with Art. 22 of the German Exchange Act in its current wording. More detailed provisions are stipulated in the Ordinance on the Election of the Exchange Council and the establishing of a Penalty Board on the exchanges in Berlin.](#)

## Part 2 Admission to Participation in Exchange Trading

### Chapter 1. Participatin in Exchange Trading

## Article 12 Application for Admission

- (1) Admission is required for participation in Exchange Trading in the Electronic Trading System and in Floor Trading each; the Management Board decides on admission upon written application.



- (2) When admission is granted by the Management Board, the applicant is authorized to participate in Exchange Trading by way of Floor Trading or in the Electronic Trading System respectively.

## Article 13 Trading Participants

- (1) Admission to participate in Exchange Trading shall only be granted to those that fulfil the requirements of Art. 19 (2) 1<sup>st</sup> sentence of the German Exchange Act. ~~Applicants shall have the required technical facilities to connect to the Trading Systems; they must ensure their availability at any time during trading hours.~~
- (2) Companies that are admitted to trading on an Exchange in Germany or on a regulated market (regulated Market in terms of Art. 4 Sect. 1 Nr. ~~14-21~~ of the Directive 200~~14~~/~~3965~~/EGU of the European Parliament and of the Council of ~~21 April 2004~~~~15 May 2014~~ on markets in financial instruments) in another Member Country of the European Union or in a Treaty State of the European Economic Area, and if the Admission Rules of the respective market are comparable to the mentioned provisions of the German Exchange Act (Börsengesetz, BörsG) may be admitted without proof of the admission requirements pursuant to Art. 19 (4) first sentence No. 1, 3 and 4 of the German Exchange Act. The "regulated markets" pursuant to Clause 1 shall be defined and made public by the Management Board.
- (3) Companies with a registered office outside the Member Countries of the European Union or other Treaty States of the European Economic Area, even though complying with the requirements of (1) above, may only be admitted if exchange of information and trade reporting pursuant to Art. ~~922~~ of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) are ensured for the purposes of supervision of the prevention of insider-trading and market manipulation.
- (4) An applicant, who wants to participate in Exchange Trading on Börse Berlin from abroad must allow for all his technical facilities that are operated abroad and the Trading Participants' use of the same to be examined pursuant to these Exchange Rules and the Terms and Conditions for Floor Trading or the ~~Terms and Conditions~~~~Trading Rules~~ for Electronic Trading respectively. The applicant shall name a delivery agent in Germany, who shall receive mail addressed to the applicant or to persons who work for the applicant abroad.
- (5) Subsidiary offices of an admitted company may be admitted as independent Exchange participants upon written application.
- (6) Admission to participate in Electronic Trading is limited to the Trading Segment in terms of Art. 61 (2) below for which the participant fulfils the requirements pursuant to Art. 19 (4) S. 1 Nr. 2 Exchange Act.

## Article 13 a Technical Facilities

- (1) Applicants and admitted members shall have the required technical facilities to connect to the Trading Systems. They must ensure their availability at any time during trading hours.
- (2) Business clocks used by applicants and admitted members must comply with Commission Delegated Regulation (EU) 2017-574 of 07 June 2016<sup>1</sup>.
- (3) Applicants and admitted members shall test their algorithmic trading systems which will be used to trade on Börse Berlin in accordance with Chapter 2 Section 1 of Commission Delegated Regulation (EU) 2017-589 of 19 July 2016<sup>2</sup> and review annually in accordance with Section 2 thereof.
- (4) Additionally, the technical facilities and algorithmic trading systems shall be tested in accordance with Art. 9 and 10 of Commission Delegated Regulation (EU) 2017-584 of 14 July 2016<sup>3</sup>. By using a new or

<sup>1</sup> Commission Delegated Regulation (EU) 2017-574 of 07 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the level of accuracy of business clocks; formerly RTS 25

<sup>2</sup> Commission Delegated Regulation (EU) 2017-589 of 19 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the organisational requirements of investment firms engaged in algorithmic trading; formerly RTS 6

<sup>3</sup> Commission Delegated Regulation (EU) 2017-584 of 14 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying organisational requirements of trading venues; formerly RTS 7

substantially updated algorithmic trading system the member declares that this system has passed all tests required.

(5) The algorithmic trading systems of the applicants and the admitted members must comply with the requirements of Chapter 2 Section 3 of Commission Delegated Regulation (EU) 2017-589 of 19 July 2016<sup>4</sup>.

(6) Börse Berlin does not offer co-location services. Their service provider will adhere to the requirements of Commission Delegated Regulation (EU) 2017-573 of 06 June 2016<sup>5</sup>.

#### Article 14 Admission of Exchange Traders

- (1) The application of a company for admission to Floor Trading or Electronic Trading must mention the persons that shall be admitted to conclude Exchange transactions in Floor Trading or in electronic trading for the company (Exchange Traders). The application for admission of additional exchange trade is allowed at any time.
- (2) The application for admission as Exchange Trader must be filed in writing by the company together with the person in question. All evidence required for examination of the requirements for the admission must be delivered with the application.
- (3) Exchange Traders shall be admitted if they are of good repute and have the necessary professional qualification. They may be admitted on behalf of one trading participant only.

#### Article 15 Reliability

- (1) A person is deemed of good repute if he offers a guarantee of an orderly participation in Exchange Trading or of an orderly Exchange Trader activity respectively in the future. As evidence of reliability the following documentation must be attached to the application:
  1. An uninterrupted signed curriculum vitae that provides all given names, former names, date of birth, place of birth and citizenship of the persons mentioned in Art. 19 (4) No. 1 of the German Exchange Act or the Exchange Traders respectively.
  2. a declaration by the applicant,
    - a) whether he is involved in preliminary investigations by the public prosecutor or charged with an offences pursuant to Art. 261, 263, 263 a, 264 a, 265 b to 271, 274, 283 to 283 d, 299 or 300 of the German Criminal Code (Strafgesetzbuch, StGB) or with offences pursuant to the German Banking Act (Kreditwesengesetz, KWG), the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), the German Exchange Act (Börsengesetz, BörsG), the German Securities Deposit Act (Depotgesetz, DepotG), the German Money Laundering Act (Geldwäschegesetz, GWG) or the German Investment Act (Investmentgesetz, InvG), in their relevant version each.
    - b) whether he was sentenced for such an offence or if a penalty fine was issued or whether proceedings were dismissed subject to conditions or instructions,
    - c) whether the person, any company managed by the person or a company in which the person has a direct or indirect majority holding filed a petition in bankruptcy or a comparable proceeding or whether the person or any of the companies mentioned above are over indebted, illiquid or are in financial difficulties.
- (2) The Management Board is entitled to demand further evidence.

#### Article 16 Professional Suitability

- (1) Persons mentioned in Art. 19 (4) No. 1 of the Exchange Act shall be deemed professionally suitable if

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<sup>4</sup> See footnote 2

<sup>5</sup> Commission Delegated Regulation (EU) 2017-573 of 06 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on requirements to ensure fair and non-discriminatory co-location services and fee structures; formerly RTS 10

evidence of a professional qualification is provided that qualifies for the securities business on exchanges.

- (2) Exchange Traders shall be deemed professionally suitable if evidence of a professional qualification is provided that qualifies for the securities business on Exchanges and demonstrates the technical knowledge as well as practical experience. Exchange traders must have knowledge of the Rules of Börse Berlin governing the trading they are to participate in.
- (3) In particular, the passing of an examination before the Board of Examiners of an Exchange in Germany or on a regulated market (regulated Market in terms of Art. 4 Sect. 1 Nr. ~~1421~~ of the Directive 20014/~~3965~~/EEU of the European Parliament and of the Council of ~~21 April 2004~~ 15 May 2014 on markets in financial instruments) in another Member Country of the European Union or in a Treaty State of the European Economic Area or a Member of the World Federation of Exchanges shall constitute such evidence. If the examination was passed more than two years ago, the expertise may be tested.
- (4) Evidence of practical experience shall be demonstrated by:
  1. successful participation in a system training scheme,
  2. participation in trading on an Exchange or a multilateral trading system for a period of at least six months during the last two years or
  3. any other form deemed suitable by the Management Board.

## Article 17 Evidence of the Conditions for Admission

- (1) Evidence of fulfilment of the conditions must be furnished by the applicant. The Management Board shall satisfy itself in an appropriate manner that the necessary conditions are met. Notwithstanding the applicant's duty to provide evidence, the Management Board may, according to its best judgment, either itself or through a Board of Examiners undertake a pertinent examination of the applicant at the applicant's expense. It may require the applicant to submit such statements and documents as it may deem appropriate and may request information from third parties, whereby the applicant must be given prior notice of such request.
- (2) After the granting of the admission, the trading participant and the Exchange Trader shall be required to notify the Management Board without delay of any changes of a factual or legal nature which could cause the conditions for admission to lapse; (1) Clauses 2 and 3 shall apply accordingly. In particular, they as well as the persons mentioned in Art. 19 (4) No. 1 of the German Exchange Act shall inform the Management Board if they obtain knowledge of any proceeding pursuant to Art. 16 (1) Clause 2 No. 2 above. Trading participants shall further inform the Management Board about any change of the persons mentioned in Art. 19 (4) No. 1 of the German Exchange Act.

## Article 18 Termination, Withdrawal, Revocation and Suspension of the Admission

- (1) Notwithstanding the obligations to pay the fees that are due, the admission of a company shall terminate upon it giving written notice to the Management Board. The period of notice shall be a term of two weeks before the end of the month.
- (2) The Management Board may withdraw the admission to participate in exchange trading and as Exchange Trader if any of the conditions set forth in these Exchange Rules were not satisfied at the time admission was granted. It may revoke the admission if any of these conditions ceases to be satisfied later. This applies especially in case of a severe or repeated violations of the German Exchange Act or the Rules of Börse Berlin.
- (3) To investigate whether any of the circumstances referred to in (2) above exists, the Management Board may demand that the trading participants, the persons mentioned in Art. 19 (4) No. 1 of the German Exchange Act and/or as well as the Exchange Traders provide the necessary information and evidence.
- (4) Should information arise in proceedings before the Disciplinary Committee (Sanktionsausschuss) (Art. 11 above) which justifies the withdrawal or revocation of the admission, the proceedings shall be transferred to the Management Board. The Management Board is authorised, at any stage of the proceedings, to request a report from the Disciplinary Committee and to take over the proceedings. If the Management Board has taken proceedings over and determines that the withdrawal or revocation of admission is not necessary, it

shall remand the proceedings to the Disciplinary Committee.

- (5) If a justified suspicion exists that any of the conditions specified in these Exchange Rules was not satisfied or has later ceased to be satisfied, the Management Board may order the suspension of the admission for a maximum period of six months. This is especially applicable in case of a reasonable suspicion of a violation of the German Exchange Act or the Rules of Börse Berlin.
- (6) The suspension of the admission may also be ordered for the duration of any default in payment of any fees due as well as in electronic trading for the duration of any default of payment of fees resulting from the Participant Agreement.
- (6a) Further, the Management Board may suspend the admission to trading for six months at the longest where a trading participant exceeds the order-trade-ratio in terms of Art. 55 b below. If a trading Participant exceeds the order-trade -ratio repeatedly, the Management Borad may revoke the admission.
- (7) In the case of participants with a registered office in a state which is not a Member of the European Union or of the European Economic Area, the Management Board may order that the admission be suspended for up to six months or revoked entirely if it appears that the fulfilment of the reporting obligations pursuant to Art. 922 of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) or the exchange of information with the competent authorities in that state for the purpose of monitoring compliance with the prohibition of insider transactions or with the prohibition of price and market manipulation is not assured.
- (8) The admission of an Exchange Trader is suspended for as long as the admission of the company for which he or she is admitted as Exchange Trader is suspended. It is terminated upon the cancellation of the admission of that company, upon written declaration of the Exchange Trader to the Management Board or upon written declaration of the admitted company.
- (9) Irrespective of the preceding regulations the Management Board has the non-negotiable right, to temporarily or permanently:
  1. exclude a company admitted to trading from the use of the system in Electronic Trading or in the computer aided trading system if it violates the regulations determined for such system or if it endangers the security of trading or clearing or of the electronic system or the computer aided trading system or
  2. exclude a company admitted to trading from participation in the trading of instruments that are quoted and settled in a foreign currency or unit of account, if it violates the rules determined for such system or endangers the security of trading.

Measures pursuant to No. 1 and 2 may be published by the Management Board.

## Article 19 Admission to the Exchange Premises

- (1) Provided the Management Board orders that Floor Trading shall take place, the admission to participate in Lead Broker Trading also includes the admission to visit the Exchange premises.
- (2) The Management Board may permit other persons who do not have the right to participate in Exchange Trading, to visit the Exchange premises in individual cases or in general.

## Chapter 2. ~~Direct Market Access, Sponsored Access~~ Direct Electronic Access

### ~~Chapter 2-~~

#### Article 19 a ~~Direct~~ Market Electronic Access (DEA)

A member may ~~allow its client to send orders to ETS via the member's system and by using the member's identity code~~ permit a person to use its trading code so that person can electronically transmit orders directly to Börse Berlin by using the members infrastructure. The person may be required to be approved in accordance with Art. 32 para. (1) of the German Banking Act.

## Article 19 b Sponsored Access

A member may ~~not allow its client to send orders directly to ETS using the trading participant's identity code; permit a person to use its trading code so that person can electronically transmit orders directly to Börse Berlin without using the members infrastructure if the member uses the risk control system provided by Börse Berlin. The person may be required to be approved in accordance with Art. 32 para. (1) of the German Banking Act.~~

## Article 19 c Liability of orders and transactions

- (1) Each member is bound by all orders sent to a trading system of the exchange by using the identification number and passwords allocated to the member.
- (2) Each member is bound by all transactions concluded within a trading system of the exchange by using the identification number and pass words allocated to the member.

## Article 19 d ~~Approval of the Management Board~~ Requirements to offer DEA services, Flagging of DEA-orders

- (1) ~~A member may not offer Direct Market Access to its clients until approval from the Management Board has been obtained. The approval may be refused if the member does not comply with the requirements. The member has to ensure that the requirements of Chapter 3 of Commission Delegated Regulation (EU) 2017-589 of 19 July 2016<sup>6</sup> regarding DEA services are fulfilled; especially Art. 22 para. (1).~~
- (2) ~~A member may not allow Direct Market Access to a specific client until approval from the Management Board for this certain client has been obtained. The approval may be refused if the client does not comply with the requirements. Orders originating from DEA clients have to be flagged in accordance with Commission Delegated Regulation (EU) 2017-580 of 24 June 2016<sup>7</sup>.~~
- (3) ~~The management board may withdraw the approval provided as per (1) or (2) if the requirements for granting it are no longer met. This also applies in particular if the client of the trading participant contravened the Exchange Law or the rules and regulations of Börse Berlin in a severe or repeated manner.~~

## Article 19 e ~~Requirements for the Member~~ Actions in case of violations

~~In case the Management Board detects violations of Commission Delegated Regulation (EU) 2017-589 of 19 July 2016<sup>8</sup>, Commission Delegated Regulation (EU) 2017-580 of 24 June 2016<sup>9</sup>, the Rules referred to in Art. 15 para. (1) second sentence No. 2 above or the rules of Börse Berlin, it may suspend or terminate the direct electronic access.~~

- ~~(1) The Member must ensure that its clients comply with the Rules of Börse Berlin.~~
- ~~(2) The Member must ensure that its clients' exchange traders comply with the requirements of Art. 15 and 16 above.~~
- ~~(3) The member must check by means of controlling the order flow of his clients if electronic trading may be endangered by it. The Member must reject orders that create a risk to the member itself or contribute to a disorderly market or violate the ban on price and market manipulation.~~

## Article 19 f ~~Requirements for the clients~~

~~Clients of members may use Direct Market Access if they do not endanger orderly trading. In particular, the member must provide evidence that its client is contractually required to comply with the rules of Börse Berlin and that the Exchange Trades of its clients fulfil the requirements of Art. 15 and Art. 16 above. Clients of Trading Participants that send orders to the trading system of the Exchang using high frequency algorithmic trading~~

<sup>6</sup> See footnote 2

<sup>7</sup> Commission Delegated Regulation (EU) 2017-580 of 24 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the maintenance of relevant data relating to orders in financial instruments; formerly RTS 24

<sup>8</sup> See footnote 2

<sup>9</sup> See footnote 7

systems in terms of Art. 1 Para (1a) No. 4d of the German Banking Act must be approved for this by their competent authority.

~~Art. 19 g — Transitional Rule~~

~~(1) — Members who offered Direct Market Access prior to May 1<sup>st</sup>, 2012 must request approval pursuant to Art. 19 d (1) by December 31<sup>st</sup>, 2012.~~

~~(2) — Where clients of a member used Direct Market Access prior to May 1<sup>st</sup>, 2012, an approval pursuant to Art. 19 d (2) must be requested by December 31<sup>st</sup>, 2012.~~

Part 3 Lead Brokers in Floor Trading

Article 20 Determination of Exchange Price

Exchange prices are determined by Lead Brokers on the basis of the orders to buy and sell resting in the order book kept electronically and taking into account prices determined on reference market. More detailed provisions are stipulated in the Terms and Conditions for electronic trading on Börse Berlin dated ~~May 2<sup>nd</sup>; 2012~~ December 01, 2017.

Article 21 Obligations of the Lead Broker

- (1) The Lead Broker has to broker and arrange trades in the instruments assigned to him for running the Orderbook. He is to work towards an orderly trading session. He has to run the orderbook in an unbiased manner and fix the prices free from instructions. All orders resting in the order book at the moment of price determination shall be treated equally. In continuous trading he shall endeavor to execute orders without undue delay if the market situation so allows. The Lead Broker has to implement organizational procedures to ensure compliance with his obligations.
- (2) The Lead Broker may arrange a trade either by brokering resting orders in the order book or by concluding a name-to-follow transaction. Brokering and own-name transactions rank pari passu if where an own-name transaction results in a better execution of an order. Own-name transactions and name-to-follow transactions shall not strengthen a trend.
- (3) Exchange prices must reflect the true market situation. In addition to the orders resting in the order book, the market situation on a reference market shall be taken into account

Chapter 1. Admission of Lead Brokers, Allocation of Order Books

Article 22 Admission of Lead Brokers

- (1) Participants admitted to trading may, upon written application, be admitted as lead brokers.
- (2) Trading Participants shall only be admitted as lead brokers, if their economic capacity, their technical and personnel strengths and the professional qualifications, individual suitability and practical experience in Exchange Trading of the persons acting on their behalf seems to ensure the fulfillment of the duties of a lead broker.
- (3) Persons who are entitled to act on behalf of a lead broker shall be admitted if they are Exchange Traders on Börse Berlin and have the necessary professional qualifications to be lead brokers.
- (4) Persons entrusted with running an order book and any changes shall be notified to Market Surveillance without undue delay.
- (5) The permanent availability of persons acting as lead brokers during trading hours must be ensured. Where the availability is interrupted or where technical limitations hinder the price fixing, Market Surveillance shall be notified without undue delay.
- (6) An effective monitoring of compliance with the duties as a lead broker must be ensured.

Article 23 Technical Equipment of the Lead Broker

- (1) The Lead Broker has to employ suitable technical devices such as Quotemachine and Limit-control-systems when determining prices.

- (2) The limit-control-system shall permanently monitor all incoming orders and orders resting in the order book (market-, limit- and Stop-orders) for executability against a price indication or a quote on the reference market. It shall immediately inform the person running the order book about an opportunity to execute.

## Article 24 Revocation, Withdrawal and Suspension of Lead Broker Admission

- (1) The Management Board revokes the admission as a lead broker other than pursuant to the provisions of the Administrative Procedures Law, also if the lead broker commits a material breach of his or her duties. Prior to the revocation the Exchange Supervisory Authority has to be consulted.
- (2) The Management Board may withdraw the admission if one of the requirements for admission set forth in these Exchange Rules was not satisfied when admission was granted. It may revoke the admission if one of these requirements ceases to be satisfied later.
- (3) The Management Board may revoke the admission, if the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) has taken measures to secure the fulfilling of a lead broker's obligations to its creditors.
- (4) In urgent cases the Management Board may also ban a lead broker from participation in Exchange Trading with immediate effect without a preliminary hearing.
- (5) If justified suspicions exist that one of the requirements described in these Exchange Rules does not or has ceased to exist, the Management Board may order the suspension of the admission of the company for a maximum of six months.

## Article 25 Allocation of order books

- (1) The Management Board decides on the number of Lead Brokers and on the assignment of order books. When assigning order books the requirements of orderly Exchange Trading, the interests of the Exchange, the financial capacity, the technical and personnel strength as well as the technical and personal suitability of those acting as lead brokers must be taken into consideration.
- (2) The assignment of order books may be limited in time.
- (3) High volume and low volume order books should be assigned in a ratio that is the same for all lead brokers affected by the assignment.
- (4) If a Lead Broker rejects individual order books, the Management Board may revoke the assignment of its remaining order books, or may set conditions for the continuation of their assignment.
- (5) The Management Board may revoke the assignment of any or all order books assigned to a Lead Broker, if despite previous warning notices, it has breached its obligations.

## Article 26 Addenda and Information to prices

- (1) The lead broker shall use the following addenda to the fixed prices as appropriate for the possibilities for execution of the orders on hand:
  1. b or price without addendum = bezahlt (paid): all order were executed.
  2. bG = bezahlt Geld (paid, bids): the buy orders limited at the price fixed may not have been fully executed. There were additional bids.
  3. bB = bezahlt Brief (paid, offers): the sell orders limited at the price fixed may not have been fully executed. There were additional offers.
  4. ebG = etwas bezahlt Geld (partially paid, bids): only a small portion of the buy orders limited at the fixed price could be executed.
  5. ebB = etwas bezahlt Brief (partially paid, offers): only a small portion of the sell orders limited at the fixed price could be executed.
  6. ratG = rationiert Geld (rationed, bids): only a restricted number of the buy orders limited at and above the determined price could be executed.
  7. ratB = rationiert Brief (rationed, offers): only a restricted number of the sell orders limited and below the determined prices could be executed.

8. \* = asterisk: to avoid uneconomical partial executions, only some orders were executed..

For No. 1 through 5, apart from the non-limited buy and sell orders, all limited buy orders above the determined price and all limited sell orders below the determined price must have been executed at the determined prices. The extent to which the limited buy and sell orders could be executed at the determined price, is shown by the addenda.

(2) In addition the following indicators shall be used:

1. G = Geld (bids): there were no trades, only bids existed at this price;
2. B = Brief (offers): there were no trades, only offers existed at this price;
3. - = gestrichen (~~quotation cancelled~~[trading halt](#)): No price could be determined;
4. - G = gestrichen Geld (quotation cancelled, bids): No price could be determined, non-limit bids existed;
5. - B = gestrichen Brief (quotation cancelled, offers): No price could be determined, non-limit offers existed;
6. - T = gestrichen Taxe (quotation cancelled, estimated): a price could not be determined, it is estimated;
7. - GT = gestrichen Geld/Taxe (quotation cancelled, bids, estimated): a price could not be determined because the price on the bid side is estimated;
8. - BT = gestrichen Brief/Taxe (quotation cancelled, offers, estimated): a price could not be determined because the price on the offer side is estimated;
9. ex D = nach Dividende (ex dividend): first quotation net of the dividend;
10. ex = nach Ausschüttung (ex distribution): first quotation net of the distribution;
11. ex BR = nach Bezugsrecht (ex subscription rights): first quotation after detachment of the subscription rights;
12. ex BA = nach Berichtigungsaktien (ex bonus shares): first quotation after change of the price quotation following the share capital adjustment to the issuer's funds;
13. ex SP = nach Splitting (after share split): first quotation after adjustment of the price to reflect a share split;
14. ex ZS = nach Zinsen (ex interest): first quotation net of interest;
15. ex AZ = nach Ausgleichszahlung (ex compensation payment): first quotation net of a compensation payment;
16. ex BO = nach Bonusrecht (ex bonus right): first quotation after detachment of a bonus right;
17. ex abc = ohne verschiedene Rechte (without various rights): first quotation after detachment of various rights;
18. ausg = ausgesetzt (suspended): the price quotation is suspended; an open outcry is not permitted;
19. - Z = gestrichen Ziehung (quotation cancelled, drawing): the quotation of the debt instrument has been suspended due to a date for a drawing for redemption. The suspension begins two Exchange day prior to the date fixed for the drawing and ends at the end of the following Exchange day;
20. C = Kompensationsgeschäft (compensating transaction): only those orders were executed at this price for which buyer and seller were identical;
21. H = Hinweis (note): special attention is drawn to particularities;
22. P = Primärmarktgeschäft (primary market): not an Exchange trade.

Reduced-spread prices are not permissible.

## Chapter 2. Remuneration for Lead Brokers

### Article 27 Remuneration for Lead Brokers

Lead Brokers on Börse Berlin charge remuneration for the price fixing when arranging Exchange transactions.



Article 28 Remuneration Creditor

The recipient of the remuneration shall be the lead broker who transacted the order for which fees are payable.

Article 29 Remuneration Debtor

- (1) Anyone who gives an order to a lead broker, whether as buyer or seller, must pay a fee.
- (2) Also a person who has assumed the obligation to pay the fee vis à vis the lead broker is responsible for paying the fee.

Article 30 Amount of remuneration

The remunerations determined hereafter are maximum rates. The minimum remuneration for an Exchange transaction arranged within the meaning of § 27 amounts to 0.75 EUR.

Article 31 Remunerations for shares, rights issues, warrants and other unit-quoted instruments

- (1) For arrangements of Exchange transactions in shares, including rights issues, warrants and other unit-quoted titles, the remunerations amount to 0.8 per mille of the market value.
- (2) For arrangements of Exchange transactions in shares of DAX-30 the remuneration amounts to 0.4 per mille of the representing amount.

Article 32 Remunerations for fixed-income instruments, zero-coupon bonds and participation certificates

- (1) Regarding fixed-income instruments, remuneration will be charged on the basis of the nominal value. This does not apply to zero-coupon bonds and participation certificates, for which the determination of the remuneration based on the nominal value is not possible.
- (2) The remuneration of instruments denominated in Euro, of instruments denominated in Deutsche Mark after conversion of the nominal value in Euro as per conversion factor and of instruments denominated in foreign currencies after conversion in Euro based on the respective conversion factor or a reference price for foreign currencies of the European Central Bank, amounts to:

nominal values

up to 25.000,00 Euro	0.75 per mille of the nominal value, but at least 0.75 Euro
more than 25.000,00 Euro up to 50.000,00 Euro	0.4 per mille of the nominal value, but at least 18.75 Euro
more than 50.000,00 Euro up to 125.000,00 Euro	0.28 per mille of the nominal value, but at least 20,00 Euro
more than 125.000,00 Euro up to 250.000,00 Euro	0.26 per mille of the nominal value, but at least 35,00 Euro
more than 250.000,00 Euro up to 500.000,00 Euro	0.16 per mille of the nominal value, but at least 65,00 Euro
more than 500.000,00 Euro up to 1.000.000,00 Euro	0.12 per mille of the nominal value, but at least 80,00 Euro
more than 1.000.000,00 Euro up to 2.500.000,00 Euro	0.08 per mille of the nominal value, but at least 120,00 Euro
more than 2.500.000,00 Euro	0.06 per mille of the nominal value, but at least 200,00 Euro

By way of derogation the remuneration for bonds of the Federal Republic of Germany, of the federal states and the KfW Kreditanstalt für Wiederaufbau amounts (until further notice) to

nominal values

up to 25.000,00 Euro	0,75 per mille of the nominal value, but at least 0,75 Euro
more than 25.000,00 Euro up to 50.000,00 Euro	0,4 per mille of the nominal value, but at least 18,75 Euro
more than 50.000,00 Euro up to 125.000,00 Euro	0,28 per mille of the nominal value, but at least 20,00 Euro
more than 125.000,00 Euro up to 250.000,00 Euro	0,26 per mille of the nominal value, but at least 35,00 Euro
more than 250.000,00 Euro up to 500.000,00 Euro	0,16 per mille of the nominal value, but at least 65,00 Euro
more than 500.000,00 Euro up to 1.000.000,00 Euro	0,1 per mille of the nominal value, but at least 80,00 Euro
more than 1.000.000,00 Euro up to 1.500.000,00 Euro	0,075 per mille of the nominal value, but at least 100,00 Euro
more than 1.500.000,00 Euro up to 2.000.000,00 Euro	0,0625 per mille of the nominal value, but at least 112,50 Euro.
more than 2.000.000,00 Euro up to 2.500.000,00 Euro	0,06 per mille of the nominal value, but at least 125,00 Euro.
more than 2.500.000,00 Euro up to 3.500.000,00 Euro	0,05 per mille of the nominal value, but at least 150,00 Euro.
more than 3.500.000,00 Euro up to 5.000.000,00 Euro	0,04 per mille of the nominal value, but at least 175,00 Euro.
more than 5.000.000,00 Euro	0,03 per mille of the nominal value, but at least 200,00 Euro.
more than 15.000.000,00 Euro	0,025 per mille of the nominal value, but at least 450,00 Euro.
more than 25.000.000,00 Euro	0,02 per mille of the nominal value, but at least 625,00 Euro.
more than 50.000.000,00 Euro	0,015 per mille of the nominal value, but at least 1.000,00 Euro.

- (3) Zero-coupon bonds and participation certificates, for which the determination of the remuneration based on the nominal value is not possible, remuneration is calculated according to (2) based on the market value of the transaction.

Chapter 3. Security

Article 33 Security, Security coverage

- (1) The Management Board may demand sufficient security
  - a) from companies admitted to trading for name-to-follow trades as well as
  - b) from participants, that are not subject to supervision by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) or the relevant supervisory authorities within the European Economic Area, for any kind of transactions
 in order to be able to ensure the settlement of these transactions at any time.
- (2) The bank guarantee must be given in favour of Börse Berlin AG by a domestic bank pursuant to Art. 1 (1) of the German Banking Act (Kreditwesengesetz, KWG) or a similar foreign institution. The Management Board can determine that the guarantee by a foreign institution that is not a bank suffices, provided the guarantee is similar to a bank guarantee. The rules on bank guarantee apply accordingly. The admitted company and its guaranteeing bank must be separate legal entities. The type and nature of any permissible relationship between the admitted company and its guaranteeing bank shall be defined by the Management Board. The guarantee shall include the unconditional and irrevocable obligation of the guaranteeing bank to pay the guaranteed sum to an account of Börse Berlin AG on its first demand in the case of insufficient security on the part of the admitted company. The type, content and form of the guarantee shall be defined by the Management Board.
- (3) The Management Board determines the security coverage required for name-to-follow trades according to the respective price alteration risk in the respective security types. This may be the value of the provided security or a multiple thereof. The Management Board may restrict the amount of the security to a percentage rate that it has determined of the Tier one capital of the party obliged to provide the security and it may also determine maximum limits for the securities given pursuant to the second sentence above.

Article 34 Supervision of the Security Coverage

- (1) Market Surveillance must monitor adherence to the security facility for name-to-follow trades. In particular it may demand notification of negative price differences and the declaration of name-to-follow trades from the Trade Participants, clearing agencies and from the authorised data processing centres concerned.
- (2) If Market Surveillance discovers that the security facility has been exceeded it must notify the Management Board immediately.
- (3) The Management Board must notify the Exchange Supervisory Authority immediately that the security facility has been exceeded.

Article 35 Measures in the Event of Security Limits Being Exceeded

- (1) The Management Board has to make adequate arrangements to secure the fulfilment of obligations arising out of Exchange transactions of the Trade Participant. It may demand that further security be furnished immediately or that open transactions be closed by the Trade Participant within a period of time set by the Management Board. It may restrict the security coverage to the single amount of the furnished security.
- (2) The Management Board may exclude the participant either temporarily or permanently from trading on the Exchange with immediate effect. In particular it may restrict the activities of the participant to that of an intermediary or order the suspension of the participant's admission for a maximum of six months.

Article 36 Use of Security Deposit

If an admitted participant is unable to meet the obligations arising from its Stock Exchange transactions, Börse Berlin AG upon instruction of the Management Board realises the security provided by that participant according to these rules. The revenues shall be distributed to the entitled companies or lead brokers.

## Part 4 Electronic Trading Equiduct

### Article 37 Determination of Exchange Prices

- (1) Exchange prices in Electronic Trading System are fixed in the opening, in auctions, in continuous trading and in the closing.
- (2) Auctions take place at times defined by the Management Board.
- (3) During continuous trading, Prices are determined either based on orders to buy and sell and quotes posted by the Market Makers or on the basis of these order and quotes combined with the order books of reference markets at the best volume weighted average price (VBBO).
- (4) More detailed provisions are stipulated in the Terms and Conditions for electronic trading on Börse Berlin dated ~~April 22<sup>nd</sup>, 2016~~December 01, 2017.

### Article 38 Market Maker Obligation

- (1) Market Makers are obliged to quote on every trading day for at least 50% of the time during continuous trading.
- (2) Market Makers may additionally commit themselves to post Quotes (Art. 14 and 15 Trading Rules) prior to the Opening (Art. 18 Trading Rules) and during the Closing (Art. 36 Trading Rules) as well as throughout the entire time of continuous trading to post Quotes (Art. 14, 15 Trading Rules) for the instruments that they are registered for.

### Article 39 Liquidity Provider Obligation

- (1) Where a Liquidity Providers quotes as a Market Maker, are he is obliged to transact client orders up to the ~~maximum~~ volume (number or market value) defined by ~~them him~~ with regard to the specific Orderflow-Provider at the VBBO (Art. 30 para. (2) No. 1 Trading Rules) where the Management Board allowed for orders execution at the VBBO.
- (2) If so requested by Orderflow-Providers, Liquidity Providers are obliged ~~to execute client orders up to a minimum volume defined by the Management Board to provide them with a VBBO Declaration (Art. 25 Trading Rules).~~
- (3) Each Liquidity Provider is obliged to execute orders in instruments specified by the Management Board in the VBBO Pool (Art. 28 (2) Trading Rules).
- (4) Order execution at the VBBO assists trading participants in fulfilling their obligation imposed by Art. 27 (1) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments MiFID to execute client orders at the best possible price. Based on Order size, daily volume and frequency of order entry, the Management Board shall determine in implementing rules (Fair Usage Policy) criteria for orders that may claim the liquidity assurance. The Management Board may establish further criteria for such Orders.
- (5) A Liquidity Provider is not obliged to execute at the VBBO orders that are not entitled to execution at the VBBO pursuant to para. (4) above and the implementing rules.
- (6) A Liquidity-Provider may execute orders at the VBBO which do not claim liquidity assurance pursuant to para. (4) above. Doing so, he is not obliged to execute orders at all time and on both sides (Art. 35 para. (3) Trading Rules).-

### Article 40 Admission as Market Maker

- (1) Any Member who has permission as a credit institution or financial services institution as defined by the German Banking Act (Gesetz über das Kreditwesen, KWG) or a Member active pursuant to Art. 53 b of the German Banking Act (Kreditwesengesetz, KWG) may apply in writing to be admitted as a Market Maker in specified instruments. With the application, the member commits himself to the obligation of Art. 38 para. (2) above.

~~(2)~~ Members shall only be admitted as a Market Maker in accordance with para. (2) above, if their financial strength, their technical strengths and staff as well as the professional qualifications, individual suitability and practical experience in Exchange Trading of the persons acting on their behalf demonstrate that they can fulfil the duties of a Market Maker.

~~(3)~~ Trading participants admitted as Market Makers on January 2, 2018 are obliged to quote prior to the opening, during the closing and during the entire trading time beginning January 3, 2018.

~~(2)(4)~~ A member who engages in a Market Making strategy in accordance with Art. 1 Commission Delegated Regulation (EU) 2017-578 of 13 June 2016<sup>10</sup> will be considered Market Maker with the obligations of Art. 38 para. (1) above.

## Article 41 Admission as Liquidity Provider

- ~~(1)~~ The ~~Management Board decides on the number of Liquidity Providers. The decision will take into account the needs of orderly exchange trading.~~
- ~~(2)~~ Market Makers shall only be admitted as Liquidity Providers, if they provide evidence of the financial strengths and the technical and functional strengths necessary to fulfil the duties of a Liquidity Provider. ~~If more Market Makers apply than Liquidity Providers are admitted pursuant to (1), admission shall be granted to the one being able to provide most liquidity. For this purpose, appropriate verification has to be provided by the applicant. If there are no relevant differences between the two applicants in this respect, admission may be granted to the Market Maker having proved to be successful in the past.~~
- ~~(3)~~ Application for admission as a Liquidity Provider loses its validity after three months. ~~Admission is limited to five years.~~

## Article 42 Application for Admission as Market Maker and Liquidity Provider

- (1) An application for admission as Market Maker or Liquidity Provider must be in writing and contain the following information:
  1. the name of the instrument(s) they wish to make a market in;
  2. a declaration that they have the required technical facilities; and
  3. if the applicant is also transacting agency business a declaration as to how conflicts of interests are excluded.
- (2) If a Market Maker or Liquidity Provider wishes to register in additional instruments, written application must be made, the application must identify the instruments.

## Article 43 Exemption from the obligation to quote

- ~~(1)~~ Market Makers are exempt from their obligation to quote under the circumstances described in Art. 3 of Commission Delegated Regulation (EU) 2017-578 of 13 June 2016<sup>11</sup>. The Management Board will make public the occurrence of such circumstance in accordance with Art. 4 No. 1 of Commission Delegated Regulation (EU) 2017-578 of 13 June 2016<sup>12</sup>. ~~may request an exemption from their obligation to quote from the Management Board. The request shall provide reasons. The exemption may be issued only if orderly trading is not affected. It shall be granted if the maintenance of the quotation obligation during trading hours would represent an unreasonable hardship for Market Maker.~~
- ~~(2)~~ Further, Market Makers are exempt where the Market Maker is required to cease trading for legal or regulatory reasons. The Management Board must be informed about such reasons ; the exemption must be requested without undue delay (unverzüglich) after the Market Maker obtains knowledge of such reasons. An exemption shall be granted in the following Circumstances (this is a non-exhaustive list):

<sup>10</sup> Commission Delegated Regulation (EU) 2017-578 of 13 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards specifying the requirements on market making agreements and schemes; formerly RTS 8

<sup>11</sup> See footnote 10

<sup>12</sup> See footnote 10

- ~~1. in cases of impossibility of performance (Unmöglichkeit). The Management Board must be informed without undue delay (unverzüglich) and such reasons must be evidenced within five trading days.~~
- ~~2. where the Market Maker is required to cease trading for legal or regulatory reasons; the exemption must be requested without undue delay (unverzüglich) after the Market Maker obtains knowledge of such reasons.~~
- ~~(3) In cases of urgency (especially, but not limited to, unavailability of relevant prices, technical difficulties, extraordinary disturbances of the overall market) the Market Maker may close his quote by himself. The Management Board shall be informed without undue delay (unverzüglich).~~

#### Article 44 Exemption from the obligation to execute orders at the VBBO

Upon request, the Management Board may temporarily release a Liquidity Provider from the obligation to offer the execution of orders at the VBBO if such exemption does not threaten orderly trading. Such exemption shall be issued if the maintenance of the obligation to execute orders during the trading day would represent an unreasonable hardship for the Liquidity Provider. The provisions of Art. 43 of these Exchange Rules shall apply accordingly.

#### Article 45 Ban on anticompetitive behaviour; Avoidance of conflict of interest, Ban on benefits

- (1) Market Makers and Liquidity Providers are prohibited from all anticompetitive behaviour. In particular, collusion and quote fixing are not allowed.
- (2) Liquidity Providers are prohibited from granting benefits to Orderflow-Providers for orders these assigned to them. Benefits are commissions, fees, or other cash benefits as well as benefits in kind.
- (3) Where a Member acts both as Liquidity Provider and as Orderflow-Provider for orders of his own clients, conflicts of interest must be avoided.

#### Article 46 Revocation and Withdrawal of the Admission, Temporary exclusion from Market Making

- (1) The rules set out in Art. 18 above apply accordingly to the revocation and the withdrawal of the admission as Market Maker or Liquidity Provider.
- (2) The Management Board reserves the right to temporarily exclude (suspend) a Market Maker or Liquidity Provider if such action is deemed necessary
  1. to an orderly market,
  2. if a Market Maker or Liquidity Provider breaches his obligations or
  3. is suspected of breaching these rules for the time of investigation.

#### Article 47 Deregistration as Market Maker or Liquidity Provider

- ~~(1) A Market Maker or Liquidity Provider may de-register for all or for specific instruments. A declaration to de-register for individual instruments must be made in writing to the Management Board ~~providing at least a two weeks' notice to become effective the next day.~~~~
- ~~(1)(2) The de-registration of a large number or more than 10% of all instruments must be declared in writing providing at least two three months notice. The de-registration will become effective from the end of a calendar month and as confirmed by the Management Board.~~
- ~~(2)(3) Until the de-registration becomes effective, the Market Maker's obligation to quote or the Liquidity-Provider's obligation to execute order at the VBBO shall continue to apply.~~

#### Article 48 Addenda to prices fixed

- (1) The following addenda are used when determining prices:
  1. N or NT = negotiated trade (in the meaning of Art. 33, 34 38 para. (1) -of the Trading Rules)
  - 1-2. O = negotiated trade (in the meaning or Art. 38 para. (2) of the Trading Rules)
  - 2-3. CT = Trade Cancellation
- (2) The Management Board determines further Addenda that may be used when determining prices.

## Part 5 Listing and Trading of Instruments in the regulated market, Procedure

### Article 49 Conditions for Admission Listing on the Regulated Market, Procedures, Applications

The admission of instruments to listing on the regulated market, the resulting obligation and the procedure of admission are governed by the rules of Chapter 4 of the German Exchange Act and the the Ordinances for the Admission to Listing of Securities to the Regulated Market in their relevant version.

### Article 50 Trading of instruments in the regulated market

- (1) In accordance with Art. 33 of the German Exchange Act, the Management Board may include instruments to trading in the regulated market.
- (2) The application for inclusion to trading of instruments to the Regulated Market has to be submitted in writing by a Trade Participant.
- (3) The applicant must ensure orderly conduct of Exchange Trading and correct settlement as well as the timely and ongoing information of the Management Board about dividends, subscription rights, corporate actions, maturity, drawings, interest rate changes and all other circumstances essential for price determination, in particular about trading suspension or cessation of trading on the domestic Exchange or on the foreign organised market, where the instrument was initially admitted.
- (4) The applicant has to inform the Management Board without undue delay, if the admission to listing of the instrument to the domestic Exchange or to the foreign organised market, where the instrument was initially admitted, is withdrawn, revoked or suspended. This also applies when the instrument changes market segment on its original Exchange.
- (5) If the admission of the applicant as Trade Participant is withdrawn, revoked, or suspended, the Management Board shall decide on the continuance of the inclusion to trading. The inclusion may, as a general rule, be continued, if another Trade Participant assumes the obligations of the applicant pursuant to (3) and (4).
- (6) The issuer's consent to the inclusion to trading of its company's instruments in the Regulated Market is not required.
- (7) The Management Board shall publish details about the date of the first trading, the characteristics of the instruments and details of trading.

### Article 51 Revocation of the Admission

- (1) The Management Board may revoke the admission to the Regulated Market pursuant to the provision of Art. 39 of the German Exchange Act.
- (2) A revocation of the admission is not contrary to the protection of investors, if the holders of the instruments receive an offer for their investment. If investors receive a compensation for their instruments the revocation takes effect immediately once it has been published. If the instruments of the issuer are traded on another Exchange after the revocation of the admission, the Management Board shall decide on the effective date taking into account the protection of investors. However, the interval between the publication and the effectiveness of the revocation may not exceed two years.

### Article 52 Introduction to Trading

The Management Board decides on the commencement of trading in the regulated market of admitted instruments in accordance with Art. 38 of the German Exchange Act and Art. 52 of the Ordinances for the Admission to Listing of Securities to the Regulated Market

## Part 6 Open Market, Berlin Second Regulated Market

### Article 53 Open Market

- (1) The Management Board may allow the operation of a Berlin Open Market by the Market Operator and approved by the Exchange Supervisory Authority pursuant to art. 48 (3) of the German Exchange Act for instruments neither admitted to listing nor included to trading in the Regulated Market of Börse Berlin.

- (2) Prices fixed in the Open Market are Exchange Prices in the meaning of Art. 24 of the German Exchange Act. Price fixing is governed by the rules of Parts 3 and 4 above as well as the Trading Rules for electronic trading and the Trading Rules for Price Determination by Lead Brokers (Jointly the Trading Rules for the Open Market).
- (3) Participation in trading as well as the inclusion of instruments to trading in the Open Market and in the Berlin Second Regulated Market are governed by the Terms and Conditions for the Open Market enacted by Börse Berlin AG and approved by the Management Board of Börse Berlin.

## Article 54 Berlin Second Regulated Market

For Financial instruments within the meaning of Art. 2 (~~2b~~4) of the German Securities Trading Act that are admitted to trading on a Regulated Market within the meaning of Art. 4 (~~14~~21) of the Directive 2009/14/3965/EUC of the European Parliament and of the Council of ~~21 April 2004~~15 May 2014 on Markets in Financial Instruments (MiFID II) (home market), the Management Board may install a "Berlin Second Regulated Market". The "Berlin Second Regulated Market" is a regulated market in terms of Title II of MiFID II.

## Part 7 Measures to ensure orderly trading

### Article 55 **Flagging of orders created by algorithmic trading**

- (1) Trading Participants must flag the entry of, amendments to and the cancellation of orders and quotes that they created by way of algorithmic trading ~~in trading of in terms of~~ Art. ~~3380~~ Para. (~~1a~~2) of the Securities Trading Act including an identification of the trading algorithm as well as of the person initiation the order. This is also applicable to clients of members who send orders to the exchange systems pursuant to Art. 19 a and 19 b above.
- (2) The flag for the individual algorithm must be comprehensible and definite and remain unchanged during its existence. The complete automated decision making process by which the entry of, amendments to and cancellation of an order or quote are effected must be flagged.
- (3) ~~The Management Board will provide more details with regard to the flag and its entry into the exchange systems pursuant to Art. 8 Para. (4) above. Commission Delegated Regulation (EU) 2017-580 of 24 June 2016<sup>13</sup> [RTS-24] shall apply.~~

### Article 55 a Suspension, Termination and Halting of Trading

- (1) The Management Board may:
  1. suspend trading if orderly trading on the Exchange is temporarily endangered or if the suspension is deemed necessary in the interest of the protection of the public. Orders resting in the order book of the Lead Broker will be cancelled. The Management Board will decide on the cancellation of orders resting in the Hybrid Book in each individual case taking into account the usage on the home market.
  2. terminate trading if orderly trading on the Exchange no longer appears to be assured.  
(1a) Where trading in a financial instrument referred to in Annex I Section C of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments is suspended, the Management Board also suspends the derivatives as referred to in points (4) to (10) of Section C of Annex I that relate or are referenced to that financial instrument where necessary to support the objectives of the suspension or removal of the underlying financial instrument.
- (2) ~~In the case of instruments that are admitted to listing to the Regulated Market, t~~The Management Board shall inform the Exchange Supervisory Authority and the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) immediately of any measures taken pursuant to (1) and (1a).
- (3) Furthermore, the Management Board may halt all Exchange Trading, trading in certain market segments or trading in a single instrument if this is necessary for technical reasons or to avoid any other threat to the proper functioning of Exchange Trading.

<sup>13</sup> See footnote 7



- (4) The suspension, termination and halting of Exchange Trading and price fixing shall be made public pursuant to Art. 8 (4) above.

**Article 55 b Order-Trade-Ratio**

- (1) The Management Board will assign each instrument a ratio of ~~entries, amendments and cancellations of non-executed orders or quotes~~ and the trades executed (Order-Trade-Ratio) in accordance with Commission Delegated Regulation (EU) 2017-566 of 18 May 2016<sup>14</sup> that Trading Participants may not exceed.
- (2) When assigning the Order-Trade-Ratio the Management Board takes into account the price determination process, different classes of instruments, the number of entries, amendments and cancellations of orders and quotes and the number of executed trades in one month, the liquidity of each instrument and the function a Trading Participant fulfills. The Order-Trade-Ratio shall be such that determining prices in line with the market is ensured.
- ~~(2)(3) The Management Board will determine how to determine the Order-Trade-Ration where no trades were concluded in a financial instrument~~
- (4) The Order-Trade-Ratios will be published by the Management Board pursuant to Art. 8 Para. (4) above.

**Art. 55c Cancellation, Amendment and Correction of Trades**

- (1) The Management Board may cancel, amend or correct trades, especially where a price was not determined in an orderly manner due to a significant price movement.
- (2) Further details are provided in the Terms and Conditions for floor trading and in the Trading Rules for electronic trading.

**Art. 55 d Tick size**

- (1) The Management Board will determine the tick size in accordance with Commission Delegated Regulation (EU) 2017-588 of 14 July 2016<sup>15</sup> [RTS 11].
- (2) Limit orders resting in the system during a change of tick size will remain in the system and be executed at as soon as possible respecting their limit price.

Part 8 Transparency Requirements

Article 56 Pre-Trade Transparency ~~for shares and certificates representing shares~~ in Floor Trading

- (1) ~~With regard to shares and certificates representing shares, i~~ In Floor Trading a price estimate showing the range of bid and ask limits within which the price will be fixed shall be published.
- (2) Stop-orders in accordance with Art. 4 of the Terms and Conditions for floor trading will be published once they became Market orders after their limit price was reached.
- (3) ~~[RTS 1 and 2]~~ Commission Delegated Regulation (EU) 2017-587 of 14 July 2016<sup>16</sup> and Commission Delegated Regulation (EU) 2017-583 of 14 July 2016<sup>17</sup> shall apply.

<sup>14</sup> Commission Delegated Regulation (EU) 2017-566 of 18 May 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards for the ratio of unexecuted orders to transactions in order to prevent disorderly trading condition; formerly RTS 9

<sup>15</sup> Commission Delegated Regulation (EU) 2017-588 of 14 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards on the tick size regime for shares, depositary receipts and exchange-traded funds; formerly RTS 11

<sup>16</sup> Commission Delegated Regulation (EU) 2017-587 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial

- Article 57 Pre-Trade Transparency ~~for shares and certificates representing shares~~ in electronic trading
- (1) ~~With regard to trading of shares and certificates representing shares, i~~In the Electronic Trading System all prices in the system and the volume tradable at these shall be published.
  - (2) With regard to trading ~~of shares and certificates representing shares~~ at the VBBO in the Electronic Trading System the best volume-weighted potential prices taking into account the consolidated virtual order book on the basis of the market situation in the system and the relevant markets, shall be published continuously for different order sizes. Price-Improvement-Quotes (Art. 28 para. (2) sentence 4 Trading Rules) will be published.
  - (3) For-Iceberg-orders in the meaning of Art. 14 (1) No. 3 Trading Rules for electronic trading, only the visible volume (Peak Volume) will be published at a specific limit. Stop-orders in accordance with Art. 5 of the Trading Rules will be published once their triggering price was determined and thus become executable.
  - (4) ~~Chapter IV “Market Transparency of the Commission Regulation (EC) No. 1287/2006 dated August 10<sup>th</sup>; 2006 Commission Delegated Regulation (EU) 2017-587 of 14 July 2016<sup>18</sup> and Commission Delegated Regulation (EU) 2017-583 of 14 July 2016<sup>19</sup> [RTS 1 and 2]~~ shall apply

Article 58 Publication of Exchange Prices and Turnover ~~in electronic trading~~

- (1) Trading data, especially the Exchange prices and the turnover shall be published and recorded in the IT system of Börse Berlin. Manner and extent of the publication shall be announced by the Management Board.
- ~~(2) With regard to shares and certificates representing shares, Exchange prices, volumes and transaction times shall be published without undue delay,~~
- ~~(3)(2) Chapter IV “Market Transparency of the Commission Regulation (EC) No. 1287/2006 dated August 10<sup>th</sup>; 2006 Commission Delegated Regulation (EU) 2017-587 of 14 July 2016<sup>20</sup> and Commission Delegated Regulation (EU) 2017-583 of 14 July 2016<sup>21</sup> [RTS 1 and 2]~~ shall apply

Article 59 Evaluation of Trading Data and Information

Data and information received from the trading systems may only be used by Trading Participants for the purpose of trading on Börse Berlin and admitted companies for clearing and settlement of trades concluded on Börse Berlin. Forwarding such information to third parties without the authorisation of the Management Board is forbidden. This does not apply to the obligation to forward documents based on laws, ordinances or court or administrative orders.

Part 9 Clearing and Settlement, external clearing systems

Article 60 Clearing and Settlements in Floor Trading

- (1) Clearing and Settlement of trades arranged in Floor Trading is affected through a central depository for financial instruments (CSD) recognized pursuant to Art. 1 (3) of the German Securities Deposit Act (Depotgesetz, DepotG) and through an account recognized by the CSD with the Central Bank of Germany (Deutsche Bundesbank) or with another central bank of an EU member state linked directly to the TARGET2 payment system of the ECBS and ECB, European System of Central Banks and European Central Bank.

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instruments and on transaction execution obligations in respect of certain shares on a trading venue or by a systematic internaliser; formerly RTS 1

<sup>17</sup> Commission Delegated Regulation (EU) 2017-583 of 14 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of bonds, structured finance products, emission allowances and derivatives; formerly RTS 2

<sup>18</sup> See footnote 16

<sup>19</sup> See footnote 17

<sup>20</sup> See footnote 16

<sup>21</sup> See footnote 17

- (2) In the case of instruments held on a trust-custody basis, settlement of transactions will be conducted through a CSD pursuant to (1) above, only to the extent it ensures the execution of cash clearing and instruments clearing.
- (3) For the orderly settlement of its transactions in instruments quoted in foreign currencies or units of account, it is also necessary that the participant itself participates in clearing in foreign currencies or units of account or maintains an account relationship with an appropriate clearing bank; participants and clearing banks identified above must participate in a CSD referred to in (1) for instruments to be settled in foreign currencies or units of account.
- (4) Should more than one central depository be entrusted with clearing trades concluded on the Exchange by admitted members, orderly settlement in the meaning of Art. 19 (4) No. 2 of the German Exchange Act is satisfied irrespective of (1) above if these central depositories contractually allow for interoperability.
- (5) The Management Board may upon application of a member allow other post-trade arrangements if orderly settlement of concluded transactions is ensured.

## Article 61 Clearing and Settlement in electronic trading

- (1) ~~External post-trade systems (externe Abwicklungssysteme) for trades concluded in the HybridBook of the electronic trading system are provided by Monte Titoli S.p.A. and, in their role as Central Counterparty, European Central Counterparty N.V., Amsterdam, LCH.Clearnet Ltd., London, LCH.Clearnet SA, Paris, and SIX x-clear AG, Zurich. Clearing and Settlement of transactions arranged in electronic trading is affected by admitted clearing houses acting as Central Counterparty. The terms and conditions of the Clearing houses apply.~~
- (2) The Management Board will combine instruments into Trading Segments and for each Trading Segment will stipulate which clearing system will affect clearing.
- (3) ~~For trading at the VBBO the~~The Management Board may allow deviating clearing methods upon request as long as orderly settlement of trades ~~concluded at the VBBO~~ is ensured. ~~In this case, admission to trading is limited to the entry of orders with the execution conditions "IOC" (Immediate or Cancel) and "FOK" (Fill or Kill) in the meaning of Art. 8 of the Terms and Conditions for electronic trading.~~
- ~~(4) In case the Management Board stipulated that trades concluded in the electronic trading system shall be cleared by means of a CCP, the Terms and Conditions of the CCP apply.~~
- ~~(5)~~(4) More detailed provisions are stipulated in the Minimum Requirements for Clearing and Settlement.

## Part 10 Final Provisions

### Article 62 Effective Date

These Exchange Rules become effective upon their publication in the Official Journal for Berlin.