

## **Exchange Rules of Tradegate Exchange**

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### **First Part: Organization**

#### **Section 1: Business Areas, Operating Institution, Supervisory Authority, Announcements**

##### **§ 1 Business Areas**

- (1) Tradegate Exchange with registered office in Berlin (hereafter referred to as „the Exchange“) is a securities exchange within the meaning of § 2 paragraph 2 of the German Stock Exchange Act (Börsengesetz, BörsG). It serves to conclude trades in securities, derivatives and other financial instruments within the meaning of § 2 paragraphs 1, 1a, 2 and 2b of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) and precious metals. Concluding such trades takes places exclusively in electronic trading.
- (2) The Management Board (Geschäftsführung) may allow usage of the Exchange’s facilities for business areas other than those mentioned in paragraph 1, as far as this does not violate any regulatory provisions. The trading participants shall be informed of such authorization in an appropriate manner.

##### **§ 2 Operating Institution of the Exchange**

Operating institution of the Exchange is Tradegate Exchange GmbH, Berlin. The operating institution shall, upon request of the Management Board, provide the financial resources, manpower, premises and facilities required for an appropriate operation and advancement of the Exchange.

##### **§ 3 Exchange Supervisory Authority**

The Exchange is supervised by the responsible supreme authority of the German Federal State (Land) of Berlin (Exchange Supervisory Authority).

##### **§ 4 Announcements and Publications**

In general, announcements and publications are made on the Internet (<http://www.tradegate.de>), unless, in individual cases, the Management Board orders another

publication form which ensures that admitted trading participants and issuers of securities admitted to the regulated market can take notice of it in a reasonable way.

## **Section 2: Exchange Bodies**

### **Sub-section 1: Exchange Council**

#### **§ 5 Responsibilities of the Exchange Council**

- (1) The Exchange Council (Börsenrat) has the following responsibilities:
  1. Issuance of the Exchange Rules, the Conditions for Transactions on the Exchange, the Fee Regulations, the Regulation for Admission of Exchange Traders and the Trading Regulation for the Regulated Unofficial Market, each of the aforementioned issued in the form of articles of association,
  2. Appointment and dismissal of the members of the Management Board (Managing Directors) in agreement with the Exchange Supervisory Authority,
  3. Supervision of the Management Board,
  4. Issuance of rules of procedure for the Management Board,
  5. Appointment, re-appointment and dismissal of the Head of the Trading Surveillance Office (Handelsüberwachungsstelle) upon the proposal of the Management Board and in agreement with the Exchange Supervisory Authority,
- (2) The decision of the Management Board on the introduction of technical systems which enable trading or settlement of exchange trades requires the approval by the Exchange Council. In case the Exchange's operating institution enters into cooperation or merger agreements which affect the operation of the Exchange or if functions and tasks shall be outsourced to another company pursuant to § 5 paragraph 3 of the German Stock Exchange Act, the Exchange Council is entitled to express its opinion in advance.

#### **§ 6 Chair of the Exchange Council; Deputy Chair**

- (1) In the first meeting after its election, the Exchange Council elects from among its members the chairman and a deputy for its three-year term.
- (2) The chairman's deputy must belong to a different group within the meaning of the statutory ordinance issued according to § 13 paragraph 4 of the German Stock Exchange Act than the chairman.
- (3) For the election of the chairman and his deputy, votes are taken by secret ballot.
- (4) The chairman shall preside over the proceedings of the Exchange Council or, if the chairman is unable to attend, the deputy chairman. If both of them do not attend the proceedings, the member of the Exchange Council most senior in age shall preside over the meeting.
- (5) The rules of procedure for the Exchange Council shall govern the details.

### **§ 7 Quorum and Resolutions of the Exchange Council**

- (1) The Exchange Council shall have a quorum if more than half of its members are present, or, in case of extraordinary meetings, take part in passing a resolution via telephone. Resolutions shall be passed by a simple majority of the valid votes cast. Abstention from voting shall be deemed as votes not cast. In case of a tied vote, the meeting's chairman shall cast the deciding vote. If in this case the chairman abstains from voting, the proposal shall be deemed not to have been passed. If a member of the Exchange Council is unable to attend the meeting, he/she may submit his/her vote in writing through another member.
- (2) In case of resolutions being passed in writing, via telex, telephone, telefax or through electronic media (e-mail), a proposal is deemed to have been passed if more than half of the members of the Exchange Council have submitted their votes within the set deadline and the majority of these members have adopted the proposal.
- (3) Votes shall be taken by secret ballot upon application of one quarter of the members.
- (4) Content and result of the vote on a proposal shall be recorded in writing and signed by the meeting's chairman.

### **Sub-section 2: Management Board**

#### **§ 8 Responsibilities of the Management Board**

- (1) The Management Board shall manage the Exchange on its own responsibility. It is responsible for all tasks which are not assigned expressly to other exchange bodies or to the Exchange's operating institution.
- (2) The Management Board represents the Exchange in court and out of court, as far as the Exchange's operating institution is not solely responsible. If only one Managing Director (Geschäftsführer) has been appointed, he alone represents the Exchange. If several Managing Directors have been appointed, the Exchange shall be represented jointly by two Managing Directors. The Exchange Council may appoint a chairman of the Management Board and authorize individual Managing Directors to represent the Exchange alone. In individual cases, the Management Board may authorize third parties to represent the Exchange. The rules of procedure for the Management Board shall govern the details.
- (3) In particular, the Management Board shall have the following responsibilities:
  1. to admit companies and individuals as participants in exchange trading, to order suspension of the admission or revoke the admission;
  2. to regulate the organization and the business operations at the Exchange by means of implementation regulations and take measures that determine the conduct of trading in the form of rulings;
  3. notwithstanding the responsibility of the Trading Surveillance Office, to monitor compliance with the statutes, decrees, terms and conditions, implementation regulations and other rules concerning the Exchange, to monitor performance of the duties of trading participants and correctness of concluded trades and price determinations;

4. to ensure orderly usage of the Exchange facilities including the usage of the electronic trading system;
  5. to decide on the commencement, suspension, interruption and discontinuation of exchange trading or price determination as well as on measures according to Article 23 paragraph 1 of the Directive (EU) No. 236/2012;
  6. to determine the method of price determination with consideration of the requirements of securities trading, the protection of the public and the orderly conduct of exchange trading and settlement;
  7. to decide on the admission to or inclusion of securities in the regulated market;
  8. to admit assets and rights to trading which shall be traded on the Exchange and are not admitted to trading in the regulated market or included in the regulated market or in the regulated unofficial market;
  9. to submit regularly a current list of admitted trading participants to the Exchange Supervisory Authority;
  10. to approve the terms and conditions issued by the Exchange's operating institution for the regulated unofficial market.
- (4) The Management Board may commission other persons to perform particular tasks.
- (5) The Management Board is authorized to regulate the details concerning the present Exchange Rules and the Conditions for Transactions on the Tradegate Exchange as far as this is provided for in the Exchange Rules and in the Conditions for Transactions on the Exchange. The Management Board may issue implementation regulations and decide on amendments to or revocation of the implementation regulations only in consultation with the chairman of the Exchange Council. The Management Board shall immediately submit such amendments or revocations to the Exchange Supervisory Authority for information and publish them on the Internet (<http://www.tradegate.de>) or communicate them to the trading participants in another appropriate manner.

## **§ 9 Authority of the Management Board**

- (1) For the purpose of ensuring orderly trading and settlement, the Management Board may issue rulings by which admitted companies and individuals as well as the issuers of admitted or included securities have to abide.
- (2) Members of the Management Board or their authorized representatives are entitled, on a case-by-case basis, to exclude individuals from using the Exchange facilities who interfere with orderly processing or with the course of business on the Exchange or disregard rulings by the Management Board, if and for the time they impair the efficiency of the Exchange facilities or orderly trading or settlement.
- (3) In order to perform its monitoring tasks according to § 8 paragraph 3 no. 3 with respect to trading participants domiciled outside Germany, the Management Board may avail itself of the services of a third party, in particular the operating institution of the Exchange, which ensures in an appropriate manner, particularly by means of an agreement to be concluded between the third party and each trading participant domiciled outside Germany, that the third party may request from them at all times information and evidence, as far as these are relevant for performance of aforementioned monitoring tasks.

### **Sub-section 3: Trading Surveillance Office**

#### **§ 10 Establishment and Operation of a Trading Surveillance Office**

In accordance with the requirements stipulated by the Exchange Supervisory Authority, the Exchange shall establish and operate a Trading Surveillance Office as a governing exchange body. Such Trading Surveillance Office shall monitor trading on the Exchange and settlement of exchange trades pursuant to the requirements of the German Stock Exchange Act.

### **Sub-section 4: Disciplinary Committee**

#### **§ 11 Disciplinary Committee**

A Disciplinary Committee exists on the Exchange as an exchange body. The statutory ordinance issued according to § 22 paragraph 1 of the German Stock Exchange Act shall govern the details.

## **Second Part: Admission for Participation in Exchange Trading**

#### **§ 12 Application for Admission**

- (1) For participation in exchange trading as a company and as an exchange trader, an admission is required on which the Management Board shall decide upon application in writing. The application for admission to be submitted by the company shall specify the individual who shall participate in exchange trading on behalf of that company.
- (2) The Regulation for Admission of Exchange Traders shall govern the details.

#### **§ 13 Prerequisites for Admission to Exchange Trading as a Company**

- (1) Admission of a company for participation in exchange trading is governed by § 19 of the German Stock Exchange Act. Companies admitted to trading at a German exchange or an organized market within the meaning of § 2 paragraph 5 of the German Securities Trading Act which is domiciled outside Germany, shall be admitted without proof of the prerequisites according to § 19 paragraph 4 sentence 1 no.s 1, 3 and 4 of the German Stock Exchange Act, if the applying company produces evidence that the admission requirements of the market in question are comparable with abovementioned regulations of the of German Stock Exchange Act. As a general rule, the prerequisites of § 19 paragraph 4 no. 2 of the German Stock Exchange Act are given if the applying company furnishes evidence of settlement agreements concluded with the companies which act as Specialists on the Exchange for the securities the applying company intends to trade.
- (2) The Management Board may make admission to participation in exchange trading

dependent on the pledging of collateral by the applying company in order to guarantee performance of the trades concluded on the Exchange at all times. The collateral pledged must be available upon first request without possible objections of the collateral grantor on the exchange day following the request on the account specified by the Management Board. The Management Board shall determine the details about how the collateral shall be made available and in which amount. Pledging the required collateral in the form of a guarantee by a German credit institution or credit institution domiciled outside Germany may only be rejected in substantiated exceptional cases.

## § 14 Access to the electronic Trading System

- (1) A company is authorized to participate in electronic trading, if
  1. the company is admitted to participate in exchange trading according to §§ 12 and 13,
  2. the company meets the respective technical requirements for connection to the electronic trading system, for participation in electronic trading and for the settlement of trades concluded in electronic trading on the Exchange,
  3. availability of an exchange trader admitted for the company any time during the general trading period is guaranteed,
  4. the company has entered into a connection agreement for trading participants with the Exchange's operating institution or with the company commissioned by the Exchange's operating institution to operate the electronic trading system which also stipulates the fees payable for the usage of the electronic trading system and
  5. the orderly conduct of exchange trading, especially the equal access of all trading participants to the orders and information available in the electronic trading system, is not jeopardized by the company's use of high frequency and/or algorithmic trading techniques to generate and/or transmit orders.
- (1a) The authorization to participate in electronic trading according to paragraph 1 issued by the Management Board may, also subsequently, be
  1. limited to the transmission of certain order types and/or orders marked with certain order instructions and/or
  2. marked with the condition to
    - a) observe an appropriate minimum holding period of orders and/or
    - b) abstain from using certain high frequency and/or algorithmic trading techniques to generate and/or transmit orders.
- (2) The Management Board may measure the load generated by each trading participant on the Exchange's trading system, in particular, the number of orders entered within a certain time period, orders cancelled and/or changed as well as the respective volume of orders entered and, in the case of excessive usage of the electronic trading system and following a previous request to the trading participant to reduce the transmission of automatically generated orders to the electronic trading system, it may either temporarily suspend or, in case of recurrence, permanently exclude the trading participant concerned from using the electronic trading system, provided this is necessary for reasons of system security or other important reasons. Generally, excessive usage of the electronic trading system within the meaning of the first sentence exists if the number of orders entered within a certain time period, orders cancelled and/or changed, or the respective volume of orders entered exceeds the maximum limit determined by the Management Board according to § 25 paragraph 1 no. 6.
- (3) The Management Board may measure the number of orders entered, cancelled and/or



changed on the Exchange's trading system in relation to the number of trades actually executed (order/transaction rate) and, in the case of a disproportionate order/transaction rate and following a previous request to the trading participant to create an appropriate order/transaction rate, it may either temporarily suspend or, in case of recurrence, permanently exclude the trading participant concerned from using the electronic trading system, provided this is necessary to avoid risks to orderly exchange trading or for other important reasons. § 16 paragraph 4 remains unaffected thereof. A disproportionate order/transaction rate within the meaning of sentence 1 exists if the maximum limit determined by the Management Board according to § 25 paragraph 1 no. 7 is exceeded.

- (4) The implementation regulations for access to the electronic trading system shall govern the details.

## **§ 14a Indirect Exchange Participants**

- (1) Trading participants who wish to provide other individuals with direct electronic access to the electronic trading system must notify the Management Board.
- (2) Trading participants may provide direct electronic access to the electronic trading system only if it is guaranteed that the individuals using the direct electronic access to the electronic trading system (indirect exchange participants) use the electronic system solely in accordance with the Exchange's statutory regulations, the Exchange Rules and the Conditions for Transactions on the Tradegate Exchange.
- (3) Trading participants who provide indirect exchange participants with direct electronic access to the electronic trading system (trading participants providing access) shall be obliged to identify all order entries, order cancellations and/or order changes that are transmitted to the electronic trading system on behalf of and/or for the account of an indirect exchange participant with a permanent and individual electronic identification code allocated by the trading participant to the indirect exchange participant. The implementation regulations for access to the electronic trading system shall govern the details. § 14 paragraphs 2 and 3 apply correspondingly.
- (4) When providing direct electronic access to the electronic trading system the trading participant providing access is responsible for all entries transmitted to the electronic trading system by the indirect exchange participant, particularly order entries, order cancellations and/or order changes and is especially responsible for ensuring that the facility of direct electronic access to the electronic trading system is used solely in an expedient and system-compatible manner and in accordance with the Exchange's statutory regulations. In the case of repeated violations by indirect exchange participants of the provisions of the Terms and Conditions of the Tradegate Exchange, in particular the Exchange Rules and/or the Conditions for Transactions on the Tradegate Exchange, the Management Board may prohibit the trading participant providing access, in general or in individual cases, from providing direct electronic access to the indirect exchange participant.
- (5) Each trading participant providing access shall submit regularly a list of the individual electronic identification codes permanently allocated to the indirect exchange participants to whom the trading participant has provided direct electronic access to the electronic trading system within the meaning of paragraph 3.

**§ 14b Identification of Orders Generated by Algorithmic Trading**

- (1) Trading participants shall be obliged to identify order entries, order cancellations and/or order changes that have been generated by algorithmic trading within the meaning of § 33 paragraph 1a sentence 1 of the German Securities Trading Act and transmitted by themselves or by indirect exchange participants to whom they provide direct electronic access to the electronic trading system, and in each case to indicate the trading algorithm used.
- (2) The implementation regulations for access to the electronic trading system shall govern the details.

**§ 15 Evidence of Admission and Participation Prerequisites**

- (1) Providing evidence of fulfillment of admission prerequisites according to § 13 and of the prerequisites for access to the electronic trading system according to § 14 is within the responsibility of the applying company. The Management Board is obliged to assure itself in an appropriate manner of the fact that the required prerequisites have been fulfilled. The Management Board may – notwithstanding the applicant’s responsibility to provide evidence – according to its own dutiful discretion
  1. to carry out its own examination of the individual to be admitted or subject the individual to be admitted to an appropriate examination by a committee, in both cases at the expense of the individual,
  2. request the applicant to submit suitable declarations and documents and/or
  3. make inquiries with third parties, of which the applicant is to be previously informed.
- (2) Even after the granting of an admission, the admission holder is obliged to inform the Management Board immediately of factual or legal changes concerning the company or an exchange trader admitted for the company that may lead to the discontinuation of the admission prerequisites; paragraph 1 sentences 2 and 3 apply accordingly. In particular, the admission holder is obliged to inform the Management Board
  1. as soon as he gains knowledge of criminal proceedings having been opened against him on suspicions of property or tax offenses or
  2. as soon as he gains knowledge that such proceedings have been opened or are pending against an individual acting on behalf of his company, authorized to conduct the business of the admission holder and represent him either as company proprietor, by act of law, by the articles of association or by a company agreement.

**§ 16 Termination, Reversal, Revocation and Suspension of Admission**

- (1) Notwithstanding the rules stipulated in the Fee Regulations, the admission of a company is terminated by means of a declaration in writing by the company vis-à-vis the Management Board.
- (2) The Management Board may reverse the admission of a company or of an exchange trader if one of the admission prerequisites had not been fulfilled at the time of admission. It may revoke the admission if one of the prerequisites retroactively ceases to exist.
- (3) The Management Board may request necessary information and evidence from the admitted company and/or the individual concerned in order to examine if one of the facts



mentioned in paragraph 2 exists.

- (4) The regulations contained in the German Stock Exchange Act shall govern the suspension of admission of a company.
- (5) The authorization of an exchange trader for concluding exchange trades is suspended for the duration of suspension of admission of the company for which the exchange trader shall conclude exchange trades.
- (6) Admission of an exchange trader is terminated through a declaration in writing vis-à-vis the Management Board by the exchange trader or by the company for which the exchange trader shall conclude exchange trades.

## **Third Part: Admission and Inclusion of Securities**

### **Section 1: Securities in the Regulated Market**

#### **Sub-Section 1: Admission to the Regulated Market**

##### **§ 17 Application for Admission, Responsibility, Publication of the Admission**

- (1) Admission of securities to the regulated market shall be applied for by the issuer of the securities together with a credit institution, financial services institution or a company within the meaning of § 53 paragraph 1 sentence 1 or § 53b paragraph 1 sentence 1 of the German Banking Act (Kreditwesengesetz, KWG). The institution or company must have already been admitted to a German stock exchange and be entitled to participate in exchange trading and be able to provide evidence of liable equity capital in the amount of at least EUR 730,000. If the issuer itself is an institution or company within the meaning of sentence 1, and if the requirements of sentence 2 have been fulfilled, the issuer may file the application acting alone.
- (2) The Management Board shall rule upon admission according to paragraph 1.
- (3) The Management Board shall publish the admission to the regulated market pursuant to § 51 of the German Ordinance for Admission to the Regulated Market of a Stock Exchange (Börsenzulassungs-Verordnung, BörsZulV) and on the Internet (<http://www.tradegate.de>).

##### **§ 18 Introduction of Securities**

- (1) The Management Board shall publish the decision of the introduction and the date of introduction in trading of the admitted securities in the regulated market on the Exchange on the Internet (<http://www.tradegate.de>).
- (2) The securities admitted to exchange trading in the regulated market may be introduced at the earliest on the business day following the first publication of the prospectus or, if no prospectus is to be published, on the business day following the publication of the

admission.

### **§ 19 Revocation of Admission upon Application by the Issuer**

- (1) Upon application by the issuer, the Management Board may revoke the admission of securities to exchange trading in the regulated market, unless the interests of investor protection conflict with such revocation. In the case of securities within the meaning of § 2 paragraph 2 of the German Securities Acquisition and Takeover Act, the question whether revocation is permissible is regulated by § 39 paragraph 2 sentence 3 of the German Stock Exchange Act. In the case of all other securities not mentioned in sentence 2, as a general rule, the interests of investor protection do not conflict with the revocation if
  1. trading in the security concerned on an organized market within the meaning of § 2 paragraph 5 of the German Securities Trading Act appears to be ensured even after the revocation of admission has become effective, or
  2. after the revocation of admission has become effective, the security concerned is neither admitted to nor traded on another German exchange or organized market outside Germany, but the investors have sufficient time to sell the securities concerned on the Exchange after the revocation decision has been announced.
- (2) A revocation according to paragraph 1 shall become effective on the date determined by the Management Board. In case of a revocation, if the security has not been admitted at another German exchange or included in trading in the regulated market and is traded exclusively on an organized market outside Germany at the time the revocation is published, the revocation shall come into effect at the earliest after a period of six months after its publication. If the security has neither been admitted on any other German exchange nor included in trading on the regulated market nor traded on any organized market outside Germany at the time the revocation is published, the revocation shall come into effect at the earliest after a period of one year after its publication. Upon application of the issuer, the Management Board may shorten the period according to sentence 2 or 3, provided this does not conflict with the interests of the investors.
- (3) The issuer shall be responsible for providing evidence that the conditions for revoking the admission have been satisfied. The Management Board may, in particular, require submission of appropriate declarations and documents. If any of the conditions set forth in paragraph 1 is no longer satisfied after the revocation has been made public but before the revocation becomes effective, the Management Board may revoke its decision.
- (4) The Management Board shall publish the revocation on the Internet (<http://www.tradegate.de>) immediately.

### **§ 20 Revocation of Admission Ex Officio**

- (1) The Management Board can revoke the admission of securities to the regulated market under the provisions of the German Law of Administrative Proceedings (Verwaltungsverfahrensgesetz, VwVfG) as well as ex officio, if orderly exchange trading is no longer guaranteed on a permanent basis and the Management Board has halted the quotation on the regulated market or the issuer does not meet his obligations under the terms of the admission, even after an appropriate time period has lapsed.

- (2) The Management Board shall publish the revocation on the Internet (<http://www.tradegate.de>).

## **Sub-section 2: Inclusion in the Regulated Market**

### **§ 21 Inclusion of Securities in Exchange Trading in the Regulated Market**

- (1) Securities which are not admitted to the Exchange's regulated market may be included in trading on the regulated market upon application in writing by a trading participant or ex officio.
- (2) The Management Board shall decide on the inclusion. The Management Board shall notify the issuer, whose securities were included in exchange trading on the regulated market, of the inclusion. The issuer of the securities included has no right to object to the inclusion.
- (3) The application of a trading participant for inclusion of securities in exchange trading on the regulated market must contain the following information:
1. the name, the registered office and business address of the applying trading participant;
  2. the name, the registered office and business address of the issuer of the securities to be included;
  3. the type and class of the securities to be included as well as the respective International Securities Identification Number (ISIN) and, where available, the German securities identification number (Wertpapierkennnummer, WKN),
  4. the names of the organized markets on which trading in the securities to be included already takes place;
  5. suitable evidence about fulfillment of the inclusion requirements according to paragraph 4.
- (4) Securities may be included in the regulated market if
1. they are already admitted to trading
    - a) on the regulated market at another German exchange,
    - b) on an organized market in another member state of the European Union (EU) or in another state signatory to the Treaty on the European Economic Area (EEA) or
    - c) at an organized market in a non-EU, non-EEA state, provided that admission prerequisites and reporting and transparency obligations which are comparable to those valid in the regulated market for admitted securities exist at this market and that the exchange of information with the competent authorities of the respective country for the purpose of monitoring trading is ensured,
  2. no circumstances are known which would lead to fraud on the public or damage to substantial public interests, should the securities be included
  3. orderly exchange trading and orderly settlement of the exchange trades is ensured,
  4. there is justified expectation that an exchange-like market will be established in the securities to be included.
- (5) The Management Board shall publish the inclusion on the Internet (<http://www.tradegate.de>).

## **§ 22 Obligations of the Applying Trading Participant**

- (1) The applying trading participant shall be obliged to guarantee orderly exchange trading and orderly settlement in the included securities as well as timely and continuous notification of the Management Board of all circumstances essential for evaluating the included securities. This shall, in particular, include notifications and changes pursuant to §§ 30b, 30c of the German Securities Trading Act as well as publications and notifications pursuant to § 15 of the German Securities Trading Act or comparable provisions which are applicable at the market outside Germany to which the included securities are admitted, for the protection of the public and for the purpose of ensuring orderly exchange trading.
- (2) If the admission of the applicant as trading participant is reversed or revoked or if the application is suspended, the Management Board shall decide whether the inclusion shall continue to exist. As a general rule, the inclusion may continue to exist if another trading participant takes over the applicant's obligations according to paragraph 1.

## **§ 23 Revocation of Inclusion of Securities in the Regulated Market**

- (1) Upon application of the trading participant who applied for inclusion, or ex officio, the Management Board shall revoke such inclusion, provided no other trading participant takes over the obligations under § 22, paragraph 1.
- (2) In case of revocation of inclusion ex officio, § 20 shall apply accordingly.

## **Section 2: Regulated Unofficial Market**

### **§ 24 Inclusion of Securities and Price Determination in Regulated Unofficial Market**

- (1) For securities which are neither admitted to trading in the regulated market nor included in trading in the regulated market on the Exchange, the Management Board may permit operation of a regulated unofficial market by the operating institution of the Exchange, if the orderly conduct of trading and the settlement of trades appears to be ensured by the Trading Regulation for the Regulated Unofficial Market issued by the Exchange Council as well as by the general terms and conditions of the Exchange's operating institution, approved by the Management Board. Issuers whose securities have been included in the regulated unofficial market without their approval cannot be obligated by the general terms and conditions to publish information concerning those securities.
- (2) The prices determined on the regulated unofficial market are exchange prices within the meaning of § 24 of the German Stock Exchange Act. They are subject to the supervision of the Exchange Supervisory Authority and the Trading Surveillance Office. For price determination, its suspension and termination as well as publication of exchange prices determined on the regulated unofficial market the regulations stipulated in the present Exchange Rules for the regulated market including possible implementation regulations shall apply accordingly, unless the Trading Regulation for the Regulated Unofficial Market issued by the Exchange Council states otherwise.

## **Fourth Part: Exchange Trading**

### **Section 1: Organizational Measures and Measures determining the Conduct of Trading**

#### **§ 25 Organization of Exchange Trading**

- (1) The Management Board shall determine the general organizational conditions for exchange trading. For this purpose and in particular, it can
  1. allocate the assets and rights traded to different trading and settlement segments,
  2. determine the trading hours and method of price determination for each trading segment,
  3. determine the obligations of Specialists for support of price determination in electronic trading and for provision of pre-trading price information for the respective trading segments or securities,
  4. determine reference markets for each of the assets and rights traded,
  5. determine consistent conditions for delivery of exchange trades for each settlement segment,
  6. determine the extent of allowable usage of the electronic trading system, especially the maximum limit in each trading segment of the number of orders entered within a certain time period, orders cancelled and/or changed as well as the respective volume of orders entered,
  7. determine an appropriate order/transaction rate for certain trading segments and/or assets and rights for the purpose of avoiding risks to orderly exchange trading within the meaning of § 26a of the German Stock Exchange Act, and
  8. determine the appropriate size of the smallest possible price change for each trading segment and/or single assets and rights for the purpose of reducing negative effects on market integrity and liquidity.
- (2) The Management Board may issue at any time rulings which deviate from the regulations under paragraph 1 with respect to the organization of exchange trading and settlement, provided this seems necessary in order to maintain orderly exchange trading or to ensure orderly settlement.
- (3) Measures according to paragraphs 1 and 2 shall be announced by the Management Board.

#### **§ 26 Determination of Reference Markets**

- (1) The Management Board may determine one reference market or several reference markets for each security. Only organized markets within the meaning of § 2 paragraph 5 of the German Securities Trading Act, multilateral trading systems within the meaning of § 2 paragraph 3 sentence 1 no. 8 of the German Securities Trading Act or other electronic trading systems whose trading regulations fulfill the requirements for multilateral trading systems qualify as reference markets.
- (2) The Management Board shall announce the determination or revocation of a reference

market for a security to the trading participants. In case of a revocation, the announcement shall be made with a sufficient time period prior to the effective date.

## § 27 Measures determining the Conduct of Trading

- (1) The Management Board may temporarily suspend trading in certain assets and rights if and as long as the orderly conduct of exchange trading and settlement appears to be in jeopardy or if this is required for the protection of the public. Upon suspension of trading in an asset or right, all orders in that asset or right available in the electronic trading system are deleted.
- (2) The Management Board may permanently terminate trading in certain assets and rights if orderly exchange trading does not appear to be guaranteed anymore, particularly if no exchange-like market in the affected asset or right has been established after an appropriate time period has lapsed. The Management Board will announce a planned termination of trading a particular asset or right in advance with an adequate time period. Upon termination of trading in an asset or right, all orders in the affected asset or right available in the electronic trading system are deleted. The regulations valid for securities admitted in the regulated market remain unaffected thereof.
- (3) According to Article 23 of the Directive (EU) No. 236/2012 the Management Board may prohibit or restrict natural or legal persons from entering into a short sale of a share or a debt instrument and limit transactions in other financial instruments in order to prevent a disorderly decline in the price of the financial instrument, and may especially
  1. instruct trading participants that sell orders of shares or debt instruments for the account of natural or legal persons may only be entered into the electronic trading system if it is secured that the natural or legal person on behalf of which they are acting is the owner of the full number of shares or debt instruments to be sold,
  2. temporarily halt exchange trading for specified shares, debt instruments or other financial instruments according to paragraph 5, and/or
  3. rule that the price determination in specified shares, debt instruments or other financial instruments shall be conducted by means of Periodic Auction according to § 36.
- (4) The Management Board shall inform the Exchange Supervisory Authority and the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) immediately about measures taken according to paragraphs 1 to 3.
- (5) The Management Board may, if and as long as it is required for technical reasons in order to avoid other dangers to the efficiency of exchange trading or the safeguarding of proper exchange price determination, also in cases of considerable volatility,
  1. temporarily halt exchange trading and/or price determination in general, in partial markets or for single assets and rights or
  2. rule that the price determination in specified shares, debt instruments or other financial instruments shall be conducted by means of Periodic Auction according to § 36.

If exchange trading is halted in a particular asset or right within the meaning of sentence 1 no. 1, all orders in these assets or rights available in the electronic trading system are maintained, no price determination takes place, stop orders will not be triggered and trailing stop orders will not be adjusted.



- (6) Moreover, the Management Board is authorized in individual cases to take appropriate and required measures at any time in order to maintain orderliness of exchange trading and/or settlement. Ruling and termination of such measures is to be communicated to the trading participants in an appropriate manner.
- (7) The Management Board shall publish measures which determine the conduct of trading according to paragraphs 1, 2, 3 and 5 as well as their duration or end on the Internet (<http://www.tradegate.de>) or in another appropriate manner.

## **Section 2: Determination of Exchange Prices**

### **Sub-section 1: Price Determination in the electronic Trading System**

#### **§ 28 Price Determination Method in the electronic Trading System**

- (1) The determination of exchange prices is made through the electronic trading system of the Exchange. The Management Board and the Trading Surveillance Office monitor the orderly determination of exchange prices in the electronic trading system.
- (2) Price determination takes place with the support of Specialists who are active in exchange trading in the individual security
  1. in the Continuous Auction or
  2. in an auction held at regular intervals (e.g. hourly, daily or weekly) (Periodic Auction).For securities whose price determination takes place in the Continuous Auction according to sentence 1 no. 1 the Management Board may rule that price determination also takes place in spot trading.
- (3) The Management Board shall decide the method of price determination for each security according to paragraph 2 with consideration of the requirements for the most efficient exchange trading. For this purpose, it may determine a minimum or maximum trading size (price or nominal value or units) for individual price determination methods or rule that the price determination method to be used for certain securities or trading segments be determined according to the order volume (price or nominal value or units). The Management Board shall issue consistent regulations for the various trading segments in order to increase transparency.
- (4) The Management Board is authorized to correct errors in connection with the price determination and to rule the reversal and/or rescindment of trades concluded at non-orderly conditions or conditions not customary in the market. Further regulations governing the correction of errors in electronic trading and the ruling of reversal and/or rescindment of trades are contained in the Conditions for Transactions on the Exchange. In addition, the Management Board may issue rules for the correction of errors in electronic trading in connection with price determination in the form of implementation regulations.

#### **§ 29 Function of the Specialist**

- (1) The Specialist supports price determination in electronic trading, provides liquidity and

offers services that support settlement.

- (2) The Specialist is admitted to trading on the Exchange as a company and has entered into a Specialist agreement with the Exchange's operating institution.
- (3) The Specialist carries out his role neutrally. He is obliged to ensure through organizational measures that no conflict of interest with his other activities arises from his role as a Specialist.
- (4) The implementation regulations issued by the Management Board shall govern the details, particularly about the tasks of the Specialists in connection with price determination.

## **Sub-section 2: Price Determination and Order Execution**

### **§ 30 Determination of Exchange Prices and Quotation Type**

- (1) The exchange price must conform to the actual market situation. All orders available at the moment of exchange price determination are to be treated equally under consideration of the special regulations in force at the Exchange.
- (2) The prices are quoted in percent of the nominal value or in Euro per unit, in accordance with the provisions of the Management Board. The Management Board may issue a regulation that deviates from sentence 1 if this leads to more clarity and coherence in quotation for the public.
- (3) The Management Board decides the details of the quotation as far as no other regulations are contained in the present Exchange Rules; such decisions are to be published.

### **§ 31 Consideration of Reference Markets for Price Determination**

- (1) Insofar as the present Exchange Rules or pertaining implementation regulations stipulate the consideration of reference markets for price determination, the Management Board decides, ex officio or upon application of the Specialist, on one or more reference markets for each concerned security which are to be considered for price determination.
- (2) The decision by the Management Board according to paragraph 1 is to be published.
- (3) The Management Board may regulate further details about the consideration of reference markets in implementation regulations.

### **§ 32 Pre-Trading Price Information**

- (1) The Specialist is obliged to provide permanently pre-trading price information for each traded security during the trading time of the security.
- (2) Pre-trading price information can be provided in the form of binding quotes or in the form of non-binding estimated prices. The Management Board shall determine for each trading segment or security the form in which the Specialist shall provide pre-trading price information.

- (3) Pre-trading price information shall give a realistic image of the market situation at the Exchange with consideration of the reference markets. In this context, the Specialist is authorized to check the orders available in the electronic trading system for plausibility and relevance.
- (4) The obligation according to paragraph 1 does not exist insofar as the provision of pre-trading price information is not possible due to technical malfunction or failure of the necessary technical facilities.
- (5) The Management Board can regulate further details about pre-trading price information in implementation regulations.

### **§ 33 Price Determination and Order Execution in Continuous Auction**

- (1) In the Continuous Auction, on the basis of all orders or quotes available in the order book at a given point in time, the price is determined at the binding quote or within the non-binding estimated price of the Specialist at which the largest trading volume can be executed with the least possible order volume surplus. Allocation of eligibility for execution to the orders is made according to price/time priority, whereby unlimited orders, prioritized according to the time of entry in the electronic order book, are eligible for execution with preference. On the other hand, limited orders, prioritized according to their limits and, in case of identical limits, prioritized according to the time of entry in the electronic order book, are only allocated eligibility for execution with lower priority.
- (2) The Continuous Auction is divided into the call phase and the price determination. The start of the call phase and the price determination of the first Continuous Auction of a trading day (Opening Auction) shall be determined by the Management Board. The call phase for the subsequent Continuous Auctions of the trading day is triggered immediately after the end of the price determination of the previous Continuous Auction.
- (3) Price determination in the Continuous Auctions following the Opening Auction is triggered as soon as the electronic trading system recognizes an executable order situation in the electronic trading system following the entry of an order or a (binding) quote. For this purpose, a continual check of incoming and available orders in the electronic order book for possible execution takes place during the trading time. In certain order book situations which shall be defined in implementation regulations issued by the Management Board, the Specialist can be obliged by these implementation regulations to support price determination through the electronic trading system by appropriate measures and/or create the prerequisites for the execution of orders in line with the market situation through further processing.
- (4) During price determination, the processing of order entries, modifications or deletions is not possible (Order Book Block). Entries, modifications or deletions of orders transmitted to the electronic trading system during the Order Book Block will be processed in their order of entry after the end of the Order Book Block.
- (5) The exchange price determined at the end of the call phase of the last Continuous Auction of the day (Closing Auction) is the Closing Price. If at the end of the call phase of the Closing Auction execution is not possible according to paragraph 3 sentence 1, then an assessment price without dealings is determined to the value of the average bid/ask spread of the pre-trading price information (quote or estimated price) which is published at

the end of the call phase and not flagged in accordance with § 38 paragraph 1 sentence 2. As part of the publication procedure within post-trading transparency, an assessment price without dealings determined according to sentence 2 is indicated by the turnover “zero” and does not trigger any stop limit orders, stop market orders or trailing stop orders.

## **§ 34 Price Determination and Order Execution in Spot Trading**

- (1) In spot trading the price which corresponds to or lies within the binding spot quote of the Specialist is determined at which an order coming into the electronic trading system can be fully and immediately executed.
- (2) Price determination in spot trading is only allowed for those orders flagged with a corresponding execution instruction.
- (3) Price determination in spot trading is triggered as soon as the electronic trading system identifies an order coming into the electronic trading system which is admitted to spot trading and can be fully and immediately executed. To this purpose, every incoming order with a corresponding execution instruction is checked for full and immediate execution. Should the order volume and/or the limit of the order coming into the electronic trading system prohibit its full and immediate execution in spot trading then the price determination and order execution of the order takes place in the Continuous Auction according to § 33.
- (4) During price determination the processing of order entries, modifications or deletions is not possible (Order Book Block). Entries, modifications or deletions of orders transmitted to the electronic trading system during the Order Book Block will be processed in their order of entry after the end of the Order Book Block.

## **§ 35 Volatility Interruption**

In the case of a substantial deviation between a bid (buy price) or ask (sell price) to the next bid or ask of the Specialist, which would lead to the triggering of stop orders or to executions against existing orders and/or to the adjustment of trailing stop orders, the Management Board may rule that exchange trading in the affected security be interrupted (volatility interruption). During the volatility interruption, no price determination takes place, stop orders will not be triggered and trailing stop orders will not be adjusted.

## **§ 36 Price Determination and Order Execution in the Periodic Auction**

- (1) In the Periodic Auction, on the basis of all orders or quotes available in the order book at a given point in time, the price is determined at the binding quote or within the non-binding estimated price of the Specialist at which the largest trading volume can be executed with the least possible order volume surplus. Allocation of eligibility for execution to the orders or quotes is made according to price/time priority, whereby unlimited orders/quotes, prioritized according to the time of entry in the electronic order book, are eligible for execution with preference. On the other hand, limited orders/quotes, prioritized according to their limits and in case of identical limits, prioritized according to the time of entry in the electronic order book, are allocated eligibility for execution only with lower priority.

- (2) The Periodic Auction is divided into the call phase and the price determination. The start of the call phase and the price determination of the Periodic Auction shall be determined by the Management Board. If several Periodic Auctions take place on a trading day, the call phase for the subsequent Periodic Auction is triggered immediately after the end of the previous Periodic Auction. The start of the price determination shall be determined by the Management Board.
- (3) During price determination, it is not possible to enter, modify or delete orders (Order Book Block). Entries, modifications or deletions of orders transmitted to the electronic trading system during the Order Book Block will be entered in the order book in their order of entry after the end of the Order Book Block and considered in the next Periodic Auction, provided the order instructions allow for this.

## **§ 37 Implementation Regulations**

The Management Board can issue implementation regulations in order to further detail the process of price determination.

## **Fifth Part: Transparency**

### **§ 38 Pre-Trading Transparency**

- (1) In order to establish pre-trading transparency, the Exchange publishes, in accordance with § 30 of the German Stock Exchange Act in connection with Article 17 paragraph 5 of the Directive (EU) No. 1287/2006, continuously the price of the buy order with the highest limit and the price of the sell order with the lowest limit, both of which have at least the volume stipulated by the Management Board, and the volumes tradable at these prices or adequate information about the price level of orders or price offers for each financial instrument traded. For publication, the Exchange uses various price data providers, other operators of electronic information systems and systems for support of trading via direct connection or the Internet (<http://www.tradegate.de>). The pre-trading price information published with regard to price determination according to § 28 paragraph 2 sentence 2 in conjunction with § 34 shall be earmarked.
- (2) Publication according to paragraph 1 can be limited insofar as this is required to ensure undisturbed operation of the technical systems used for publication and does not result in the creation of a picture of the market situation which conflicts with the actual market situation.

### **§ 39 Post-Trading Transparency**

- (1) The Exchange shall publish details of the trades concluded on the Exchange according to § 31 of the German Stock Exchange Act in connection with Chapter IV sections 1, 3 and 4 of the Directive (EU) No. 1287/2006 immediately via various price data providers, other operators of electronic information and trading support systems, via direct connection or on the Internet (<http://www.tradegate.de>). The Management Board shall decide whether publication is made either by means of reference to each transaction or in a form

aggregating the volume and price of all transactions in the same financial instrument taking place at the same price at the same time. The decision of the Management Board according to sentence 2 shall be announced.

- (2) During price determination according to § 28 paragraph 2 sentence 1 in conjunction with §§ 33 and 36, the electronic trading system does not use addenda or references. Reference is made to prices determined according to § 28 paragraph 2 sentence 2 in conjunction with § 34.

## **§ 40 Usage and Exploitation of Data**

- (1) The trading participants are authorized to use the trading data and information (pre-trading and post-trading data) which arise directly or indirectly from the electronic trading system of the Exchange solely for the purpose of trading and settlement. Neither the trading participant nor third parties are entitled to use trading data and information arising from the electronic trading system of the Exchange for purposes other than trading and settlement.
- (2) Passing on trading data and information arising from the electronic trading system of the Exchange to third parties, its storage, dissemination, publication and/or other usage or exploitation is prohibited. Any kind of usage or exploitation by trading participants or third parties of trading data and information arising from the electronic trading system of the Exchange requires the conclusion in writing of a separate information exploitation agreement with the Exchange's operating institution. In this agreement, the types of usage and exploitation as well as the resulting remuneration shall be governed.

## **Sixth Part: Settlement of Exchange Trades**

### **§ 41 Trade Confirmation, Settlement Instructions**

- (1) After conclusion of a trade, the trading participants involved receive an electronically transmitted confirmation about the trade concluded (single trade confirmation).
- (2) After the end of the daily exchange trading session, the settlement instructions for the concluded trades are transmitted electronically to the trading participants. Where trades are offset against each other (netting) for delivery, only the necessary consolidated settlement instruction shall be generated, the trading participant can request an itemization for the identification of single trades.
- (3) The trading participant shall be obliged to check whether the data records about concluded trades (settlement instruction or itemization of single trades) transmitted according to paragraph 2 deviate from the electronically transmitted single trade confirmations within the meaning of paragraph 1. Where this is the case, the trading participant shall be obliged to inform the concerned counterparty and the Exchange immediately. The same shall apply in case the documents are not submitted. Otherwise and if in doubt, the conclusion of the trade shall be deemed as have come into existence in accordance with the single trade confirmation within the meaning of paragraph 1.



### **§ 42 Settlement of Exchange Trades**

- (1) Clearing and settlement of concluded trades is to be performed by the trading participants at their own expense; each trading participant is obliged to advise the Management Board of the method of settlement. The Management Board may reject the method of settlement. In particular, the Management Board is authorized to reject the intended method of settlement if it is not in line with the Exchange's quality requirements.
- (2) The trading participants themselves are solely responsible for the orderly settlement of trades in financial instruments. In particular, they are obliged to guarantee orderly payment and delivery of cash and units positions within the respective valid payment and delivery terms. As a general rule, settlement for the single trades is dependent on the content of the single trade confirmations within the meaning of § 41 paragraph 1.
- (3) In case a Specialist has provided services with respect to settlement, the settlement practices of the settlement institutions the trading participants have indicated to the Management Board apply accordingly.
- (4) The trading participants themselves are solely responsible for treating all information concerning concluded trades in accordance with the statutory regulations, particularly as regards reporting, documentation and archiving.
- (5) Neither the Exchange nor its operating institution guarantee timely and orderly clearing and settlement of trades concluded on the Exchange. Neither the Exchange nor its operating institution are liable for damage resulting from wrong delivery, non-delivery respectively late delivery between the trading participants. This also applies to other failures with respect to orderly trading and settlement of financial instruments which are to be attributed exclusively or predominantly to the sphere of a trading participant.

## **Seventh Part: Final Provisions**

### **§ 43 Market Integrity**

Trading participants are obliged to use the Exchange's electronic trading system in accordance with the provisions of the Exchange's statutory regulations, so that orderly exchange trading and orderly settlement of trades concluded on the Exchange is ensured. For this purpose, when entering orders, quotes or estimated prices, trading participants are not allowed to influence erroneously or deceptively the supply, demand or price of traded securities or cause a price not in line with the market or an artificial price level without this being consistent with the usual market practice and in line with orderly conduct of exchange trading pursuant to the Exchange's statutory regulations.

### **§ 44 Continuation of the multi-lateral Trading System TRADEGATE® on the Tradegate Exchange**

- (1) As of January 4, 2010, the multi-lateral trading system (MTF) TRADEGATE® operated at this point in time by the Exchange's operating institution will be continued in the Tradegate Exchange.

- (2) For those companies which at the time of coming into effect of the present Exchange Rules
1. have the authorization to participate in trading on the multi-lateral trading system TRADEGATE<sup>®</sup>,
  2. have a technical connection to the multi-lateral trading system TRADEGATE<sup>®</sup> and
  3. have, as part of the procedure of the granting of an authorization to participate in trading on the multi-lateral trading system TRADEGATE<sup>®</sup>, submitted to the operator of the multi-lateral trading system TRADEGATE<sup>®</sup> at the time, information that satisfies the requirements set forth in the Second Part,
- admission to participate in exchange trading on the Exchange according to §§ 12 and 13 and access to the electronic trading system according to § 14 are deemed to have been granted without completing the admission procedure described in the Second Part as of the point in time at which the company first transmits an order to the electronic trading system of the Exchange on the date mentioned in paragraph 1 or after that date. In this case, this order is also deemed as application for admission to participate in exchange trading and for access to the electronic trading system.
- (3) Paragraph 2 applies accordingly to the granting of admission as Exchange trader to individuals who as of the date of coming into effect of the present Exchange Rules are authorized to conclude trades for companies which hold the authorization to participate in trading on the multi-lateral trading system TRADEGATE<sup>®</sup>.

## **§ 44a Transitional Provisions**

- (1) The regulations in § 14a shall be implemented for the first time on January 1, 2014.
- (2) The regulations in § 14b shall be implemented for the first time on April 1, 2014.

## **§ 45 Effectiveness**

The present Exchange Rules become effective on December 15, 2009.