XONTRO

XONTRO Newsletter

Financial Institutes

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(English Version)

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This XONTRO Newsletter contains information regarding the following topic:

- „Subscription Order Freeze" functionality introduction for the XONTRO exchange places Berlin, Duesseldorf, Hamburg, Hannover, and Stuttgart, to be launched on **June 3rd, 2013**.

1. Information regarding the „Subscription Order Freeze"

Along with securities having been set to the subscription order phase, beginning as of 3rd of June 2013, the intermediary having been assigned to be in charge of the subscription price fixing procedure may apply the new subscription order freeze functionality. The entry of a subscription order freeze will, however, be possible outside of the actual subscription period, too.

The entry of a subscription order freeze will result in the new emission order book to be blocked in a special way. In contrast to a "normal" oder book freeze that, during the daily price fixing period, takes place for a preferably short time period only, a subscription order freeze may be maintained over a period of several days.

Along with an existing subscription order freeze, newly sent subscription orders that are to be inserted into the order book will not be accepted by XONTRO. This will equally be true for subscription order modifications or deletions for subscription orders already having been inserted into the order book; they will likewise be rejected by XONTRO during this period. Only the intermediary having been appointed for the subscription price fixing procedure may insert new subscription orders resp. modify or delete existing subscription orders during an ongoing subscription order freeze period.

The rejection of the entry, modification or deletion will be documented by the new error message: „BC9780F – GATTUNG WEGEN ZEICHNUNG GESPERRT" ("ISIN blocked due to subscription period").

The so called subscription order freeze will have to be entered similar to a price fixing suspension, but with the inclusion of a special additional flag "PO" (Public Offering). In contrast to a normal price fixing suspension, however, no orders will be deleted; in addition, no messages will be distributed neither to WSS nor to CEF.

The redemption of a subscription order freeze may be done by the intermediary, either explicitly or by performing the subscription price fixing procedure. If the price fixing post-processing procedure has not been finished properly by the intermediary, then the contracting procedure will be done by force during the end-of-day batch run of the corresponding business day.

The subscription order freeze period will be displayed to the public using the 3270 dialog transactions „BRIN/AN" and „BRIN/AM".

2. System Interface Implications

2.1. System Connection SAKI-SWIFT

The transmission of a subscription order freeze period having been entered will be done in analogy to a price fixing suspension, using the MT551. The new "PO" flag will be displayed in Tag 79 (2nd line).

The case of a subscription order freeze termination – either by an explicit action by the intermediary or by an implicit action such as issuing a subscription price fixing procedure including its proper post-processing procedure termination – will likewise be indicated using the MT551. The message looks similar to to a „FIXON" message.

2.2. System Connection SAKI-FIX

The transmission of a subscription order freeze period having been entered will be done in analogy to a price fixing suspension, using the News Message. The new "PO" flag will be displayed in Field Text(2).

The case of a subscription order freeze termination – either by an explicit action by the intermediary or by an implicit action such as issuing a subscription price fixing procedure including its proper post-processing procedure termination – will likewise be indicated using the News Message. Here, the new "PO" flag will also be displayed in Field Text(2).

3. Simulation Option (IMS27)

Beginning Monday, April 8th, 2013, the XONTRO customers will be given the option to simulate the subscription order freeze at the XONTRO exchanges Berlin, Duesseldorf, Hamburg, Hannover, and Stuttgart.

The ISIN to be used for the simulation will be DE0006305006 (DEUTZ AG, mnemonic: DEZ) for all exchanges listed.

For the period between April 8th, 2013, and May 31st, 2013, this ISIN will be subject to a weekly subscription order freeze period ranging from Tuesday thru Thursday, respectively.