

**To all companies participating in the Regulated Market at Frankfurter Wertpapierbörse (FWB<sup>®</sup>, the Frankfurt Stock Exchange), all Trading Members admitted at Frankfurt Stock Exchange**

Deutsche Börse AG

Listing Services

Mergenthalerallee 61  
65760 Eschborn

Mailing address  
60485 Frankfurt/Main

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Phone  
+49-(0) 69-2 11-1 39 90

Fax  
+49-(0) 69-2 11-1 39 91

Internet  
[deutsche-boerse-cash-market.com](http://deutsche-boerse-cash-market.com)

E-mail  
[listing@deutsche-boerse.com](mailto:listing@deutsche-boerse.com)

**Clearing obligation for securitised derivatives traded in the Regulated Market of Frankfurt Stock Exchange**

Dear Sir or Madam,

As of 3 January 2018, all transactions concluded in derivatives on a Regulated Market on an exchange must be cleared by a central counterparty (Art. 29, Paragraph 1 MiFIR<sup>1</sup>). In general, the term “derivative” also includes **securitised derivatives**, particularly **Structured Products** which are admitted to trading in the Regulated Market at the Frankfurt Stock Exchange.

The actual derivatives which are subject to the clearing obligation are defined in a statutory provision (Art. 2 Paragraph 1 No. 29 MiFIR). According to this provision, the following securities are affected (Art. 4 Paragraph 1 No. 44 lit. c MiFID II<sup>2</sup>):

“[...] any other securities giving the right to acquire or sell any such securities (= shares, certificates representing shares, debt securities) or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures.”

Since no clearing via central counterparty (hereafter referred to as “clearing”) is currently being offered for Structured Products or will be offered in the near future at the Frankfurt Stock Exchange, every single case has to be examined, i. e. **for each ISIN**, it has to be examined whether the security fulfils the aforementioned statutory defining characteristics.

Chairman of the  
Supervisory Board  
Joachim Faber

Executive Board  
Carsten Kengeter  
(Chief Executive Officer)  
Andreas Preuss  
(Deputy Chief Executive Officer)  
Gregor Pottmeyer  
Hauke Stars  
Jeffrey Tessler

<sup>1</sup> Regulation EU 600/2014

<sup>2</sup> Directive EU 2014/65/EU

Aktiengesellschaft  
mit Sitz in  
Frankfurt/Main  
HRB Nr. 32232  
Amtsgericht  
Frankfurt/Main

Structured Products, which do not fulfil the statutory defining characteristics and thus are not subject to the clearing obligation, remain unaffected. In future, they can also be admitted to trading at the Frankfurt Stock Exchange in accordance with the applicable admission requirements without any further procedure. This means that they will be tradable at the Frankfurt Stock Exchange – even without clearing.

We would like to emphasise that the statutory clearing obligation is **not** applicable for inclusion and trading of securitised derivatives or Structured Products in the **Regulated Unofficial Market (Open Market)** of Frankfurt Stock Exchange.

### **1. Delisting of admitted securitised derivatives**

For securitised derivatives admitted to trading on Frankfurt Stock Exchange, which are subject to the statutory clearing obligation and for which clearing is not ensured, admission is revoked ex officio with effect from 3 January 2018 (delisting).

As part of the delisting procedure, the Listing Services department will invite affected issuers to state if the specific securitised derivative which is affected fulfils the requirements of the statutory definition of a derivative.

### **2. New admission of securitised derivatives**

With effect from 3 January 2018, securitised derivatives which are subject to the statutory clearing obligation and for which clearing is not ensured, must not be admitted to trading on the Regulated Market at Frankfurt Stock Exchange.

If admission of securitised derivatives to trading at Frankfurt Stock Exchange is applied for regardless of the aforesaid, the applicant must in future declare that the derivative in question does not fulfil the requirements of the statutory definition of a derivative. Nonetheless, the Management Board of Frankfurt Stock Exchange reserves the right to deny the admission, should the examination, which is to be conducted ex officio, results in the derivative in question being subject to the statutory clearing obligation.

For any questions you may have, please contact Listing Services department on tel. +49-(0) 69-2 11-1 39 90 or e-mail [listing@deutsche-boerse.com](mailto:listing@deutsche-boerse.com).

Yours faithfully,



Cord Gebhardt



Maren Pfeiffer