



The BVB's technical specifications with regard to the application in the MiFID II context of the BVB's Rulebook provisions related to orders, tick sizes, mechanisms related to the price variation

➤ **Minimum content of a stock exchange order**

- *Based on the Delegated Regulation no. 2017/580/UE, the Participants will include at submitting information related to orders at least the following information:*
 - an indicator that specifies if the order was generated by an algorithm;
 - an indicator that specifies if the order was entered through DEA;
 - specific elements with regard to the investment decision, respectively the execution decision within the Participant;
 - specific information related to the identification of the Participant's client.
- *Continuous obligations of the Participants:*
 - to send the information needed to allow the association between the content of orders and the information needed for ensuring the completeness of the records requested through the Delegated Regulation no. 2017/580/UE;
 - to have the adequate control mechanism for ensuring that the information related to orders and association of the information are correct and complete.

Note: The specific information related to entering and administration of orders in the MIFID II context are available on the Arena's page:

<https://arena2docs.bvb.ro:8443/arena2/en/news-en.html>

➤ **Update tick size – shares, unit funds, ETF**

- Tick size is set for shares, unit funds, ETFs and rights traded within BVB, according to the liquidity band identified for each of them, based on the Delegated Regulation no. 2017/588/UE, according to the table presented in *Annex 1 – Tick sizes (liquidity bands)*.

Note:

- the update of the liquidity bands (tick sizes) will apply to shares, unit funds, ETF and rights from the regulated market and ATS administered by BVB
 - the liquidity band (tick size list) applicable to a financial instrument is set depending on the average number of trades registered in the most relevant market for that financial instrument
 - the information with regard to the liquidity band (tick size list) applicable to a financial instrument will be publicly disclosed on the BVB's web-page
 - for shares, the data published by ESMA will be disseminated
 - for ETF, the list (liquidity band) 6 will be assigned (according to Art. 2 from Delegated Regulation 2017/588/UE)
 - for the instruments similar to shares, the list (liquidity band) 1 will be applied
- based on the update of the tick sizes, the updated values of the maximum number of tick sizes through a market order can pass, as well as the price protection applicable to a market order are presented in *Annex 2*



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➤ Mechanisms applicable for a financial instrument with regard to the price limit

- for the financial instruments available in the regulated market, BVB will apply the following mechanisms:
 - *maximum percentage variation of the orders*: for all financial instruments
 - *mechanism for extension of the price limit*: shares from the indices BET and BET-FI, the international shares
- for the financial instruments available in ATS, the specific provisions from the BVB's Rulebook – system operator will be applied.

Note: BVB will review periodically (annually) the applicability of the mechanisms and the values related to the price limit. In exceptional cases, BVB will change the type of the mechanism applicable to a financial instrument, respectively the corresponding values.

Maximum percentage variation of the orders

- *for regulated market, regardless of the market utilized*:
 - shares, bonds, fund units/ETF, rights: +/-15% compared to the reference price
 - government bonds: no price limit applied
 - structured products: according to the notification of the Liquidity Provider
- *For ATS*: according to the BVB's Rulebook – system operator.

Mechanism for extension of the price limit

- the time of the monitoring interval and of the Pre-open stage corresponding to an extension: 5 minutes
- values corresponding to the successive stages to extend the price limit in the price's direction (increasing or decreasing), for a symbol in main market, are as follows:
 - + percentage value compared to the reference price: + 25% (first extension); + 35% (second extension); + 40% (third extension);
 - – percentage value to the reference price: - 25% (first extension); - 35% (second extension); - 40% (third extension).
- the hour set for monitoring the regulated market in order to apply the automated procedure (and which will be considered as maximum time limit for monitoring the market on this purpose): 17:35.