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... ATX ... VIENNA STOCK EXCHANGE ... ATX PRIME ... ATX ... WIENER BÖRSE ...

Pre- and Post-Trade Controls at WBAG

RTS 7: Specifying organisational requirements of trading venues



Scope of MiFID II Pre-Trade and Post-Trade Controls

- Based on Delegated Act (EU) 2017/584 (RTS 7) Art. 18 trading venues shall have at least the following arrangements in place to prevent disorderly trading and breaches of capacity limits:
 - Limits per member of the number of orders sent per second → Throttle Mechanism.
 - Mechanisms to manage volatility → Volatility Interruptions (normal and extended).
 - Pre-trade controls → RTS 7 Art. 20



RTS 7 Article 20: Pre-Trade and Post-Trade Controls

- Trading venues are required to implement three pre-trade controls adapted for each financial instrument:

Pre-trade control	Description
Price Collars	automatically block order that do not meet pre-set price parameters on an order-by order basis
Maximum Order Value	Prevents orders and firm quotes with uncommonly large order values (order size in EUR) from entering the order book by reference to notional values per financial instruments
Maximum Order Volume	Prevents orders and firm quotes with uncommonly large order size (in units or notional) from entering the order book

- Trading venues may establish post-trade controls that they deem appropriate on the basis of a risk assessment of their members' activity



Price Collars (Price Reasonability Check)

- Prevents order/quotes with too large price difference to a reference price from entering the order book.
- Price collars which automatically block orders and firm quotes that do not meet pre-set price parameters on an order-by-order basis.
- Requirement is already fulfilled with the existing “Price Reasonability Check” functionality in Xetra® / Classic and Xetra® / T7.
- Price Reasonability Check is linked to the corridors for the volatility interruptions on the level for each security.
- No further action from Member Service Administrator (MBRSPV) required.



Maximum Order Value

- Prevents orders and firm quotes with uncommonly large order size (in units or notional) from entering the order book.
- Maximum Order Value requirement exists Xetra® / Classic and Xetra® / T7.
- Participants have to maintain the Maximum Order Value limits for their users:
 - For new users:
 - No default value is set within the system
 - Value has to be set by the Member Service Administrator (MBRSPV)
 - For users already setup in the system:
 - Please check the Maximum Order Value.
 - Pre-defined dummy values (Xetra® Classic: 999.999.999.999,999; Xetra® T7: 9.999.999.999,99999999) have to be changed.
- Member Service Administrator (MBRSPV) will be able to maintain the Maximum Order Value limits for their users intraday and the changes will be effective immediately.



Maximum Order Volume (Maximum Order Quantity)

- Prevents orders and firm quotes with uncommonly large order size (in units or notional) from entering the order book.
- Maximum Order Quantity requirement exists in Xetra® Classic and Xetra® T7.
- Participants have to maintain the Maximum Order Quantity limits for their users:
 - For new users:
 - No default value is set within the system
 - Value has to be set by the Member Service Administrator (MBRSPV)
 - For users already setup in the system:
 - Please check the Maximum Order Value.
 - Pre-defined dummy values (Xetra® Classic: 999.999.999,999; Xetra® T7: 9.999,999) have to be changed.
- Member Service Administrator (MBRSPV) will be able to maintain the Maximum Order Quantity limits for their users intraday and the changes will be effective immediately.