



# BUCHAREST STOCK EXCHANGE

## Technical specifications regarding the specific elements of the volatility interruption mechanism

- **The volatility interruption mechanism** will be applied starting with **December 2, 2019**.
  - starting with the same date, the mechanism for extension of the price limit will not be applied for the respective instruments.

Note: For other shares, fund units and ETFs from the regulated market, no updates will be registered, respectively, the maximum price variation of the orders' price of +/-15% will be applied.

- **The financial instruments** for which the volatility interruption is applied are as follows:
  - shares from the indices BET and BET-FI
  - international shares traded within the regulated market
- **Update's frequency of the list of financial instruments** which is the object of the volatility interruption mechanism is given by the update of the instruments' components indicated above.
  - in justified situations, BVB may establish another frequency of updating the list of financial instruments, compared to the one indicated above.
- **Price variation limits and time period corresponding to the status of the symbol-market entities** related to the application of the volatility interruption mechanism are as follows:

<i>Symbol – main market (REGS)</i>		
Name of parameter		Value
1.	hard tunnel	+/- 25%
2.	dynamic price tunnel in continuous trading (Open)	+/- 3%
3.	dynamic price tunnel in preopen (Pre-open)	+/- 6%
4.	static price tunnel	+/- 10%
5.	dynamic price tunnel in Volatility Interruption (Vi)	+/- 6%



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6.	minimum duration (in seconds) of Volatility Interruption status (Vi)	180
7.	minimum duration (in seconds) of Extended Volatility Interruption status (ViXT)	180
8.	minimum duration (in seconds) of Extended Pre-open status (Pre-openXT)	180
9.	random duration (in seconds) corresponding to the Pre-openXT, Vi and ViXT – which is added to the minimum duration indicated at the points 6 - 8	minimum 0 maximum 30

<i>Symbol - deal market (DEALS)</i>		
Name of parameter		Value
1.	hard tunnel	+/- 25%
2.	static price limit applicable to a symbol in deal market	+/- 10%

*Note:* dynamic price tunnel in Pre-close will not applied; also, the time period of the Extended Pre-close (*PrecloseXT*) is 0.

- ***Specific aspects related to the resumption of trading of a symbol for which the volatility interruption mechanism***

In case of the symbols having the share type for which the *volatility interruption* mechanism is applied, the resumption of trading during a trading session, according to the provisions of Article 6 para. (2) letter b) from Title III of the BVB's Rulebook – Market Operator, is carried out through passing the symbol in the main market in Pre-Open stage for a specified time interval, continued with:

1. performing in parallel of the following:
  - a) passing of the symbol in main market in the Open stage determines the following:



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- if the potential opening price exceeds the dynamic tunnel from the *Preopen stage* => the symbol-market will automatically enter in the *Preopen stage* and, after the respective time interval, – consisting of duration of the *PreopenXT stage* and a random duration - , the *Fixing* state is automatically triggered, followed by the *Open* stage
- if the potential opening price doesn't exceed the dynamic tunnel from the *Preopen stage* => the symbol-market will enter in the *Fixing* stage, followed by the *Open* stage

*The reference of the dynamic tunnel from the Preopen stage specified previously is the price of the last trade – if the trades were registered in the current trading session or the reference price – if no trades were registered.*

- b) passing of the symbol in Deal market in the Open stage.
2. the regular succession of the markets' states in which the respective symbol is traded.