

Section 4 a

Powers to secure the financial system

(1) The Federal Financial Supervisory Authority, following consultation with Deutsche Bundesbank, may issue orders which are suitable and necessary to remedy or prevent grievances which may be disadvantageous to the stability of the financial markets or may cause a loss of trust in the functional capability of the financial market. In particular, the Federal Financial Supervisory Authority may temporarily prohibit trading in individual or several financial instruments, temporarily order the suspension of trading in individual or several financial instruments on markets on which financial instruments are traded or temporarily prohibit derivative transactions whose value derives directly or indirectly from the price of debt instruments issued by central governments, regional governments and local political subdivisions of EU member states whose lawful currency is the euro to the extent they are admitted to trading on the regulated market of a domestic stock exchange and have been introduced to trading and which, in commercial terms, are equivalent to the short-selling of these debt instruments. The validity of legal transactions will remain unaffected by a breach of any orders within the meaning of this paragraph. For reasons of proportionality, the Federal Financial Supervisory Authority may allow for exceptions in the context of the orders pursuant to this paragraph.

(2) The Federal Financial Supervisory Authority may order that persons executing transactions in financial instruments must publish their positions in these financial instruments and notify the Federal Financial Supervisory Authority thereof at the same time. The Federal Financial Supervisory Authority may publish notifications pursuant to sentence 1 on its homepage.

(3) The provisions of section 4 (3), (4), (6), (9) and (10) apply *mutatis mutandis*.

(4) Any objection and action for avoidance filed against any measures taken in accordance with (1) to (3) will have no suspensory effect.

[...]

Section 30h

**Prohibition of uncovered short sales of shares and debt instruments
and of transactions in certain derivatives**

(1) It is prohibited to execute uncovered short sales in

1. shares; or
2. debt instruments issued by central governments, regional governments and local political subdivisions of EU member states whose lawful currency is the euro

which are admitted to trading on the regulated market of a domestic stock exchange and have been introduced to trading.

This does not apply to shares of companies having their registered office abroad unless the shares are exclusively admitted to trading on the regulated market of a domestic stock exchange. An uncovered short sale is deemed to exist if, at the time of conclusion of the respective transaction, the seller of the securities referred to in sentence 1. is not

1. the owner of the sold securities; or
2. the holder of an unconditionally enforceable claim under contractual or proprietary law for the transfer of title to a corresponding number of securities of the same kind.

(2) The prohibition provided for in (1) also applies to transactions in derivatives whose value is directly or indirectly derived from the price of shares within the meaning of (1) and which, from a commercial point of view, are equivalent to a short sale within the meaning of (1).

(3) The prohibitions provided for in (1) and (2) do not include transactions executed by persons who have undertaken by contract to purchase or sell financial instruments on a continuous basis by way of trading for their own account at prices defined by them to the extent that the respective transaction is necessary for the performance of such contractual obligations, as well as transactions concluded by trading participants in order to settle a transaction in financial instruments at a fixed or definable price (fixed price transaction) entered into with a customer.

[...]

Section 30j

Prohibition of certain credit derivatives

(1) Protection buyers are prohibited to conclude credit derivatives within the meaning of section 2 (2) no. 4 or to enter into such credit derivatives by way of legal transaction in Germany, if:

1. in the context of such transaction, the protection seller must pay the protection buyer a compensation if a predefined credit event has occurred, irrespective of whether the compensation is paid as an amount equal to the notional amount against physical delivery of a reference obligation, as an amount equal to the difference to the residual value of a reference obligation remaining after the occurrence of the credit event, or as an agreed fixed amount (credit default swap), including where such credit default swap is embedded in a credit linked note or a total return swap; and
2. at least one reference obligation is an obligation of central governments, regional governments or local political subdivisions of EU member states whose lawful currency is the euro.

(2) The prohibition set out in (1) above does not apply to transactions where the conclusion of the credit derivative within the meaning of (1), in commercial terms, causes a not merely insignificant reduction in the credit risk arising from:

1. an existing position in a reference obligation of the credit derivative within the meaning of (1) above; or
2. another existing position in any other financial instrument which will decrease in value if the creditworthiness of an EU member state which is the debtor of a reference obligation within the meaning of (1) no. 2 deteriorates.

Section 30k

Prohibition of certain currency derivatives

(1) It is prohibited to conclude or, by way of legal transaction, to enter into currency derivatives within the meaning of section 2 (2) no. 1 lit. b, d or e whose value is directly or indirectly derived from the exchange rate of the euro unless these derivatives serve to hedge own currency risks.

(2) The prohibitions provided for in (1) do not include transactions executed by persons who have undertaken by contract to purchase or sell financial instruments on a continuous basis by way of trading for their own account at prices defined by them to the extent that the respective transaction is necessary for the performance of such contractual obligations.