

Resolution No. 81/2151/2024
of the Warsaw Stock Exchange Supervisory Board
dated 23 July 2024
amending the Exchange Rules

Pursuant to § 18(2)(9) of the Exchange Articles of Association, the Exchange Supervisory Board resolves as follows:

§ 1

The Exchange Rules, adopted by Resolution No. 1/1110/2006 of the Warsaw Stock Exchange Supervisory Board dated 4 January 2006 (as amended), shall be amended as follows:

1) in § 2:

a) in point 13a(b), the phrase "investment certificates of a portfolio fund with its seat in the territory of the Republic of Poland, referred to in Article 182(2)(1) or (2) of the Act of 27 May 2004 on Investment Funds and Management of Alternative Investment Funds, as amended" shall be replaced by the phrase "investment certificates of a portfolio fund with its seat in the territory of the Republic of Poland, referred to in Article 179(1) of the Act of 27 May 2004 on Investment Funds and Management of Alternative Investment Funds, as amended";

b) point 23 shall be replaced by the following:

"23) structured instruments shall be understood as bank derivative rights within the meaning of the Act of 29 August 1997 – Banking Law and structured instruments issued under foreign law, including structured bonds, structured certificates and put/call warrants, excluding ETCs and ETNs;

c) point 23a shall be repealed;

2) in § 8(1), the phrase "within 14 days" shall be replaced by the phrase "within 7 days";

3) in § 60(2), after point 1, point 1a shall be added as follows:

"1a) a state-owned bank conducting brokerage activities, referred to in Article 111a of the Trading Act,";

4) § 70(1) shall be replaced by the following:

"1. On written application of an exchange member, the Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board shall promptly set a date for the commencement by the exchange member of their exchange business after the exchange member proves that on the application date they have sufficient organisational and technical measures enabling proper management of trading in exchange-listed financial instruments and provides documents proving that they are able to correctly settle their exchange transactions.";

5) § 79(1) shall be replaced by the following:

"1. If the FSA makes a decision regarding an exchange member to withdraw the authorisation to conduct brokerage activities or to restrict the scope of the conducted brokerage activities, the Exchange Management Board shall de-register the exchange member from the exchange, suspend the exchange member's business on the exchange in whole or in part for the period of the FSA's suspension, or change the scope of the exchange member's business on the exchange, as appropriate.";

6) § 81(1) shall be replaced by the following:

"1. Within the meaning of the Exchange Rules, a market maker is an exchange member or a non-member entity referred to in § 60.2 that has agreed under an agreement entered into with the Exchange to buy or sell financial instruments for their own proprietary account in order to support liquidity of such instruments or to perform other actions related to organising trade in financial instruments in the market maker system on such terms and conditions as determined in these Exchange Rules and the Detailed Exchange Trading Rules. An exchange member may also perform market maker actions through another exchange member authorised to act for the client's account. A non-member entity shall perform market maker actions through an exchange member authorised to act for the client's account.";

7) in § 92:

a) sub-paragraph 2 shall be replaced by the following:

"2. An exchange member shall appoint persons (hereinafter referred to as "exchange brokers") authorised to submit to the exchange, modify and cancel broker orders on the exchange member's behalf. This obligation shall apply accordingly to clients of an exchange member using sponsored access. An exchange broker who is employed by, is a member of the governing bodies of, or otherwise acts for an exchange member may not be employed by, be a member of the governing bodies of, or otherwise act for another exchange member.";

b) sub-paragraph 3(3) shall be replaced by the following:

"3) is employed by, is a member of the governing bodies of, or otherwise acts for an exchange member or is employed by, is a member of the governing bodies of, or otherwise acts for a client of an exchange member using sponsored access, respectively.";

c) sub-paragraph 4(2) shall be replaced by the following:

"2) have been appointed by other exchange members or their clients using sponsored access, respectively, if the responsibilities of the exchange broker do not include submitting, modifying or cancelling broker orders on a client's account.";

d) sub-paragraph 6 shall be replaced by the following:

"6. An exchange member shall appoint and notify the Exchange of at least one person to supervise the process of submitting to the exchange, modifying and cancelling broker orders by the exchange member, including orders submitted by means of algorithmic trading and orders submitted by clients of the exchange member using sponsored access (hereinafter referred to as the "supervising broker"). The activities referred to in the first sentence may be carried out for an exchange member by the same supervising broker.";

8) § 93 shall be replaced by the following:

"§ 93

"1. An exchange member shall bear sole responsibility for their exchange brokers' and supervisory brokers' conduct in the fulfilment of their exchange trading obligations.

2. If an exchange broker or supervising broker is entered in the list of securities brokers maintained by the FSA, the exchange member shall immediately notify

the Exchange of the FSA's suspension of the broker's authorisation to practise the profession or of the FSA's removal of the broker from the list of securities brokers.";

9) § 94 shall be replaced by the following::

"§ 94

A supervising broker who is employed by, is a member of the governing bodies of, or otherwise acts for an exchange member cannot be employed by, be a member of the governing bodies of, or otherwise act for another exchange member.";

10) in § 95:

a) sub-paragraph 1(3) shall be replaced by the following:

"3) is employed by, is a member of the governing bodies of, or otherwise acts for an exchange member";

b) sub-paragraph 2(2) shall be replaced by the following:

"2) have been appointed by other exchange members, if the responsibilities of the supervising broker do not include supervision upon submitting, modifying and cancelling broker orders on a client's account.";

11) in § 99:

a) sub-paragraph 1 shall be replaced by the following:

"1. The Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board shall strike a supervising broker off the register referred to in § 101 on application of an exchange member, in particular if the circumstances referred to in § 95.1(3) no longer exist.";

b) sub-paragraph 3 shall be replaced by the following:

"3. The Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board shall suspend exchange operations by a supervising broker, if an exchange member provides the Exchange with information that such person's securities broker licence is suspended by the FSA, for the duration of the suspension.";

c) after sub-paragraph 3, sub-paragraphs 4 and 5 shall be added as follows:

"4. The Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board shall strike a supervising broker off the register referred to in § 101 if an exchange member provides the Exchange with information of the FSA's removal of such person from the list of securities brokers.

5. The provisions of sub-paragraphs 3 and 4 shall apply accordingly if the information set out therein is provided to the Exchange by the FSA or made public by the KNF, and if such information is obtained by the Exchange by other means, after appropriate verification.";

12) in § 119d, the existing content shall become sub-paragraph 1 and sub-paragraph 2 shall be added as follows:

"2. In justified cases, the Exchange Management Board may, on the basis of matched requests of exchange members who are parties to a transaction, decide to correct that transaction even if the condition referred to in sub-paragraph 1 is not met, subject to § 119a(2).";

13) § 133(2) shall be replaced by the following:

"2. The price limit in a broker order shall be consistent with the minimum tick size for the financial instrument determined by the Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board, according to the terms set out in the Detailed Exchange Trading Rules, subject to the limitations arising from Commission Delegated Regulation (EU) 2017/588.";

14) in § 155:

a) in sub-paragraph 2(1), the phrase "determined by the Exchange Management Board" shall be replaced by the phrase "determined by the Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board";

b) in sub-paragraph 4(1), the phrase "determined by the Exchange Management Board" shall be replaced by the phrase "determined by the Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board";

c) sub-paragraph 7 shall be replaced by the following:

"7. The Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board acting in accordance with the terms of the Detailed Exchange Trading Rules shall determine the minimum block trade value for specific derivative instruments by setting the minimum quantity of derivative instruments in a transaction (transaction volume). The Exchange Management Board or an Exchange staff member authorised by the Exchange Management Board shall determine the minimum quantity of derivative instruments in a block trade so as to ensure the block trade value for the derivative instruments is not lower than the minimum value of an order large in scale compared with normal market size determined according to Commission Delegated Regulation (EU) 2017/583.";

15) § 156 shall be replaced by the following:

"§ 156

1. The Exchange Management Board may determine a detailed procedure for making block trades in the Detailed Exchange Trading Rules.
2. Subject to § 154(3), the Exchange Management Board may determine procedures and terms and conditions of making block trades in financial instruments other than those referred to in § 155, provided that in the case of financial instruments subject to Commission Delegated Regulation (EU) 2017/587 or Commission Delegated Regulation (EU) 2017/583, the minimum block trade value shall not be not lower than the minimum value of an order large in scale compared with normal market size determined for the instruments according to those provisions.";

16) § 159 shall be replaced by the following:

"§ 159

1. The broker orders for exchange-traded shares to which the offer relates shall be written out by an exchange member and such orders may include more than one client's order each.
2. Transactions based on the orders referred to in sub-paragraph 1 shall be concluded outside the continuous trading system and the single-price auction system.";

17) in § 192, after sub-paragraph, sub-paragraph 1a shall be added as follows:

"1a. Where amendments to the Exchange Rules do not limit the rights or increase the obligations of trading participants, the Exchange may request the FSA for permission to shorten the date by which they come into force.";

18) in Exhibit 1 to the Exchange Rules ("Exchange Fees Charged from Exchange Members"):

- point X of the Notes shall be replaced by the following::

"X. Debt financial instruments include bonds, covered bonds and other transferable securities which incorporate property rights equivalent to rights arising from borrowed debt, excluding structured instruments, ETCs and ETNs.

Structured instruments include bank derivative rights within the meaning of the Act of 29 August 1997 – Banking Law and structured instruments issued under foreign law, including structured bonds, structured certificates and put/call warrants, excluding ETCs and ETNs.";

19) in Exhibit 2 to the Exchange Rules ("Exchange Fees Charged to Issuers of Securities on the Main Market"):

- point I of the Notes shall be replaced by the following::

"I. Debt financial instruments include bonds, covered bonds and other transferable securities which incorporate property rights equivalent to rights arising from borrowed debt, excluding structured instruments, ETCs and ETNs.

Structured instruments include bank derivative rights within the meaning of the Act of 29 August 1997 – Banking Law and structured instruments issued under foreign law, including structured bonds, structured certificates and put/call warrants, excluding ETCs and ETNs.";

20) in Exhibit 3 to the Exchange Rules ("Exchange Fees Charged to Issuers of Securities on the Parallel Market"):

- point I of the Notes shall be replaced by the following::

"I. Debt financial instruments include bonds, covered bonds and other transferable securities which incorporate property rights equivalent to rights arising from borrowed debt, excluding structured instruments, ETCs and ETNs.

Structured instruments include bank derivative rights within the meaning of the Act of 29 August 1997 – Banking Law and structured instruments issued under

foreign law, including structured bonds, structured certificates and put/call warrants, excluding ETCs and ETNs.”.

§ 2

The amendments to the Exchange Rules referred to in § 1 of this resolution shall come into force two weeks from the date of making such amendments known to trading participants, subject to the approval of such amendments by the Polish Financial Supervision Authority.s