



Xetra Circular 041/19

Change in authentication process of “Trading on Behalf” service at the Frankfurter Wertpapierbörse effective 1 July 2019 – Member action required!

Summary

According to section 44, clause 4 of the Exchange Rules for the Frankfurter Wertpapierbörse, in cases of technical problems, Trading Members may request Frankfurter Wertpapierbörse (further: FWB®) to perform certain order book activities in trading systems on their behalf (i.e. Trading on Behalf service; further ToB).

Generally, ToB can be categorized into two types:

- ToB-active, meaning entry or deletion of orders or quotes. Entry can only be done on a single order or quote level. Deletion can be performed on a single level as well as on a mass level (i.e. all orders and all quotes).
- ToB-passive, meaning provision of information on status of orders, quotes or executed trades.

Currently, an active user ID (i.e. combination of a Member ID and Trader ID in the respective trading system) is used by FWB to authenticate ToB applicants. For Mass Deletion applications – i.e. deletion of all orders and quotes – Trading Members can, optionally, maintain a PIN-code. This PIN-code has to be named by an applicant among the active user ID, to have the application processed.

For the purpose of ensuring that risk of misuse in the application process of the aforementioned service is minimized, FWB has decided to introduce a **mandatory PIN-code for the Mass Deletion ToB service**. The mandatory PIN-code has to be named by Trading Members amongst an active user ID. This change in the authentication process will be introduced with an amendment of the respective section of the Exchange Rules, **effective 1 July 2019**, and will apply to all marketplaces of FWB, i.e. Xetra (MIC: XETR; trading system T7) and Börse Frankfurt (MIC: XFRA; trading system Xetra).



High Priority

Date: 10 May 2019

Recipients:

All Xetra® Members and Vendors, all Börse Frankfurt Members and Vendors

Authorised by:

Cord Gebhardt,
Miryusup Abdullaev (on behalf of the Management Board)

Target groups:

- Traders
- Member Supervisors
- Compliance functions
- Security Administrators
- Clearing
- General

Contact:

Cash Markets Operations Hotlines,
T +49-69-2 11-1 14 00 (Xetra),
T +49-69-2 11-1 10 50 (Börse Frankfurt)

Actions to be performed by FWB Trading Members to ensure readiness

Trading Members are requested to ensure that respective PIN-codes are available during Mass Deletion applications, including in cases of technical issues, during which system access is limited or not in place. FWB will not be able to process Mass Deletion applications for Trading Members, which cannot provide a respective PIN-code.

If not already in place, the PIN-codes can be maintained using the following process:

- For the market Xetra (MIC: XETR; trading system T7): Member Supervisors of Trading Members are requested to maintain PIN-codes directly in the T7 trading system. The maintained codes are then immediately visible in the T7 trading system, including to relevant functions to enable usage in the Mass Deletion application (e.g. Traders, Compliance).
- For the market Börse Frankfurt (MIC: XFRA; trading system Xetra): Trading Members are requested to send in an application (see attachment) to ClearingData@deutsche-boerse.com to maintain a PIN-code. The Trading Member must then ensure that the maintained code is distributed to relevant functions to enable usage in the Mass Deletion application (e.g. Traders, Compliance).
It is noteworthy to mention that with the migration of the market Börse Frankfurt to T7 trading system, currently envisaged for Q1, 2020, the processes for maintaining the PIN-codes will be harmonised across the FWB markets.

Trading Members are requested to ensure sufficient strength of maintained PIN-codes and that only authorized staff has access to the codes.

Attachment

- [PIN-code maintenance application](#) for the market Börse Frankfurt (MIC: XFRA, trading system Xetra)
- [The Exchange Rules](#) for the Frankfurter Wertpapierbörse

Should you have any questions related to the change in the authentication process of Trading on Behalf service, please do not hesitate to contact Cash Markets Operations at +49-69-211-1 14 00 (Xetra) or +49-69-211-1 10 50 (Börse Frankfurt). Alternatively, please use XetraHelpdesk@deutsche-boerse.com.

For questions regarding maintenance of PIN-codes, please contact Clearing Data Control at +49-69-211-1 24 53. Alternatively, please use ClearingData@deutsche-boerse.com.

10 May 2019