

# Admission Regulations for Exchange Traders at Frankfurter Wertpapierbörse

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Content	Page
§ 1	Definitions, Language.....1
§ 2	Admission Obligation.....1
§ 3	Reliability .....1
§ 4	Professional Qualification.....3
§ 5	Exchange Trader Examination .....3
§ 6	Examination Commission.....4
§ 7	Non-Disclosure Obligation.....4
§ 8	Procedure of Exchange Trading Examination.....4
§ 9	Publicity .....5
§ 10	Attempts of Deception and Infringements .....5
§ 11	Withdrawal.....5
§ 12	Passing of the Exchange Trader Examination .....6
§ 13	Repetition of Examinations.....6
§ 14	Fees.....6
§ 15	Appeal .....6
§ 16	Functional System Training.....6
§ 17	Effectiveness, Publication .....7

## § 1 Definitions, Language

- (1) The definitions according to § 1 Exchange Rules of the Frankfurter Wertpapierbörse (FWB) shall apply.
- (2) These Admission Regulations are available in a German and an English version. The English version constitutes a convenience translation. Legally binding is only the German version.

## § 2 Admission Obligation

- (1) Persons who shall be authorized to trade on behalf of a company admitted to participation in Exchange trading at Frankfurter Wertpapierbörse (FWB) require admission by the Management Board.
- (2) The admission shall be applied for electronically or in writing to the Management Board. The application shall contain the company on whose behalf the applicant shall be authorized to trade at FWB. The company named in the application must approve the admission application. The application shall include all supporting documents required for verification of the admission prerequisites either electronically or in writing.
- (3) As Exchange Trader shall be admitted anybody who is reliable and possesses the necessary professional qualification.

## § 3 Reliability

- (1) The applicant is reliable if it guarantees an orderly Exchange Trader activity in future. To prove reliability, the application shall in particular contain the following documents:
  - a) A current curriculum vitae, which must contain, in particular, a description of the (school) education, studies, the entire professional experience including dates as well as all first names, the given name, date and place of birth and all nationalities,
  - b) a declaration of the applicant,
    - aa) whether there are pending criminal proceedings against him due to an offence of property or a tax offence or due to an infringement of Regulation (EU) No. 596/2014 (MAR), Regulation (EU) No. 236/2012 (Short Selling Regulation), the German Banking Act (*Kreditwesengesetz – KWG*), the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*), the German Investment Firm Act (*Wertpapierinstitutsgesetz – WpIG*), the German Stock Exchange Act (*Börsengesetz – BörsG*), the German Securities Deposit Act (*Depotgesetz – DepotG*), the German Money Laundering Act (*Geldwäschegesetz – GwG*) or the German Capital Investment Code (*Kapitalanlagegesetzbuch – KAGB*), or

whether a disciplinary or fine proceeding has been instituted or whether such disciplinary or fine proceeding is subject to judicial proceedings,

- bb) whether he has effectively been convicted on such offence or whether an effective fine or a disciplinary proceeding decision has been submitted or a proceeding pursuant to Sections 153 and 153a of the German Code of Criminal Procedure (*Strafprozessordnung – StPO*) has been terminated,
  - cc) whether he or a company managed by him is a debtor in insolvency proceedings or is or was listed in an insolvency register or in the list of debtors pursuant to Section 882b of the German Code of Civil Procedure (*Zivilprozessordnung – ZPO*) or an information from the debtor on his assets pursuant to Section 802c of the German Code of Civil Procedure has been provided or the obligation to do so exists,
  - dd) whether regulatory offence proceedings or comparable proceedings have been pending or are instituted against him in connection with a business or other professional activity or whether a legally binding regulatory fining or other disciplinary proceeding decision has been issued,
  - ee) whether proceedings for a reliability or aptitude test by a supervisory authority or other official proceedings for the imposition of measures have been initiated or carried out against him, and
  - ff) whether conflicts of interest exist which prevent the proper execution of their Exchange Trader activity.
  - gg) whether a legal act within the meaning of Section 30 German Stock Exchange Act has been issued against him or against a legal person or a partnership for which he acts as a manager, a member of a supervisory board or in a comparable position or if he represents the interests of this person or partnership as a member of a supervisory or administrative board or a comparable supervisory body in a company.
- c) The Management Board may request additional evidence and information, e.g., a police certificate of good conduct, and may gather information from third parties.
- d) For the specifications in Paragraph 1 b) aa) to ee),
- aa) criminal proceedings, which were suspended due to a lack of sufficient evidence or an impediment to an action or which resulted in an acquittal or proceedings in which a deletion or redemption of an entry in the German Federal Central Register was done or proceedings which do not need to be specified pursuant to Section 53 German Act on the Central Criminal Register and the Educative Measures Register (*Bundeszentralregistergesetz – BZRG*), and,
  - bb) proceedings, which were terminated with a fine, sanction or any other decision five years before the beginning of the year in which the application for

admission was submitted or proceedings, which pursuant to Section 153  
German Industrial Code (*Gewerbeordnung – GewO*) need to be redeemed,

may not be taken into account.

- e) For the specifications in the Paragraphs 1 b aa) to ee) comparable facts which apply to other legal systems need to be provided as well. Paragraph 1 d) applies accordingly, provided that similar procedures exist in the respective legal system.
- (2) Even after admission, the Exchange Trader must inform the Management Board immediately of any changes and any facts that could jeopardise the assessment of reliability.

#### **§ 4 Professional Qualification**

- (1) Professional qualification of the applicant is given if he possesses the expertise and practical knowledge necessary for trading at the FWB Exchange.
- (2) Expertise within the meaning of Paragraph 1 exists if the applicant possesses sufficient knowledge on the European and national exchange regulations, the regulations of FWB and on the functionality of electronic trading at FWB. Evidence of the knowledge necessary pursuant to Clause 1 may in particular be provided by way of a successful participation in an examination pursuant to §§ 5 to 15 before the Examination Committee of FWB (“Exchange Trader Examination”). The participation in the Exchange Trader Examination shall not date back more than two years, beginning from the point of application pursuant to § 2 Paragraph 2.
- (3) The knowledge necessary pursuant to Paragraph 2 Clause 1 may also be provided by other evidence comparable to the evidence pursuant to Paragraph 2 Clause 2.
- (4) Practical knowledge within the meaning of Paragraph 1 is given if the applicant has
- a) successfully participated in a functional system training pursuant to § 16 or
  - b) participated in trading at an Exchange or a multilateral trading system during a period of at least six months within the last two years before application
- and provides respective evidence thereon.

#### **§ 5 Exchange Trader Examination**

- (1) The Exchange Trader Examination contains the following subject areas:
- European and national exchange regulations,
  - Rules and Regulations of FWB,

- Functionality of trading at FWB.

- (2) Participation in the Exchange Trader Examination shall be applied for electronically or in writing at the Management Board. The number of participants may be limited. There is no right to participation. The Examination dates shall be announced in due time. The Management Board shall invite the examination participants to the examination dates in due time.

## **§ 6 Examination Commission**

- (1) The Management Board shall determine an Examination Commission consisting of five members. The members shall have the necessary expertise for the examination areas and shall be qualified to participate in the examinations.
- (2) The member shall be appointed for a term of three years. The re-appointment of a member is permissible.

## **§ 7 Non-Disclosure Obligation**

The members of the Examination Committee may not disclose facts, in particular examination procedures and personal data available to them within their activity, without authorization.

## **§ 8 Procedure of Exchange Trading Examination**

- (1) The Exchange Trader Examination is a presence examination which shall be taken on the premises determined by the Management Board. An oral examination shall not take place. The examination consists of computer-aided exam questions to be answered on the subject areas listed in § 5 Paragraph 2. The Exchange Trader Examination may be carried out in English and German language.
- (2) Number, division, selection and weighting of the exam questions shall be determined by the Examination Committee.
- (3) The Examination Committee appoints at least one person to supervise the examination. The examination participants shall, upon request of the supervising person, identify themselves. They shall be informed about the examination procedure, the available time and the allowed means of work and resources. In addition, the examination participants shall be informed that a circulation of the examination questions to third parties is not permitted.

## **§ 9 Publicity**

- (1) The Exchange Trader Examination is not public. Members of the Management Board or their commissioners as well as staff of the Exchange Supervisory Authority may be permitted to be present.
- (2) The Examination Committee may admit third persons at an Exchange Trader Examination, unless one of the examination participants objects.

## **§ 10 Attempts of Deception and Infringements**

- (1) In case an examination participant tries to manipulate the result of the Exchange Trader Examination by way of deception or usage of illegal resources, or if he violates the orderly examination procedure, the supervising person shall allow further participation in the Exchange Trader Examination subject to the decision of the Examination Commission pursuant to Paragraph 2. In case of severe violations of the orderly examination procedure, the supervising person may exclude the involved person from further participation in the examination; in this case, the entire Exchange Trader Examination is deemed not to have been passed.
- (2) In the cases of Paragraph 1 Clause 1, the Examination Commission decides – after hearing of the examination participant – if the Exchange Trader Examination is deemed to have been passed or if it shall be retaken.
- (3) If an attempt of deception or the usage of illegal resources is discovered only after the ending of the Exchange Trader Examination, the Examination Commission may decide on measures pursuant to Paragraph 2 within one year from the day of examination. If an Exchange Trader examination is deemed not to have been passed, the certificate submitted pursuant to § 12 Paragraph 3 shall be confiscated.

## **§ 11 Withdrawal**

- (1) Until beginning of the Exchange Trader Examination, each examination participant may withdraw by way of an electronic or written explanation to the examination commission; in this case, the examination is not deemed to have been failed. In case an examination participant absents without any such withdrawal explanation, the examination is deemed not to have been passed.
- (2) After beginning of the Exchange Trader Examination, a withdrawal is only permitted upon good cause shown. The Examination Committee shall decide upon such good cause after hearing of the examination participant. In case of good cause shown, Paragraph 1 Clause 1 applies. If there is no good cause shown, the Exchange Trader Examination is deemed not to have been passed.

## **§ 12 Passing of the Exchange Trader Examination**

- (1) The assessment of the Exchange Trader Examination is based on the results achieved by the examination participants in the subject areas examined.
- (2) The Exchange Trader Examination shall be passed if at least 75% of the possible points are achieved.
- (3) The examination participants shall be notified electronically or in writing of the passing or failure of the Exchange Trader Examination. No grades shall be given. In case of passing the Exchange Trader Examination, the examination participant shall be issued a certificate thereon.

## **§ 13 Repetition of Examinations**

Failed Exchange Trader Examinations may be repeated only twice within two years. Repetition examinations shall be applied for electronically or in writing to the Management Board. Application for a repetition examination may be submitted at the earliest one month after the day of the failed Exchange Trader Examination. Examination results already achieved in previous Exchange Trader Examinations will not be credited.

## **§ 14 Fees**

For participation in the Exchange Trader Examination, fees pursuant to the Fee Regulations of FWB shall be paid.

## **§ 15 Appeal**

Appeals against the result of the Exchange Trader Examination or against measures of the Examination Commission in connection with the Exchange Trader Examination may only be claimed parallel to the appeals permitted against the admission decision (§ 2 Paragraph 1).

## **§ 16 Functional System Training**

- (1) The successful participation in a functional system training serves the purpose of providing evidence on the necessary practical knowledge of the applicant (§ 4 Paragraph 3a).
- (2) The functional system training shall sufficiently consider the actual trading procedures at FWB. Type, content, procedure and period of the functional system training shall be



determined by the Management Board in consultation with the Exchange Supervisory Authority.

- (3) The participation in the functional system training is successful if the participant is able to practically realize his expertise to a sufficient degree. The participant shall be issued a certification on successful participation in the functional system training.
- (4) Appeals against the results of the functional system training or against measures in connection with the functional system training can only be claimed parallel to the appeals permissible against the admission decision (§ 2 Paragraph 1).

## **§ 17 Effectiveness, Publication**

- (1) The Admission Regulations for Exchange Traders become effective from November 1, 2007.
- (2) Amendments to the Admission Regulations for Exchange Traders become effective after execution on the following day of their announcement unless the Exchange Council determines a later point in time.
- (3) Unless otherwise provided, announcements by governing bodies of FWB shall be made by electronic publication on the Internet, available on the Internet pages of FWB under [www.deutsche-boerse.com](http://www.deutsche-boerse.com) for a period of three months. The Management Board may determine other electronic media for publication.