tradegateexchange

A N N O U N C E M E N T

Registration and Test of Trading Algorithms

1. Registration of tested algorithms already in use

Trading participants are requested to notify and register all algorithms which have been tested and already put to use in the electronic trading system of Tradegate Exchange by the trading participant or by an indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act[i] to whom the trading participant provides direct electronic access to the electronic trading system. Notification and registration must be completed by

20th December 2017

using a table in the following format

Trading Participant ID	Algorithm ID	Tested	Already in Use
NUM4	*ALPHANUM20 (according to FIX-Tag 25029)*	*y/n*	*y/n*
…	*…*	*…*	*…*
…	*…*	*…*	*…*

and sent by email to support@tradegate.de.

2. Testing and registration of trading algorithms

Trading participants are requested to test before first use all algorithms used by the trading participant or by an indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act[ii] to whom the trading participant provides direct electronic access to the electronic trading system that are intended for use in the electronic trading system of Tradegate Exchange as of 3rd January 2018 and have not been notified and registered by 20th December 2017 as in 1. above, by using the test environment provided as of 1st November 2017 in order to make sure that the tested algorithms do not contribute to or cause disorderly trading conditions.

Once tests have been completed the tested algorithms must be notified and registered using a table in the following format

Trading Participant ID	Algorithm ID	Tested
NUM4	*ALPHANUM20 (according to FIX-Tag 25029)*	*y/n*
…	*…*	*…*
…	*…*	*…*

and sent by email to support@tradegate.de.

3. Legal basis

In accordance with Article 10 paragraph 1 of DELEGATED REGULATION (EU) 2017/584 in conjunction with §§ 14a[iii] and 14b[iv] of the Exchange Rules which will enter into force on 3rd January 2018, the market participants of Tradegate Exchange shall be obliged, inter alia, to identify all computer algorithms within the scope of algorithmic trading as defined by § 80 paragraph 2 sentence 1 of the Securities Trading Act[v] that are used by them or by an indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act[vi] to whom the trading participant provides direct electronic access to the electronic trading system with a permanent and individual identification code and, before first use, to test the algorithms in a test environment provided by the Exchange in order to avoid tested algorithms contributing to or causing disorderly trading conditions.

Berlin, 10th November 2017

MANAGEMENT BOARD OF TRADEGATE EXCHANGE

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i   The version which comes into force on 3rd January 2018

ii   The version which comes into force on 3rd January 2018

iii   § 14a of the Exchange Rules which come into force on 3rd January 2018 reads as follows:

§ 14a Indirect Trading Participants with Direct Electronic Access

(1) Trading participants who wish to provide other individuals with direct electronic access (DEA) to the electronic trading system as defined by § 2 paragraph 9 of the Exchange Rules must notify the Management Board. The notification must be accompanied by a declaration explaining in what way the trading participant fulfills the obligations set down in Section III of delegated regulation (EU) 2017/589.

(2) Trading participants may provide direct electronic access to the electronic trading system only if it is guaranteed that the individuals using the direct electronic access to the electronic trading system (indirect trading participants as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act) use the electronic system solely in accordance with the Exchange's statutory regulations, the Exchange Rules and the Conditions for Transactions on the Tradegate Exchange.

(3) Trading participants who provide indirect trading participants as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act with direct electronic access to the electronic trading system (DEA providers) shall be obliged to identify all order entries, order cancellations and/or order changes that are transmitted to the electronic trading system by an indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act with a permanent and individual electronic identification code allocated by the trading participant to the indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act. The implementation regulations for access to the electronic trading system shall govern the details. § 14 paragraphs 2 and 3 apply correspondingly.

(4) When providing direct electronic access to the electronic trading system the DEA provider providing access is responsible for all entries transmitted to the electronic trading system by the indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act, particularly order entries, order cancellations and/or order changes and is especially responsible for ensuring that the facility of direct electronic access to the electronic trading system is used solely in an expedient and system-compatible manner and in accordance with the Exchange's statutory regulations. In the case of a violation by an indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act of the Exchange's statutory regulations or the provisions of

the Terms and Conditions of the Tradegate Exchange, in particular the Exchange Rules and/or the Conditions for Transactions on the Tradegate Exchange, the Management Board may

1. temporarily or permanently block the entry of orders into the electronic trading system by the indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act and/or

2. prohibit the DEA provider, in general or in individual cases, from providing direct electronic access to the indirect trading participant as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act.

(5) Each DEA provider shall submit regularly a list of the individual electronic identification codes permanently allocated to the indirect trading participants as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act to whom the trading participant has provided direct electronic access to the electronic trading system within the meaning of paragraph 3.

iv   § 14b of the Exchange Rules which come into force on 3rd January 2018 reads as follows:

§ 14b Testing and Identification of Orders Generated by Algorithmic Trading

(1) Trading participants shall be obliged to identify all computer algorithms within the scope of algorithmic trading within the meaning of § 80 paragraph 2 sentence 1 of the Securities Trading Act that are used by themselves or by indirect trading participants as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act to whom they provide direct electronic access to the electronic trading system with a permanent and individual identification code and, before first use, to test the algorithms in a test environment provided by the Exchange.

(2) Trading participants shall be obliged to identify order entries, order cancellations and/or order changes that have been generated by algorithmic trading within the meaning of § 80 paragraph 2 sentence 1 of the Securities Trading Act and transmitted by themselves or by indirect trading participants as defined by § 2 paragraph 8 sentence 2 second alternative of the Stock Exchange Act to whom they provide direct electronic access to the electronic trading system with the identification code allocated to each computer algorithm used according to paragraph 1.

(3) The implementation regulations for access to the electronic trading system shall govern the details.

v   The version which comes into force on 3rd January 2018

vi   The version which comes into force on 3rd January 2018