



Stock exchange supervision procedure

If traders learn that Market Surveillance is investigating them for suspected breach of trading conditions, or if sanctions proceedings have already been initiated, legal advice should be sought.

If the Sanctions Committee of a stock exchange (§ 22 BörsG) determines a violation of trading conditions, it is authorized to issue a written warning, impose a fine of up to EUR 250,000.00 or even exclude the trader from participation in the market for up to 30 days.

Sanctions Committees are bodies of the respective stock exchange which are tasked with punishment of violations of stock exchange regulations determined or suspected by the competent Market Surveillance.

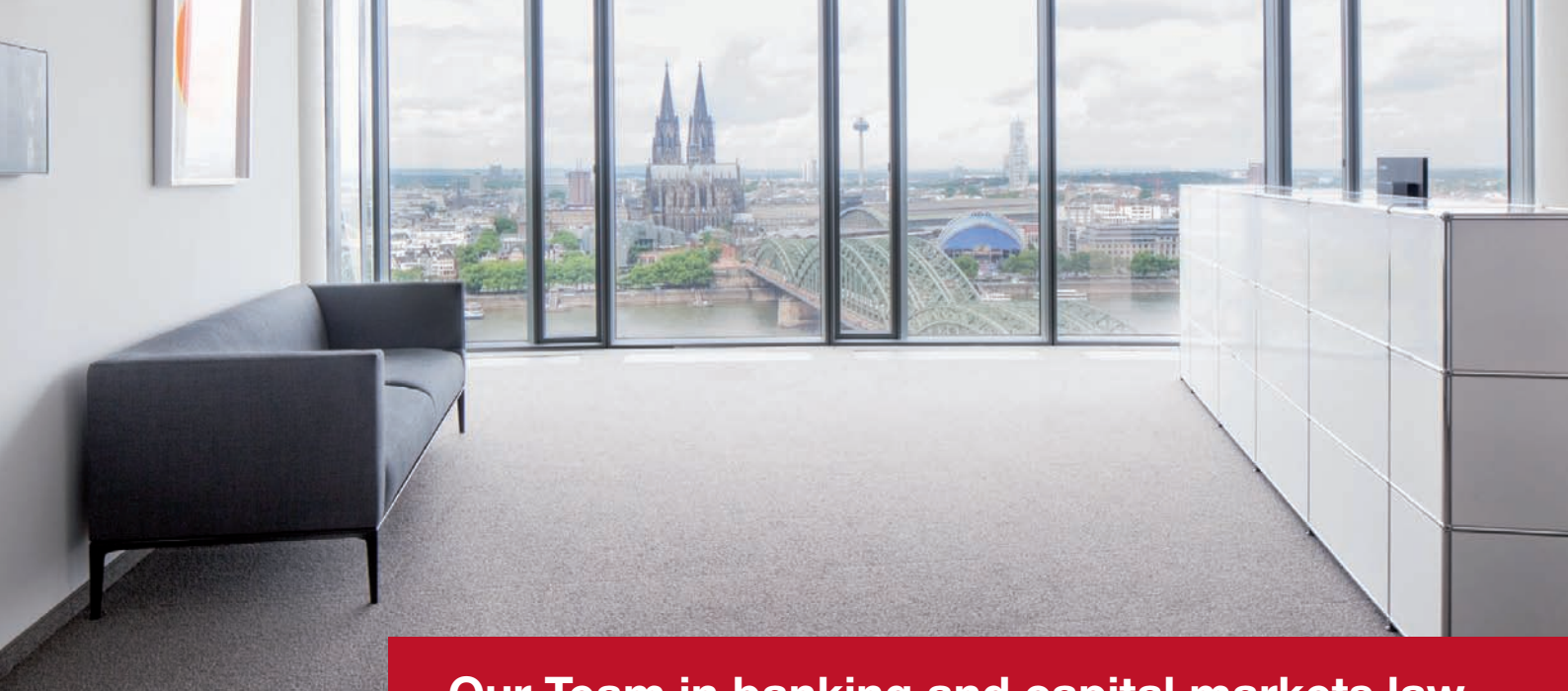
The decisions of the Sanctions Committees are primarily based on the findings of the Market Surveillance and the submissions of the trader concerned. In the course of its investigation the Market Surveillance grants the trader concerned the opportunity, to give a written statement in reference to the alleged breaches of market conditions with regard to the facts as well as the interpretation of the law.

The influence of this initial statement on the further proceedings can hardly be underestimated. The behaviour of the trader concerned may in particular influence the question of whether Market Surveillance or the stock exchange management hands over the proceedings to the competent Sanctions Committee or whether the initiation of sanctions proceedings is waived.

The statement should therefore be drafted with greatest care, taking into account the relevant provisions of stock exchange law. Other consequences must also be taken into account, in particular in the context of the ongoing supervision of the traders in question.

Following the decision by the Sanctions Committee, we advise clients on legal remedies and on the possible processing of the case by other competent supervisory authorities (e.g. BaFin).

We have extensive experience in advising and representing clients in stock exchange Sanctions Committee proceedings. In recent years, our attorneys have represented clients in a variety of proceedings, in particular in cases of alleged violations in the trading of financial derivatives.



Our Team in banking and capital markets law



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