

Examination Regulations of the European Institute of Financial Engineering and Derivatives for „Certified Financial Engineer“ (as of: September 2018)

§ 1 Title and Crediting of Prior Examinations

§ 2 Examination Committee

§ 3 Admission Requirements

§ 4 Evaluation of Examination Performance

§ 5 Examination Modules

§ 6 Examination

§ 7 "Certified Financial Engineer" Thesis

Preliminary Remark

All designations of position, status, function and occupation which are used in the male form in these examination regulations pertain similarly to females and can also be used in the respective form.

§ 1 Title and Crediting of Prior Examinations

(1) The title "Certified Financial Engineer" is awarded by the European Institute of Financial Engineering and Derivatives.

(2) In Module 1, the successful completion of the following exams is

recognized by the European Institute of Financial Engineering and Derivatives upon request of the candidate:



- **“Certified Exchange Trader Eurex“, offered by Deutsche Börse AG**

- **“Certified Financial Modeler Exam PART II“, offered by DICF**

- **„ QPM“: Successful completion of the Compact University Course “Capital Market Products and Portfolio Management“, offered by Deutsche Börse AG and EBS Universität für Wirtschaft und Recht, EBS Business School.**

No other requirements for acceptance by EIFD exist. In case of recognition, the successful completion of the “Certified Financial Engineer” examination “Part I” is not required (also see §1(2) on this issue).

§ 2 Examination Committee

(1) The Examination Committee of the “Certified Financial Engineer” Program is responsible for the organization of the examinations and the tasks assigned by these examination rules.

(2) The term “Board of Examiners” (= Prüfungsausschuss) is used as a synonym for the term “Examination Committee” (= Prüfungskommission).

(3) The Board of Examiners is made up of the three directors of the European Institute of Financial Engineering and Derivatives.

(4) The Board of Examiners assures that the terms of the examination regulations are observed and gives recommendations concerning the reform of examination content and the examination regulations. The members of the Examination Committee have the right to attend examinations. The Board of Examiners is solely responsible for the approval of examination performance based on the majority rule.

(5) The Board of Examiners has a quorum if all three directors are present. Decisions of the Board of Examiners are reached with the majority of votes of the Directors present. Should a vote be tied, the motion is considered as rejected.

§ 3 Admission Requirements

(1) The examinee is admitted to the exams provided that the three following conditions are in place:

a. they have received the registration confirmation by the EIFD or Deutsche Börse;

b. they have paid the fees stated under article 4 of the Certified Financial Engineer General Terms and Conditions to the EIFD;

c. the examinee has registered via the Certified Financial Engineer webpage at least 3 weeks prior to the desired examination date.

(2) The examinee may withdraw from the Certified Financial Engineer exam by notifying the EIFD informally by email (program@eifd.de) that he will not participate in the exam. The cancellation must be made at least 3 weeks before the examination date for which the candidate has registered. Without timely cancellation, the examinee shall be deemed registered and the performance will be evaluated by the examination board.

(3) In case the candidate is sick and provides the examination board with a doctor's certificate, the examination board will consider the candidate as not registered and therefore the test performance will not be evaluated. If the cancellation has been done at the latest 3 weeks before the examination date, no fee needs to be paid for retaking the exam. If the cancellation has been done within 3 weeks before the examination date, the fee for a resit needs to be paid.

§ 4 Evaluation of Examination Performance

(1) The grades for the performance on the individual examinations are determined by the Board of Examiners.

(2) The following grades are used for the assessment:

- **summa cum laude**
- **magna cum laude**
- **cum laude**
- **rite**

(3) Grading system:

89 – 100%: **summa cum laude (equivalent to: « with highest honors »)**

71 – 88%: **magna cum laude (equivalent to: « very good »)**

53 – 70%: **cum laude (equivalent to: « good »)**

40 – 52%: **rite (equivalent to: « satisfactory »)**

<40%: **unsatisfactory**

(4) Once the “Certified Financial Engineer” examination is passed, candidates receive a certificate which includes a grade as listed in §4(2).

(5) The minimum passing grade is rite.

(6) Passed examinations cannot be retaken.

(7) An examination performance is considered to be “unsatisfactory” if a candidate does not appear for the examination without a valid reason, or if a candidate withdraws from the examination in progress without a valid reason. The same applies if the written examination performance is not completed within the allocated timeframe.

(8) Should the candidate attempt to influence the examination performance by cheating or the use of unauthorized resources, the examination performance is graded as “unsatisfactory.”

(9) A candidate who disrupts the orderly examination procedure can be excluded from the examination by the authorized examiner or proctor. In this case, the examination performance is graded as “unsatisfactory.”

(10) In severe cases, the Board of Examiners can exclude the candidate from future examinations.

§ 5 Examination Modules

(1) The examination consists of the following modules, which all carry equal weight:

Part 1	Exam	Exam “Certified Derivatives Trader offerd by Deutsche Börse (Recognition by EIFD)	Exam “Certified Financial Modeler Exam Part II” by DICF (Recognition by EIFD)	Exam “Capital Market Products and Portfolio Management“, offered by Deutsche Börse AG and EBS Universität für Wirtschaft und Recht, EBS Business School (Recognition by EIFD)
Part 2	Exam	-----	-----	-----
Part 3	Thesis	-----	-----	-----

(2) In Module 1, the successful completion of the exam “Certified Derivatives Trader“, “Capital Market Products and Portfolio Management“, offered by Deutsche Börse AG and EBS Universität für Wirtschaft und Recht, EBS Business School” and “Certified Financial Modeler Exam PART II” of DICF is recognized by the European Institute of Financial Engineering and Derivatives upon request of the candidate. No other requirements for acceptance by EIFD exist. In case of recognition, the successful completion of the “Certified Financial Engineer” examination “Part I” is not required (also see §1(2) on this issue).

§ 6 Examination

(1) Deutsche Börse AG administers the examination on its premises and reports the results to EIFD.

(2) Deutsche Börse AG determines a person who is responsible for proctoring the examination. The candidate is required to identify himself to the proctor using an identity card or passport and

to follow the instructions of the proctor. Prior to the examination, the proctor will inform the candidate about the course of the examination, the time allocated and available tools and resources.

(3) The examination must be taken in person at the location of the certificate course. Upon a written request, Deutsche Börse AG can grant participants the right to take the examination at a different location.

(4) The examination is held in the German or English language.

(5) During the examination, 100 (Part I) 100 (Part II) questions supported by computer software must be answered. No oral exam will be conducted.

(6) All examination questions are stored in a database. To assure comparability of the examinations, the examination questions are chosen randomly by type of question and level of difficulty from the database.

(7) The questions can either be multiple choice, text completion, calculations or single choice. Every type of question is worth following points: multiple choice: 4 points (this also holds true for calculations within the scope of multiple choice); text completion: 6 points; calculations: 6 points; single choice: 2 points.

(8) The time to complete the examination is 2 hours (each Part).

(9) Each examination can be repeated two times (the fee for an additional examination amounts to EUR 450.00 plus sales tax).

(10) To pass an examination, at least 40% of the questions must be answered correctly (Multiple Choice, cloze questions, arithmetic problems and single choice).

(11) Following the completion of all examinations and grading of the thesis, the European Institute of Financial Engineering and Derivatives will award the title of “Certified Financial Engineer”. A candidate that has not yet completed all parts of the examination is entitled to use the designation: „Candidate “Certified Financial Engineer“.

(12) The choice of topic for the “Certified Financial Engineer” thesis is to be coordinated with the Board of Examiners.

§ 7 “Certified Financial Engineer” Thesis

(1) The “Certified Financial Engineer” Thesis is a written examination. Its aim is to demonstrate the candidate’s ability to successfully and independently answer an empirical question from the area of Financial Engineering using scientific methods.

(2) The length of the “Certified Financial Engineer” Thesis should normally not exceed 30 pages. The thesis must be written in the German or English language. An executive summary in English and German must be included in the Thesis. Both executive summaries should have a minimum

length of half a page and a maximum length of one page. At the end of the Thesis, a separate appendix should list the five most important key words, which most adequately capture the contents of the Thesis.

(3) The candidate requests the assignment of a topic from the Board of Examiners. This proposal includes an outline of the planned research and a work plan. The date when the topic was issued must be documented. The topic for the “Certified Financial Engineer” Thesis can be requested at the earliest upon successful completion of Module 1 and Module 2.

(4) Two copies of the “Certified Financial Engineer” Thesis must be submitted in a timely manner to the Board of Examiners. The postal address is listed in the home directory of the internet pages of EIFD. When submitting the thesis, the candidate must declare in writing, in a letter that is separate from the Thesis, that he independently wrote the thesis and that he only used the sources and resources listed. Furthermore, the candidate needs to confirm in writing that he has not submitted the same piece of work at another institution. The Thesis also must be submitted via email to the following address: thesis@certified-financial-engineer.com.

(5) The copyright for the “Certified Financial Engineer” Thesis remains with the candidate. With the submission of the thesis, the candidate authorizes EIFD to publish the “Certified Financial Engineer” Thesis on the “Certified Financial Engineer” or EIFD webpage.

(6) The “Certified Financial Engineer” Thesis must be graded by two directors on the Board of Examiners. If the “Certified Financial Engineer” Thesis is assessed as “not satisfactory” by one director and awarded a grade of “rite” or better by the other director, the third director of EIFD must be involved. The final grade is equal to the arithmetic mean of the individual assessments.

(7) If the “Certified Financial Engineer” Thesis is considered to be “unsatisfactory,” it can be repeated one time. In this case, the candidate must be given a new topic immediately after the initial assessment was announced. Rewriting the Thesis a second time is not allowed.