



Procedures for Selecting and Hiring Personnel (P13)

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1. APPLICABLE SCOPE

This internal procedure has been developed in accordance with the contents of Article 39 of the Internal Regulations of the National Securities Markets Commission (*Comisión Nacional del Mercado de Valores*, CNMV), and it shall apply to procedures involving the selection and hiring of personnel.

2. APPLICABLE REGULATIONS

The regulations that apply to this procedure are set out in the following provisions:

- The consolidated text of the Securities Markets Act (*Ley del Mercado de Valores*, TRLMV), approved by Royal Legislative Decree 4 of 23 October 2015, Article 18.
- Act 7 of 12 April 2007 on the Basic State Employee Statute, Articles 7, 55 to 61 and the Fifth Additional Provision.
- The General Regulations on the Hiring of Administrative Personnel, the Provision of Posts and Promotion, approved by Royal Decree 364 of 10 March 1995, Title II.
- The Ruling of 2 October 2013 by the Board of the National Securities Markets Commission, which approved the CNMV's Internal Regulations, Articles 42 to 48.

3. UNITS WITH THE NECESSARY COMPETENCE

1. With regard to selection processes, the Office of the General Secretary of the CNMV shall have the following duties:
 - a. Preparation and amendment, wherever applicable, of the invitations to apply, for submission to the CNMV Chairman.
 - b. Announcing general notice of invitations to apply, which shall be published in all cases on the CNMV website.
 - c. Submitting a proposal to the Chairman regarding the members, both direct and supplementary, of the selection boards, following consultations with the General Managers or Managers. This process shall not apply to proposals made by the Works Committee.
 - d. Accepting and registering applications, preparing and publishing the lists of those who have been accepted and those who have been excluded, and publishing the date, time and place of the first examination sitting.
 - e. Maintaining and filing the selection board minutes.
 - f. Publishing the results of the various examination sittings and the definitive list of the selected candidates.
 - g. Providing the Chairman of the National Securities Markets Commission with a proposal for hiring the selected candidates, once compliance with all of the requirements set out in the relevant invitation to apply has been verified.
 - h. In general, coordinating, managing and advancing the selection process.

4. GENERAL REGULATIONS

1. CNMV personnel shall be selected, with the exception of General Managers and Departmental Managers, via a public recruitment process, in line with the principles of equality, merit and ability.
2. Personnel who are career civil servants with the General State Administration or other Public Authorities shall be selected via a competitive procedure.
3. Personnel who are not career civil servant shall be selected via an examination or a combined competitive and examination process.

5. INVITATIONS TO APPLY AND SELECTION PROCESSES

1. An announcement shall be made, using a form of media that guarantee its general circulation, with details of at least the number of positions for which applications are being accepted and the location where the conditions for application appears.

The terms and conditions for recruitment processes are binding on the CNMV and the selection bodies, which must determine the tests to be used for the selection process and the candidates who will be eligible for taking them.

Recruitment processes and their terms and conditions may only be amended under the terms of the TRLMV and the Act on the Legal Regulations Governing Public Authorities and Common Administrative Procedure.

2. Invitations to apply must at least contain the following details:
 - a) Number and characteristics of the positions for which applications are being accepted.
 - b) An express statement that the selection procedure may not be declared to have been passed by more candidates than there are positions to be filled.
 - c) The body, division or administrative unit to which applications to participate must be sent.
 - d) The conditions or requirements that must be met by or complied with by candidates.
 - e) The selection system.
 - f) The selection tests that are to be conducted and, wherever applicable, a list of the qualifications to be taken into account during the selection process.
 - g) Appointment of the Assessment Tribunal.
 - h) The grading system.
 - i) The programme to which the testing process is to conform.
 - j) The maximum duration of the examination process. A minimum of seventy-two hours and a maximum of fifteen calendar days must elapse between the final conclusion of one exam sitting or test and the beginning of the next one.
 - k) The order in which candidates are to be seen.
 - l) The application form.

3. The selection bodies shall be convened for each recruitment session, and they shall consist of an odd number of members, of which one shall be appointed chairperson and the others, members, pursuant to the terms set out in the Internal Regulations. One of the members of the selection body shall act as secretary. All of the members must be qualified at or above the level required for appointment to the position involved. The CNMV may reach an agreement with the employees' representatives regarding the way in which they are to collaborate in implementing the selection process.

The selection bodies may make use of specialist advisors during the source of their duties, in respect of one or all of the tests, pursuant to the conditions of the relevant application process. Such advisors shall work with the selection body in the exercise of their specialist technical know-how.

The decisions of the selection bodies shall be binding on the CNMV, notwithstanding the fact that the CNMV may, wherever applicable, review such decisions, pursuant to the contents of Articles 102 *et seq.* of the Act on the Legal Regulations Governing Public Authorities and Common Administrative Procedure.

An appeal may be lodged with the Chairman of the CNMV against any of the selection bodies' decisions or acts, or any of its procedural actions that prevent the process from continuing or cause an inability to mount a defence.

4. Within a maximum of one month following the date on which the term allocated for the submission of applications for each application process expires, the date, place and time of the first of the selection hearings shall be announced on the CNMV website, and this announcement shall give details of the place where the list of accepted candidates will appear.
5. The selection tests used for the examination process shall include at least one written examination and one practical examination, relating to a programme that shall be published together with the invitation to apply. The content shall be consistent with the nature of the positions that are to be covered. Selection processes for technical personnel shall in all cases include an English language examination and an oral examination.
6. In competitive processes, an assessment shall necessarily be made of a candidate's qualifications, accredited know-how, the courses he/she has attended and the experience he/she has gained, all in relation to the work position to be filled. In any case, the invitation to apply may indicate that interviews will be held to confirm and assess qualifications.
7. Once the tests have been completed, the selection body shall prepare a list of selected candidates, the number of which may not exceed the number of positions to be filled. This list shall be published at the offices of the CNMV, through the Office of the General Secretary.
8. Within a period of twenty calendar days following publication of the list of selected candidates referred to in the preceding point, the said selected candidates shall provide the Office of the General Secretary of the CNMV with the documents that accredit their capacity and compliance with the requirements set out in the invitation to apply. Except in cases of force majeure, any person who fails to present said documentation or when, based on this documentation, it is determined that he/she does not meet one or more of the necessary requirements, that person cannot be hired, and all the actions he/she has been involved in shall be annulled. The decision regarding disqualification from the

right to be hired shall be the responsibility of the Chairman of the CNMV, following a proposal from the General Secretary.

9. Applications to take part in selection processes shall be submitted digitally via the CNMV's website.
10. On this website, candidates may consult the current status of their candidature for the selection process using a code that shall be assigned to each candidate at the beginning of the process.

6. SELECTION OF TEMPORARY PERSONNEL FOR NON-PERMANENT POSITIONS

1. In order to fill temporary positions (when there is an organised list of candidates as the result of recruitment processes held earlier for personnel with similar experience and qualifications), a list of potential employees shall be created, which shall include candidates who have passed at least two of the examination tests, in the case of technical personnel, and at least one of the examination tests, in the case of administrative personnel.
2. This list shall be organised in a way that takes into account the number of tests passed, and the person who has passed the most tests shall thus be placed at the top of the list. Where the same number of tests has been passed, the person who obtained the highest total number of points in the tests passed shall occupy the highest position. Where candidates have the same number of points, the person who obtained the highest score in the oral exercise shall take be granted the highest position.

7. PROCEDURAL MANUAL

1. The General Secretary shall approve the "Procedural Manuals" required for compliance with and the practical application of the provisions contained in this procedure.
2. The criteria or standards included in the "Procedural Manuals" shall provide basic guidelines and specific operational rules to ensure that duties are performed in the most appropriate and effective way.
3. The "Procedural Manuals" shall contain the controls deemed necessary under the terms of the CNMV's Risk Management System, in order to ensure effective compliance with provisions set out in law and in this procedure.
4. The "Procedural Manuals" shall be submitted to the CNMV's Executive Committee.

8. APPLICABILITY

This present procedure shall become applicable as of 21 September 2016, and it shall be revised every year or whenever there is a regulatory change that significantly affects its contents.