

Chapter 4

Commission Implementing Regulation (EU) 2016/824

Article 2 Information to be provided on MTFs and OTFs

(1) A relevant operator shall provide the competent authority with the following information:

- (a) the asset classes of financial instruments traded on the MTF or OTF;
- (b) the rules and procedures for making financial instruments available for trading, together with details of the publication arrangements used to make that information available to the public;
- (c) the rules and procedures to ensure the objective and non-discriminatory access to the trading facilities together with details on the publication arrangements used to make that information available to the public;
- (d) the measures and procedures to ensure that sufficient information is publicly available to users of the MTF or OTF to form an investment judgement, taking into account both the nature of the users and the classes of financial instruments traded;
- (e) the systems, procedures and arrangements to ensure compliance with the conditions laid down in UK law corresponding to Articles 48 and 49 of Directive 2014/65/EU;
- (f) a detailed description of any arrangements to facilitate the provision of liquidity to the system such as market making schemes;
- (g) the arrangements and procedures to monitor transactions as required by UK law corresponding to Article 31 of Directive 2014/65/EU;
- (h) the rules and procedures for suspension and removal of financial instruments from trading as required by UK law corresponding to Article 32 of Directive 2014/65/EU;
- (i) the arrangements to comply with pre-trade and post-trade transparency obligations that apply to the financial instruments traded and the trading functionality of the MTF or OTF; that information shall be accompanied by information on any intention to use waivers under Articles 4 and 9 of Regulation (EU) No 600/2014 and deferred publication under Articles 7 and 11 of that Regulation;

(j) the arrangements for the efficient settlement of the transactions effected under its systems and for ensuring that users are aware of their respective responsibilities in this regard;

(k) a list of the members or participants of the MTF or OTF which it operates.

(2) A relevant operator shall provide the competent authority with a detailed description of the functioning of its trading system specifying:

(a) whether the system represents a voice, electronic or hybrid functionality;

(b) in the case of an electronic or hybrid trading system, the nature of any algorithm or program used to determine the matching and execution of trading interests;

(c) in the case of a voice trading system, the rules and protocols used to determine the matching and execution of trading interests;

(d) a description explaining how the trading system satisfies each element of the definition of an MTF or an OTF.

(3) A relevant operator shall provide the competent authority with information on how and in what instances the operation of the MTF or OTF will give rise to any potential conflicts between the interests of the MTF or OTF, its operator or its owners and the sound functioning of the MTF or OTF. The relevant operator shall specify the procedures and arrangements to comply with the requirements set out in UK law corresponding to Article 18(4) of Directive 2014/65/EU.

(4) A relevant operator shall provide the competent authority with the following information on its outsourcing arrangements that relate to the management, operation or oversight of the MTF or OTF:

(a) the organisational measures to identify the risks in relation to those outsourced activities and to monitor the outsourced activities;

(b) the contractual agreement between the relevant operator and the entity providing the outsourced service in which the nature, scope, objectives, and service level agreements are outlined.

(5) A relevant operator shall provide the competent authority with information on any links to or participation by a regulated market, MTF, OTF or systematic internaliser owned by the same relevant operator.