

Chapter 11

Commission Delegated Regulation (EU) 2017/571

Article 11 Management of incomplete or potentially erroneous information by ARMs

(1) An ARM shall set up and maintain appropriate arrangements to identify transaction reports that are incomplete or contain obvious errors caused by clients. An ARM shall perform validation of the transaction reports against the requirements established under Article 26 of Regulation (EU) No 600/2014 for field, format and content of fields in accordance with Table 1 of Annex I to Commission Delegated Regulation (EU) 2017/590.

(2) An ARM shall set up and maintain appropriate arrangements to identify transaction reports which contain errors or omissions caused by that ARM itself and to correct, including deleting or amending, such errors or omissions. An ARM shall perform validation for field, format and content of fields in accordance with Table 1 of Annex I to Delegated Regulation (EU) 2017/590.

(3) An ARM shall continuously monitor in real-time the performance of its systems ensuring that a transaction report it has received has been successfully reported to the competent authority in accordance with Article 26 of Regulation (EU) No 600/2014.

(4) An ARM shall perform periodic reconciliations at the request of the competent authority between the information that the ARM receives from its client or generates on the client's behalf for transaction reporting purposes and data samples of the information provided by the competent authority.

(5) Any corrections, including cancellations or amendments of transaction reports, that are not correcting errors or omissions caused by an ARM, shall only be made at the request of a client and per transaction report. Where an ARM cancels or amends a transaction report at the request of a client, it shall provide this updated transaction report to the client.

(6) Where an ARM, before submitting the transaction report, identifies an error or omission caused by a client, it shall not submit that transaction report and shall promptly notify the investment firm of the details of the error or omission to enable the client to submit a corrected set of information.

(7) Where an ARM becomes aware of errors or omissions caused by the ARM itself, it shall promptly submit a correct and complete report.

(8) An ARM shall promptly notify the client of the details of the error or omission and provide an updated transaction report to the client. An ARM shall also promptly notify the competent authority about the error or omission.

(9) The requirement to correct or cancel erroneous transaction reports or report omitted transactions shall not extend to errors or omissions which occurred more than five years before the date that the ARM became aware of such errors or omissions.