


Chapter 24

Commission Delegated Regulation (EU) 2017/584



Article 20 Pre-trade and post-trade
controls(Article 48(4) and (6) of Directive
2014/65/EU)

(1) Trading venues shall carry out the following pre-trade controls adapted for each financial instruments traded on them:

- (a) price collars, which automatically block orders that do not meet pre-set price parameters on an order-by-order basis;
- (b) maximum order value, which automatically prevents orders with uncommonly large order values from entering the order book by reference to notional values per financial instrument;
- (c) maximum order volume, which automatically prevents orders with an uncommonly large order size from entering the order book.

(2) The pre-trade controls laid down in paragraph 1 shall be designed so as to ensure that:

- (a) their automated application has the ability to readjust a limit during the trading session and in all its phases;
- (b) their monitoring has a delay of no more than five seconds;
- (c) an order is rejected once a limit is breached;
- (d) procedures and arrangements are in place to authorise orders above the limits upon request from the member concerned. Such procedures and arrangements shall apply in relation to a specific order or set of orders on a temporary basis in exceptional circumstances.

(3) Trading venues may establish the post-trade controls that they deem appropriate on the basis of a risk assessment of their members' activity.