

Chapter 30

Commission Delegated Regulation (EU) 2017/590

Article 15 Methods and arrangements for reporting financial transactions

(1) The methods and arrangements by which transaction reports are generated and submitted by trading venues and investment firms shall include:

- (a) systems to ensure the security and confidentiality of the data reported;
- (b) mechanisms for authenticating the source of the transaction report;
- (c) precautionary measures to enable the timely resumption of reporting in the case of a failure of the reporting system;
- (d) mechanisms for identifying errors and omissions within transaction reports;
- (e) mechanisms to avoid the reporting of duplicate transaction reports, including where an investment firm relies on a trading venue to report the details of transactions executed by the investment firm through the systems of the trading venue in accordance with Article 26(7) of Regulation (EU) No 600/2014;
- (f) mechanisms to ensure that the trading venue only submits reports on behalf of those investment firms that have chosen to rely on the trading venue to send reports on their behalf for transactions completed through systems of the trading venue;
- (g) mechanisms to avoid reporting of any transaction where there is no obligation to report under Article 26(1) of Regulation (EU) No 600/2014 either because there is no transaction within the meaning of Article 2 of this Regulation or because the instrument which is the subject of the transaction concerned does not fall within the scope of Article 26(2) of Regulation (EU) No 600/2014;
- (h) mechanisms for identifying unreported transactions for which there is an obligation to report under Article 26 of Regulation (EU) No 600/2014, including cases where transaction reports rejected by the competent authority concerned have not been successfully re-submitted.

(2) Where the trading venue or investment firm becomes aware of any error or omission within a transaction report submitted to the competent authority, any failure to submit a transaction report including any failure to resubmit a rejected transaction report for

transactions that are reportable, or of the reporting of a transaction for which there is no obligation to report, it shall promptly notify the competent authority of this fact.

(3) Investment firms shall have arrangements in place to ensure that their transaction reports are complete and accurate. Those arrangements shall include testing of their reporting process and regular reconciliation of their front-office trading records against data samples provided to them by the competent authority to that effect.

(4) Where the competent authority does not provide data samples, investment firms shall reconcile their front-office trading records against the information contained in the transaction reports that they have submitted to the competent authority, or in the transaction reports that ARMs or trading venues have submitted on their behalf. The reconciliation shall include checking the timeliness of the report, the accuracy and completeness of the individual data fields and their compliance with the standards and formats specified in Table 2 of Annex I.

(5) Investment firms shall have arrangements in place to ensure that their transaction reports, when viewed collectively, reflect all changes in their position and in the position of their clients in the financial instruments concerned at the time transactions in the financial instruments are executed.

(6) Where an ARM, in accordance with instructions from the investment firm, cancels or corrects a transaction report submitted on behalf of an investment firm, the investment firm shall retain the details of the corrections and cancellations provided to it by the ARM.