

## Chapter 4

# Commission Delegated Regulation (EU) 2020/1230

## Article 6 Conflicts of interest

(1) An application for registration as a securitisation repository shall contain the following information on the policies and procedures put in place by the applicant to manage conflicts of interest:

(a) policies and procedures with respect to the identification, management, elimination, mitigation and disclosure of conflicts of interest without delay;

(b) a description of the process used to ensure that the relevant persons are aware of the policies and procedures referred to in point (a);

(c) a description of the level and form of separation that exists between the various business functions within the applicant's organisation, including a description of:

(i) the measures taken to prevent or control the exchange of information between functions where a risk of a conflict of interest may arise;

(ii) the supervision of those whose main functions involve interests that are potentially in conflict with those of a client;

(d) any other measures and controls put in place to ensure the policies and procedures referred to in point (a) with respect to conflicts of interest management and the process referred to in point (b) are followed.

(2) An application for registration as a securitisation repository shall contain an up-to-date inventory, at the time of the application, of existing and potential material conflicts of interest in relation to any core or ancillary securitisation services as well as any ancillary non-securitisation services provided or received by the applicant and a description of how those conflicts are, or will be managed. The inventory shall include conflicts of interest arising from the following situations:

(a) any situation where the applicant may realise a financial gain or avoid a financial loss, to the detriment of a client;

(b) any situation where the applicant may have an interest in the outcome of a service provided to a client, which is distinct from the client's interest in that outcome;

(c) any situation where the applicant may have an incentive to prioritise its own interests or the interest of another user or group of users rather than the interests of the client to whom a service is provided;

(d) any situation where the applicant receives or may receive an incentive from any person other than the client, in relation to a service provided to the client, in the form of money, goods or services, but excluding incentives by way of commission or fees received for the service.

(3) Where an applicant is part of a group, the inventory shall include any existing and potential material conflicts of interest arising from other undertakings within the group and how those conflicts are being managed and mitigated.