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**To: Borsa Italiana Non-MiFID Members**

**Borsa Italiana - Cash and derivatives markets**

**MiFIR / MiFID II: TRANSACTION REPORTING FOR NON-MiFID FIRMS**

Dear Customer,

following the entry into force of the revised Markets in Financial Instruments Directive (MiFID II) and Regulation (MiFIR) on 3 January 2018, trading venues in EEA countries will have to provide their Competent Authority with complete and accurate transaction reports for any trade executed by their members that are not subject to MiFIR / MiFID II (the “Non-MiFID Members”), no later than the close of business of the trading day following the execution<sup>1</sup>.

For this reason, Borsa Italiana will require its market participants to confirm whether they are (or not) subject to MiFIR / MiFID II requirements<sup>2</sup>. In case the market participant declares to be a “Non-MiFID Member”, he will be required on a daily basis (during T+1) to provide Borsa Italiana with certain data to complete the transaction reports referring to trades executed during the previous trading day (T).

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<sup>1</sup> MiFIR Art.26(5) and Commission Delegated Regulation (EU) 2017/590 of 28 July 2016, supplementing Regulation (EU) N. 600/2014 of the European Parliament and of the Council, with regard to regulatory technical standards for the reporting of transactions to competent authorities. Full details regarding scenarios for Transaction Reporting are described in ESMA’s Guidelines on “Transaction reporting, order record keeping and clock synchronization under MiFID II” (September 2017).

<sup>2</sup> This information shall be provided through the Member Portal, in section “MiFID Status declaration and policies declaration”.

23 November 2017

The amount and nature of the required data (hereinafter, the “Supplementary Information”) depends upon the trading capacity of the order that originated the trade, and the category of the traded financial instrument. The Market Rules of Borsa Italiana will require all Non-MiFID Members to provide the required data in an accurate and timely fashion<sup>3</sup>.

The purpose of the enclosed document is to provide Borsa Italiana’s Non-MiFID Members with guidelines regarding the technical solution and the steps of the process to provide the Supplementary Information to Borsa Italiana. Solutions available to Non-MiFID II Members include:

- an “assisted reporting” solution, in cooperation with LSE plc’s Unavista service (the “Transaction Reporting Service” or “TRS” hereinafter);
- for specific markets (if deemed appropriate by the Non-MiFID Member), the provision of certain static information to Borsa Italiana through the Member Portal in order to expedite the usage of the assisted reporting solution.

Non-MiFID Members will be contacted directly by Borsa Italiana in order to ensure that all the necessary technical arrangements are in place before the entry into force of MiFIR / MiFID II on 3 January 2018. Non-MiFID Members will be invited to attend an initial, training session in relation to the functionalities offered by the TRS.

We will publish additional information and, if necessary, amendments to this guidelines in due course.

Borsa Italiana would also like to remind that, following the completion of the Customer Dress Rehearsals on 14 October and 4 November 2017, the technical go-live of the new version of its trading systems is confirmed for release in production on **27 November 2017**, subject to the “go-no go” decision that will be communicated after the login testing session planned on Saturday 25 November 2017. These new versions of Millennium Exchange, SOLA and GTP:

- Millennium Exchange version 9.2;
- SOLA version 11;
- GTP version 1.4.1.

include technical support for the changes that are required in order to comply with MiFIR / MiFID II requirements.

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<sup>3</sup> Borsa Italiana draft rulebook, article 3.3.2; SEDEX MTF rule 1454 and rule 1454 of the draft rulebook of ExtraMOT, AIM Italia and Bit GEM.

23 November 2017

In addition, the new version of the Member Portal supporting functionalities related to “Short Code/Long Code management” and “Position Limit reporting” has been successfully deployed on 20 November 2017. The next key dates for Borsa Italiana’s Member Portal are the following:

“Short Code/Long Code management” – End of “Test phase”	1.12.2017
Functionality to support provision of Customer Reference Data	4.12.2017
“Short Code/Long Code management” – Start of “Production phase”	4.12.2017
Deadline to provide Customer Reference Data to Borsa Italiana	20.12.2017

### **Contacts**

Questions in relation to the topics described in this communication should be directed to the following contacts:

- [membership@borsaitaliana.it](mailto:membership@borsaitaliana.it)
- [Clients-Services@borsaitaliana.it](mailto:Clients-Services@borsaitaliana.it)

Kind regards,

Enrico Pellizzoni  
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Head of Secondary Markets and Infrastructures Regulation

Pietro Poletto  
Global Head of Fixed Income Products and Co-Head of Equity, Funds & Fixed Income  
Secondary Markets

## References to MiFIR / MiFID II documentation published by Borsa Italiana

The following documents are complementary to this communication. Additional documents related to our adaptation program to MiFIR / MiFID II will be published in due course.

### Regulatory documents

The following documents are available on Borsa Italiana's MiFID II dedicated webpage:

<http://www.borsaitaliana.it/borsaitaliana/mifid2.htm>

- Draft versions of MiFIR / MiFID II compliant versions of Borsa Italiana's Rules, related Instructions and Guide to Trading Parameters;
- Market Notice containing the excerpt of the Rules, related Instruction and Guide to Trading Parameters in force from 27 November 2017, containing the phase 1 changes due to MiFIR / MiFID II;
- MiFID II - Commodity Derivatives Position Reporting Manual;
- MiFIR/MiFID II: changes to Borsa Italiana Rules and Technical Deployment Plan of Millennium Exchange 9.2, Sola 11 and GTP 1.4.1 (the "Deployment approach" notice);
- AFME MiFID II questionnaire responses (equity, derivatives and fixed income markets);
- Cash and derivatives markets: Guidelines on customer reference data and record keeping requirements.

### Technical documents

<http://www.borsaitaliana.it/borsaitaliana/gestione-mercati/gestione-mercati.htm>

Millennium Exchange 9.2	<ul style="list-style-type: none"> <li>• MIT201 - Guide to the New Trading System - BIT - Issue 9.1</li> <li>• MIT202 - Trading Gateway (FIX 5.0) Specification - Issue 9.3</li> <li>• MIT203 - Native Trading Gateway Specification - Issue 9.4</li> <li>• MIT204 - Post Trade Gateway (FIX 5.0) Specification - Issue 9.3</li> <li>• MIT205 - Drop Copy Gateway (FIX 5.0) Specification - Issue 9.2</li> <li>• MIT303 - Market Data Feed (MITCH) Specification - Issue 9.2</li> <li>• MIT305 - BIT FTP Services Reference Data Specification - Issue 9.2</li> <li>• MIT801 - Reject Codes and Reasons - Issue 1.7</li> </ul>
SOLA 11	<ul style="list-style-type: none"> <li>• IDEM - Guide to the Trading System v4.0</li> <li>• SAIL Specification - Issue 5.5</li> <li>• SAIL protocol - message impacts</li> <li>• FIX 4.2 Specification - Issue 5.5</li> <li>• FIX protocol - message impacts</li> <li>• HSVF Market Data - Issue 5.5</li> <li>• HSVF protocol - message impacts</li> </ul>
Member Portal	<ul style="list-style-type: none"> <li>• Member Portal - Short Code/Long Code management – Issue 1.1</li> </ul>
Reconciliation Reports	<ul style="list-style-type: none"> <li>• MIT601 - Report Reconciliation Specification - Issue 3.2</li> <li>• IDEM - Report Reconciliation Specification - Issue 1.4</li> </ul>
Transaction reporting for non-MiFID firms	This communication

For updated technical documentation regarding GTP services, please refer to:

<http://www.londonstockexchange.com/products-and-services/millennium-exchange/documentation/documentation.htm>

# Manual of Transaction Reporting of Borsa Italiana

## *Guidelines for Transaction Reporting by Non-MiFID member firms*

*This document is relevant for members of the trading venues operated and managed by Borsa Italiana S.p.A. (Borsa Italiana) that are not directly subject to the obligations of the Markets in Financial Instruments Directive (MiFID II) and Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments (MiFIR).*

### **Disclaimer**

Borsa Italiana has taken reasonable efforts to ensure that the information contained in this publication is correct at the time of publication, but shall not be liable for decisions made in reliance on it. Borsa Italiana will endeavour to provide notice to customers of changes being made to this document. Therefore, please note that this publication may be updated at any time. The information contained in this publication and any other publications referred to herein are for guidance purposes only.

Effective from 3 January 2018

Version: 1.0

## Contents

1. Introduction
  2. The Transaction Reporting Service (“TRS”)
  3. Trading Venue Data vs. “Supplementary Information”
  4. Accessing the Transaction Reporting Service
  5. Transaction Reporting daily timeline
  6. Using the Transaction Reporting Service
  7. Additional functionalities
  8. Transaction Report Data: Supplementary Information
  9. Providing Supplementary Information through the Member Portal
  10. Support and Helpdesk services
- Appendix 1: Definitions
- Appendix 2: Key trading scenarios
- Appendix 3: Additional information in case “Long codes” have not been timely provided through the Member Portal
- Appendix 4: Transaction reports for “aggregated” and “pending allocation” trades

## Document History

This document has been through the following iterations:

Issue	Date	Description
1.0	23 November 2017	First version, pre-launch of Transaction Reporting Service

## 1. Introduction

Transaction Reporting has been developed to improve the detection and investigation of market abuse. The revised Markets in Financial Instruments Directive and Regulation (EU) 600/2014 of the European Parliament and of the Council on markets in financial instruments (MiFIR), collectively known as “MiFID II”, have significantly expanded the transaction reporting obligations on investment firms and have extended transaction reporting obligations to trading venues. In particular, MiFIR Art. 26(5) introduces the obligation for a trading venue to report details of the trades executed on its systems, when they involve a firm that is not directly subject to MiFIR/MiFID II rules (the “Non-MiFID Members”).

The purpose of this document (“Manual of Transaction Reporting of Borsa Italiana”, “Manuale del transaction reporting di Borsa Italiana”) is to provide guidelines to Borsa Italiana’s Non-MiFID Members, in order to fulfill the obligation in Art. 3.3.2 of Borsa Italiana’s draft Rules, SEDEX MTF rule 1454 and rule 1454 of the draft rulebook of ExtraMOT, AIM Italia and Blt GEM.

CDR 590/2017 defines the regulatory technical standards for the transaction reporting to Competent Authorities<sup>4</sup>. Detailed scenarios for transaction reporting are available in ESMA’s Guidelines on “Transaction reporting, order record keeping and clock synchronization under MiFID II” (September 2017). Non-MiFID Members must take ESMA’s Guidelines into account when providing data to Borsa Italiana according to the process described in this document.

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## 2. The Transaction Reporting Service (“TRS”)

Borsa Italiana has partnered with LSEG’s UnaVista Approved Reporting Mechanism (ARM) to expedite the transaction reporting process for Non-MiFID Members. Borsa Italiana will generate partially (or where possible, fully completed transaction reports) for the trades executed by its Non-MiFID Members on Borsa Italian’s trading venues, and will send these transaction reports to the system managed by UnaVista (hereinafter, the “TRS”), where the Non-MiFID Member will be able to:

- review these pre-populated transaction reports;
- complete data, where necessary (see paragraph 3), and;

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<sup>4</sup> Commission Delegated Regulation (EU) 2017/590 of 28 July 2016, supplementing Regulation (EU) N. 600/2014 of the European Parliament and of the Council, with regard to regulatory technical standards for the reporting of transactions to competent authorities

- once review is completed, start the process for the submission of the completed reports to the Competent Authority<sup>5</sup>.

The TRS is a secure web application, accessible at the following link:

[www.unavista.londonstockexchange.com/datasolutions/login.html](http://www.unavista.londonstockexchange.com/datasolutions/login.html)

A full description of the functionalities of the TRS is provided in the “UnaVista MiFIR ARM Specifications” document, available at:

[www2.londonstockexchange.com/UnaVista-MiFIR-ARM-Document-Pack](http://www2.londonstockexchange.com/UnaVista-MiFIR-ARM-Document-Pack)

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### **3. Trading Venue Data vs. “Supplementary Information” to be provided by the Non-MiFID Member**

The TRS will use two main data sources in order to complete a transaction report:

- the “Trading Venue Data”, including: (i) the information included in order entry messages submitted by the Non-MiFID Member into the trading system, and; (ii) data that have been pre-registered by the Non-MiFID Member in the Member Portal;
- additional information provided by Members directly into the TRS, after the trade has been executed in the trading venue’s systems (the “Supplementary Information”).

Although some trades by Non-MiFID Members could not require any Supplementary Information, all Non-MiFID Members shall access the TRS on a daily basis, to check the accuracy of all data indicated in their transaction reports, and ensure that they are completed on a daily basis within the required deadlines.

Members must notify the trading venue, as soon as possible, of any discrepancies in data.

For a full description of the process and the cut-off deadlines, see paragraph 5.

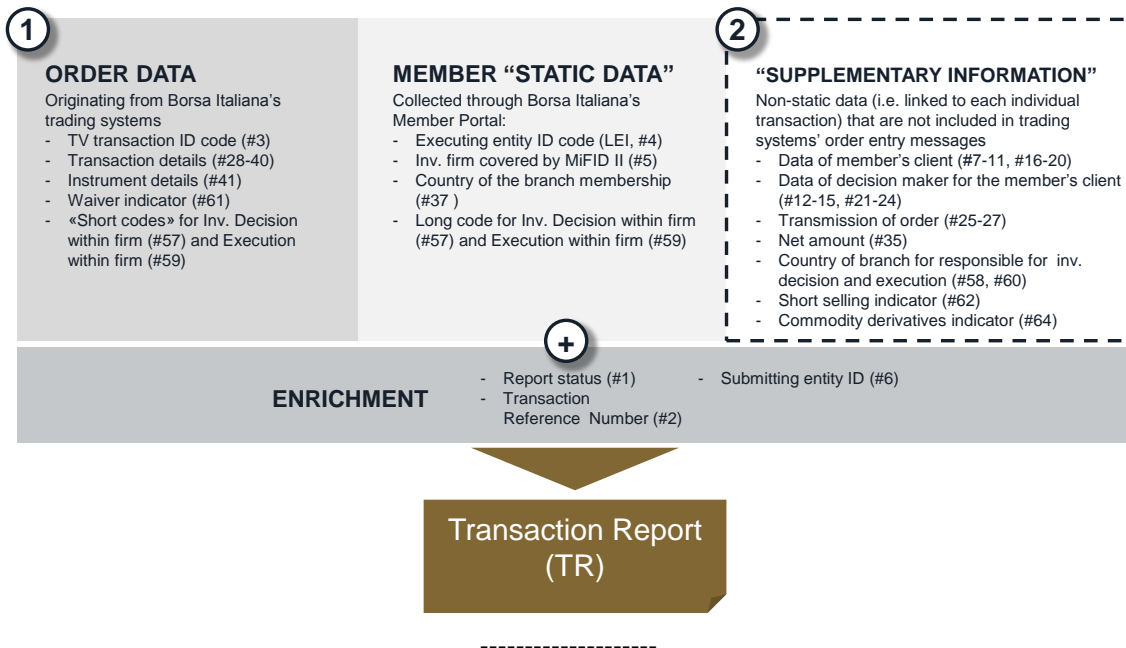
A full description of the Supplementary Information required to the Non-MiFID Member, with indication of the scenarios under which the Supplementary Information is required, is reported in paragraph 8 (“Transaction Report Data: Supplementary Information”).

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<sup>5</sup> Please note that transaction reports related to trade cancellations and amendments will be managed directly by Borsa Italiana. Please refer to Appendix 4 for exceptions. In particular: a) for trade cancellations on day (T) and trade amendments, no transaction report will be created for the cancelled trade; b) for trade amendments on day (T), the most recent trade amendment will be created as a transaction report; c) for cancellations on days following (T), a transaction report will be generated for the cancellation; d) for trade amendments on days following (T), a transaction report cancellation will be created, followed by a new transaction report for the amended trade.



**Trading Venue Data vs. Supplementary Information (ILLUSTRATIVE)**



**4. Accessing the Transaction Reporting Service**

Borsa Italiana will provide each Non-MiFID Member with individual usernames and passwords to access the TRS. The Non-MiFID Member is required to provide the Supplementary Information required by the trading venue in an accurate and timely fashion. Moreover the Non-MiFID Member is required to:

- (a) comply with the security standards specified in the UnaVista Product Documentation, including ensuring that its assigned credentials are kept confidential and are not used by any other person;
- (b) create a minimum of three users, 2 user administrators and 1 operations administrator (view data, modify/add data, submit transaction reports etc.). For the list of functionalities available to each type of user, including the possibility to hide personal data across users, please refer to Unavista documentation<sup>6</sup>. A maximum of 5 users may be configured by the Non-MiFID Member in total;
- (c) maintain at its own cost internet communications facilities in order to connect to and use UnaVista's applications and services.

<sup>6</sup> Unavista MiFIR ARM User Guide, section 14 "Departments and role profiles".

Ad-hoc users for Borsa Italiana's employees will be added to the member area, in order to assist Non-MiFID Members. In case the member wishes to hide personal or client data to these trading venue's users, a data masking functionality is available in the TRS (see paragraph 7).

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## 5. Transaction Reporting daily timeline

The following daily timeline shall be followed in order to complete the submission of transaction reports to the Competent Authority. Non-MiFID Members are required to provide data to Borsa Italiana within the indicated daily deadlines. This process refers to trades executed by Non-MiFID Members during day (T). In case a firm is not able to meet the required cut-off deadlines or to rectify omissions or errors promptly on a continuous basis, we reserve the right to take action according to Art. 3.4.4 of Borsa Italiana's Rules and Article C010 of SeDeX, AIM Italia, BIT GEM and ExtraMOT rulebooks.

Step	Description	Cut-off deadline for the Non-MiFID Member
#1	The Non-MiFID Member completes static data changes in the Member Portal, including short code / long code mappings, by 9pm CET of trading day (T).	by 9pm CET of trading day (T)
#2	Draft transaction reports are generated by Borsa Italiana, including the Trading Venue Data, before end of day (T). These draft transaction reports are sent from Borsa Italiana to UnaVista as they become ready.	--
#3	UnaVista loads transaction reports, with all available Trading Venue Data, into the TRS and makes the transaction reports available to the Non-MiFID Member for review and completion (transaction reports will be available before 8am of day (T+1)).	--
#4	Starting from this moment, the Non-MiFID Member can enrich transaction reports with the Supplementary Data. The Non-MiFID Member must: i) access the TRS, ii) add the Supplementary Information (where necessary), iii) correct any error, and iv) confirm that transactions reports are completed and there are no exceptions in the "Assisted Reporting Assisted Data" and "ARM Exceptions" folders (see paragraph "Using the Transaction Reporting Service" for full details).	By 5pm CET of day (T+1)
#5	After 5pm CET of day (T+1), as well as in the following days, Borsa Italiana will execute quality controls on the transaction reports submitted on (T+1). In case of outstanding submissions, or inconsistencies in the submitted reports, Borsa Italiana may contact the Non-MiFID Member in order to identify the reason of the identified inconsistencies. On the basis of this information, Borsa Italiana may require the Non-MiFID Member to modify their transaction reports and re-submit to the Competent Authority.	On request by Borsa Italiana
#6	Transaction reports are sent to the Competent Authority	Before CoB of T+1

## 6. Using the Transaction Reporting Service

The following steps must be followed in order to use the TRS.

**Please note that, in executing these steps, a Non-MiFID Member shall not overwrite or modify the Trading Venue Data that Borsa Italiana has uploaded into the TRS. In case a firm overwrites the Trading Venue Data by mistake, or it believes that the data reported by Borsa Italiana are not correct, it shall immediately contact Borsa Italiana.**

Step	Description
#1	<b>Login</b> into the TRS.
#2	<b>View</b> the transaction reports that are available for update / submission by selecting “Assisted Reports” (AR) -> “Assisted Data”. The error column lists the fields requiring correction (exceptions) or extra data.
<i>For TRs that do not require any further input or correction:</i>	
#3	Select the TRs and choose “ <b>Mark as Submitted</b> ”. This will move the TRs into the “Valid transactions” folder for submission to the regulator.
<i>For TRs requiring inputs or corrections:</i>	
#4	To view the exceptions for a single report in the Assisted Reports view, right-click on the report and <b>select the Drilldown option</b> .
#5	To enter data or correct one or more exceptions, select the exceptions by clicking on the checkbox next to each report to be updated, and <b>export to Excel or CSV file</b> using the Export button provided.
#6	<b>Update the fields</b> in the file generated by UnaVista and save the file with the same name. <b>Import the saved file back</b> into the Reporting solution.
	Transactions are validated on import and those passing validation are cleared out of the AR folder and automatically sent to the “Valid Transactions” folder, where they are queued for submission to the regulator. Transactions that fail validation are placed into the MiFIR Reporting “All Exceptions” folder where they must be corrected using the same procedure of export -> correct -> import.
#8	<b>Check the “File Summary”</b> folder in MiFIR Reporting to check whether all imported transaction reports have passed validation.
#9	<b>Check the “Valid Transactions”</b> Folder in MiFIR Reporting folders to ensure all transaction reports for the day are in this folder.
#10	<b>Ensure</b> there are no transactions remaining in the (AR) “Assisted Data” folder.
#11	<b>Ensure</b> there are no transactions remaining in the MiFIR Reporting “All Exceptions” folder.

### Note 1:

Transactions may be sorted, grouped, filtered on, and searched for by different field values. Exports and imports of subsets of transactions are possible, in case the member wishes to work on subsets of transactions at a time. A user can also limit the number of columns he wishes to view in the interface.

**Note 2:**

**UnaVista provides a function to “Clear” a transaction. This function is NOT to be used by the member as ALL transaction reports created by the trading venue are compulsory for reporting.** If a member erroneously clears a transaction, it may be retrieved from the “Assisted Cleared Data” folder and submitted as per the usual process. Please contact Borsa Italiana’s Helpdesk services in case you have erroneously cleared a transaction and you are unable to retrieve it.

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## **7. Additional functionalities of the Transaction Reporting Service**

The TRS offers a series of additional functionalities to simplify the completion of transaction reports and to handle data confidentiality:

- **Data masking:** the TRS provides the ability to restrict the personal or confidential data that individual users are able to view (for example, Buyer/Seller Name/Surname/Date of Birth). If a member has such a requirement, the member may personalise the data available to each user assigned to its employees and of trading venue’s personnel, using the Data Masking feature. More information, including a full list of the fields that can be hidden to other users, is available in the UnaVista documentation<sup>7</sup>;
- **Data enrichment:** the TRS provides the ability to automatically enrich a transaction report with default values specified by the Non-MiFID Member, in order to facilitate the process of completing the transaction report. More information around the Data Enrichment functionality (incl. a full list of fields that may be enriched) is available in the UnaVista documentation<sup>8</sup>.

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<sup>7</sup> MiFIR ARM User Guide, section “Data Masking/Security”, paragraphs 12.3 and 12.3.

<sup>8</sup> MiFIR ARM User Guide, section “Configuration Modules Folders”, paragraph 8.2.

## **8. Transaction Report Data: Supplementary Information**

As anticipated in paragraph 3, Borsa Italiana must collect the Supplementary Information from its Non-MiFID Members. This is necessary because data provided by market participants: i) through the order messages sent to the trading systems, or ii) via the Member Portal, may not be sufficient to fully populate a transaction report as required by MiFIR / MiFID II.

The amount of the required Supplementary Information depends on the trading behaviour of the Non-MiFID Member firms and in particular by:

- the trading capacity under which the trade was executed<sup>9</sup> (e.g. dealing on own account, matched principal, on behalf of a client etc.);
- the category of the traded financial instrument (e.g. a commodity derivative, a fixed income instrument etc.).

The following paragraphs provide a description of the Supplementary Information to be provided by the Non-MiFID Member through the TRS, and the conditions under which such information is required. For some of these fields, an alternative technical solution (if deemed appropriate by the Non-MiFID Member) is described in paragraph 8 (“Providing Supplementary Information through the Member Portal”).

**The descriptions in this paragraph are a summary of MiFIR / MiFID II regulatory obligations and describe the key scenarios involving a Non-MiFID Member. Full descriptions, guidelines and scenarios are available in ESMA’s “Guidelines on transaction reporting, order record keeping and clock synchronization”.**

**In case of discrepancies with this document, ESMA’s Guidelines shall prevail.**

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<sup>9</sup> See Appendix 1 for definitions.

The following Supplementary Information is required for transaction reports referring to trades executed under any trading capacity:

- Net Amount (field #35);
- Country of the branch responsible for the person making the investment decision (field #58);
- Country of the branch supervising for person responsible for the execution (field #60);
- Short selling indicator (field #62);
- Commodity derivatives indicator (field #64);

plus certain additional information for reconciliation purposes (see paragraph 8.6).

See Appendix 2 for Field #40 (“Complex trade Component ID”) and definition of Complex trade.

In addition, **this is the full set of Supplementary Information required to Non-MiFID Members that operate only under “DEAL” trading capacity<sup>10</sup>**.

### **8.1 Net Amount (field #35)**

Field must be populated when: the financial instrument is a debt security and the CFI code is beginning with DB\*\*\*\*.

How to populate: this field is a numeric value. The net amount of the transaction is the cash amount which is paid by the buyer of the debt instrument upon the settlement of the transaction. This cash amount equals to:

$$(\text{clean price} * \text{nominal value}) + \text{any accrued coupons}$$

The net amount of the transaction excludes any commission or other fees charged to the buyer of the debt instrument.

### **8.2 Country of the branch responsible for the person making the investment decision (field #58)**

Field must be populated when: the decision to buy or sell the instrument has been taken by a natural person (i.e. not by an algorithm) within the Non-MiFID Member, supervised by a branch of the investment firm holding the membership to Borsa Italiana. In case the person within the investment firm that took the investment decision is not supervised by a branch, this field shall be populated with the country code of the home Member State of the investment firm, or with the country code of the country where the firm has established its head office or registered office. In case of transactions executed under “MTCH” or “AOTC” trading capacity, this is the case of a discretionary mandate given to the Non-MiFID Member by the client, as required by Art.14.3 of CDR 2017/590.

How to populate: this field is a 2-letter country code (ISO 3166).

In case the investment decision: i) was taken by an algorithm, or ii) was taken by a person outside of the Non-MiFID Member, this field must not be populated (must be left blank).

<sup>10</sup> In case Investment Decision ID (field #57) and Execution ID (field #59) have been correctly submitted to Borsa Italiana according to step #1 of paragraph 5, please refer to Appendix 3.

### **8.3 Country of the branch supervising for person responsible for the execution (field #60)**

Field must be populated when: the order that generated the trade was submitted to the trading venue by a natural person (i.e. not by an algorithm) within the Non-MiFID Member, supervised by a branch of the investment firm holding the membership to Borsa Italiana. In case the person sending the order is not supervised by a branch, this field shall be populated with the country code of the home Member State of the investment firm, or with the country code of the country where the firm has established its head office or registered office.

How to populate: this field is a 2-letter country code (ISO 3166).

In case the order was submitted: i) by an algorithm, or ii) by a person outside the Non-MiFID Member, this field must not be populated (must be left blank).

### **8.4 Short selling indicator (field #62)**

Field must be populated when:

- (i) the transaction report refers to trades which, at the time of execution, are short sale transactions or are in part a short sale transactions, in accordance with Regulation 236/2012<sup>11</sup> (short selling regulation, SSR);
- (ii) the direction of the trade is a sale;
- (iii) a short sale has been concluded by the member on its own behalf or on behalf of a client. The member shall request the client to disclose whether it is selling short.

How to populate: valid values for SSI are:

- “SESH” - Short sale with no exemption;
- “SSEX” - Short sale with exemption;
- “SELL” - No short sale;
- “UNDI” - Information not available.

When an investment firm executes a transaction on behalf of a client who is selling an instrument covered by the SSR, and the investment firm, acting on a best effort basis, cannot determine whether it is a short sale transaction, this field shall be populated with “UNDI”.

This field must NOT be populated (must be left blank) for: i) purchase transactions, and ii) sale transactions on instruments not covered by the SSR. In the case of “aggregated” or “pending allocation” transactions, additional transaction reports must be created for the corresponding allocations to each client (see Appendix 4).

### **8.5 Commodity derivatives indicator (field #64)**

Field must be populated when: the financial instrument is a commodity derivative.

How to populate: this is a binary True or False field.

Must be set to ‘True’ when the transaction reduces risk in an objective measurable way in accordance with Art.57 of MiFID II.

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<sup>11</sup> These cover: (a) transactions in shares issued by a company or in debt instruments issued by sovereign issuers, and (b) transactions which create or relate to a financial instrument other than an instrument referred to in point (a), where the effect or one of the effects of the transaction is to confer a financial advantage on the natural or legal person entering into that transaction, in the event of a decrease in the price or value of the share or debt instrument. Shares listed in the following ESMA’s register are exempted from short selling regulation:

[https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_mifid\\_shsex](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_mifid_shsex)

This field must NOT be populated (must be left blank) for financial instruments that are not defined as commodity derivatives under MiFIR / MiFID II. In the case of “aggregated” or “pending allocation” transactions, additional transaction reports must be created for the corresponding allocations to each client (see Appendix 4).

### **8.6 Additional Supplementary information (for reconciliation purposes)**

A “sub-type” (see Appendix 1, “Unavista-specific fields”) must be specified for the following fields, in case they refer to a natural person:

- Buyer / seller ID (fields #7 and #16);
- Execution within Firm (field #57);
- Execution within Firm (field #59).

This is required to specify whether the provided identifier, that is part of the Trading Venue Data, is: i) a passport number; ii) a CONCAT identifier, or iii) another type of identifier. This information will be used for consistency checks before submitting the transaction report to the Competent Authority.

The following Supplementary Information is also required – on top of the fields reported in the previous part of this paragraph - for transaction reports referring to trades executed **under any trading capacity different from dealing on own account** (e.g. “MTCH” or “AOTC”):

- Buyer or seller country of branch (fields #8 and #17);
- Buyer or seller first name, surname and date of birth (fields #9-11 and #18-20);
- Buyer or seller decision maker code (i.e. identifier), name, surname, date of birth (fields #12-15 and #21-24);
- Transmission details (fields #25-27);

plus certain additional information for reconciliation purposes (see paragraph 8.11).

This information shall NOT be populated for transaction reports referring to trades executed under “DEAL” trading capacity.

### **8.7 Buyer or seller country of branch (fields #8 and #17)**

Fields must be populated when: the Non-MiFID Member is operating in “MTCH” or “AOTC” trading capacity.

How to populate: these fields are 2-letter country codes (ISO 3166). For transaction reports referring to the purchase of a financial instrument, only field #8 must be populated. For transaction reports referring to the sale a financial instrument, only field #17 must be populated.

These fields must indicate the country code of the branch of the Non-MiFID Member that received the order from the client or made the investment decision on behalf of a client, according to a discretionary mandate given to it by the client, as required by Art.14.3 of CDR 2017/590. In case this activity was not conducted by a branch, these fields shall be populated with the country code of the home Member State of the investment firm, or with the country code of the country where the firm has established its head office or registered office.



### **8.8 Buyer or seller first name, surname and date of birth (fields #9-11 and #18-20)**

Fields must be populated when: the Non-MiFID Member is operating in “MTCH” or “AOTC” trading capacity, when the client is a natural person. These fields complement the identifier provided in field #8 or #17.

How to populate: Buyer / seller first name, surname and date of birth must be indicated only in case the buyer/seller is a natural person. For transaction reports referring to the purchase of a financial instrument, only fields #9-11 must be populated. For transaction reports referring to the sale a financial instrument, only fields #18-20 must be populated:

- Buyer / seller first name and surname (#9-10, #18-19): these are alphanumerical values with max. length of 140 characters;
- Buyer / seller date of birth (#11, #20): this field is a date in format YYYYMMDD.

In case of transactions: i) where the buyer / seller ID is not a natural person (i.e. it is a legal entity), or ii) where the transaction report makes reference to an “aggregated” or “pending allocation” transaction (see Appendix 4), these fields must NOT be populated (must be left blank).

For joint accounts, these fields must be repeated for each buyer/seller.

### **8.9 Buyer or seller decision maker code (i.e. identifier) and name, surname, date of birth of the investment decision maker for the client (fields #12-15 and #21-24)**

Fields must be populated when: (i) the Non-MiFID Member is operating in “MTCH” or “AOTC” trading capacity, and (ii) the decision maker for the client is acting under a power of representation (e.g. the member is executing on behalf of a client whose investment decision is made by a third party different from the client itself). The decision marker may be unrelated to the Non-MiFID Member, or may be the Non-MiFID Member firm itself.

How to populate: Buyer / seller decision maker name, surname and date of birth must be indicated only in case the decision maker is a natural person. For transaction reports referring to the purchase of a financial instrument, only fields #12-15 must be populated. For transaction reports referring to the sale a financial instrument, only fields #21-24 must be populated:

- Buyer / seller decision maker code (#12, #21): this is a code used to identify the decision maker. This can be a Legal Entity Identifier or the identifier for a natural person, with the format defined by Art.6 of CDR 2017/590;
- Buyer / seller decision maker first name and surname (#13-14, #22-23): these are alphanumerical values with max. length of 140 characters;
- Buyer / seller decision maker date of birth (#15, #24): this field is a date in format YYYYMMDD.

In case of transactions: i) where the investment decision is taken by the client directly, or ii) where the transaction report makes reference to an “aggregated” or “pending allocation” transaction (see Appendix 4), these fields must NOT be populated (must be left blank).

Where the buyer / seller decision maker is the Non-MiFID Member (i.e. the executing investment firm), field #12 or #21 must indicate the Legal Entity Identifier code of the Non-MiFID Member (this is because the identifier of the individual decision maker person is already covered in field #57). In this case, name, surname and date of birth must be left blank.

### **8.10 Transmission details (fields #25-27)**

Fields must be populated when: the Non-MiFID Member is operating in 'AOTC' trading capacity and is a receiving firm, and all the conditions for transmission in Art.4 of CDR 2017/590 have been met.

How to populate:

- Transmission of order indicator (#25): must NOT be populated by the Non-MiFID Member since it is always the receiving firm;
- Transmitting firm identification code for the buyer (#26): this is the LEI code identifying the transmitting firm for the buyer. It must be populated by the receiving firm (the trading venue's participant) in its own transaction report, using the information received from the transmitting firm.
- Transmitting firm identification code for the seller (#27): this is the LEI code identifying the transmitting firm for the seller. It must be populated by the receiving firm (the trading venue's participant) in its own transaction report, using the information received from the transmitting firm.

Please note that, in case of transmitted orders that met the conditions for transmission, the following fields must be populated by the Non-MiFID Member (i.e. the receiving firm) using the information received from the transmitting firm. If such conditions are not met, the receiving firm must treat the transmitting firm as the buyer / seller:

- Investment Decision within firm (field #57, see Appendix 3);
- Country of the branch responsible for the person making the investment decision (field #58, see paragraph 8.2);
- Short selling indicator (field #62, see paragraph 8.4);
- Commodity derivatives indicator (field #64, see paragraph 8.5);
- Buyer or Seller ID (fields #7 and #16, see Appendix 3);
- Buyer or seller country of branch (fields #8 and #17, see paragraph 8.7);
- Buyer or seller first name, surname and date of birth (fields #9-11 and #18-20, see paragraph 8.8);
- Buyer or seller decision maker code and name, surname, date of birth of the investment decision maker for the client (fields #12-15 and #21-24, see paragraph 8.9).

### **8.11 Additional Supplementary information (for reconciliation purposes)**

A "type" and "sub-type" (see Appendix 1, "Unavista-specific fields") must be specified for the following fields:

- Buyer / seller Decision Maker ID (fields #12 and #21).

The sub-type is required only in case the identifier refers to a natural person, so when the "Type" field is set to "N".

This is required to specify whether the provided identifier, that is part of the Trading Venue Data, is: i) a passport number; ii) a CONCAT identifier, or iii) another type of identifier. This information will be used for consistency checks before submitting the transaction report to the Competent Authority.

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## 9. Providing Supplementary Information through the Member Portal

On discretion of the Non-MiFID Member, it is possible to instruct Borsa Italiana to statically populate some of the fields described in the previous section by generating “default” values using the Member Portal. In these cases, Borsa Italiana will automatically incorporate the “default” values in the Trading Venue Data, and pre-populate the transaction reports sent to the TRS with such “default” values.

This option, that is particularly relevant for Non-MiFID Members that are trade only under “DEAL” trading capacity on IDEX and Agrex, is available in two different ways:

### Scenario 1: generate the same “default” values for all transaction reports (commodity derivatives markets only)

As part of their “Customer Reference Data”, members of commodity derivatives markets (IDEX and Agrex) that are Non-MiFID Members, can declare to Borsa Italiana that they are requiring to pre-populate all transaction reports, so covering all transactions executed on the trading venue, with the following “default” values:

- for field #58 (“country of the branch responsible for the person making the investment decision”): with the ISO 3166 two-letter code identifying the country of its registered office;
- for field #60 (“country of the branch supervising for person responsible for the execution”): with the ISO 3166 two-letter code identifying the country of its registered office;
- for field #64 (“commodity derivative indicator”): with “False” (i.e. the transaction is NOT reducing risk in an objective measurable way in accordance with Art.57 of MiFID II).

In case the Non-MiFID Member requires to use this option, all “default” values will be used. The above request can be confirmed through the Member Portal in section “Declarations”, sub section “Unregulated firm requirements” (Declaration #5).

### Scenario 2: generate the same “default” values for all transaction reports with the same Investment Decision ID / Execution ID

As an alternative opportunity to reduce the amount of Supplementary Information to be provided by the Non-MiFID Member, for each “Short Code-Long Code” mapping referring to:

- a natural person;
- that is primarily responsible for the investment decision or execution, and;
- that is supervised by a branch;

23 November 2017

it will be possible to statically indicate in the Member Portal the corresponding ISO 3166 two-letter country identification code for the nationality of the branch.

This association can be provided by inserting, in the “Notes” field of the “Short Code-Long Code” mapping, the following standardised syntax:

- #58: <two letters of the country where the branch supervising the person responsible for the investment decision has its registered office>;
- #60: <two letters of the country where the branch supervising the person responsible for the execution has its registered office>;

separated by a semicolon.

As an example (for a person supervised by a UK branch), the following syntax can be used:

- in case the person is only acting as investment decision maker: “#58: GB;”
- in case the person is only acting as executing person: “#60: GB;”
- in case the person is acting in both roles: “#58: GB; #60: GB;”

Borsa Italiana will use this information to pre-populate fields #58 or #60 of all transaction reports where the corresponding Short Code has been used to indicate the person responsible for the investment decision and/or execution.

After these “default” values (both scenarios) have been included in the transaction reports available in the TRS, the Non-MiFID Member will be able to modify the provided values at their discretion, in each transaction report, before confirming that data are complete and can be sent to the Competent Authority.

Non-MiFID firms are reminded that they are responsible, according to Borsa Italiana’s Rules, to ensure the accuracy of the information provided to Borsa Italiana for each individual transaction report. A Non-MiFID Member shall base the decision to pre-populate the transaction reports with “default” values on its own internal assessment on the correctness of the final outcome of the overall process described in this document.

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## **10. Support and helpdesk services**

### **Customer Support**

Borsa Italiana's Customer Support desk is the first point of contact to configure access to the TRS, functional queries, technical advice about the TRS and for requests of training services:

- Telephone: Toll Free: 0080026772000; From mobile: +39 02 45411399
- e-mail: [service-desk@borsaitaliana.it](mailto:service-desk@borsaitaliana.it)

### **Membership**

For enquiries relating to the onboarding process of new members to Borsa Italiana's markets, and to static data amendments through the Member Portal, please refer to Borsa Italiana's Membership department:

- Telephone: +39 02 72426207
- e-mail: [membership@borsaitaliana.it](mailto:membership@borsaitaliana.it)

## Appendix 1: Definitions

Term	Definition
<b>Trading Capacity</b>	<p>There are 3 types of trading capacities:</p> <p><b>DEAL</b> - ‘Dealing on own account’ means trading against proprietary capital resulting in the conclusion of transactions in one or more financial instruments; order submission results from member or participant dealing on own account under Article 4(6) of Directive 2014/65/EU.</p> <p><b>MTCH</b> - ‘Matched principal’: means order submission resulting from the member or participant or client of the TV carrying out matched principal trading under Article 4(38) of Directive 2014/65/EU. The facilitator interposes itself between the buyer and the seller to the transaction in such a way that it is never exposed to market risk throughout the execution of the transaction, with both sides executed simultaneously, and where the transaction is concluded at a price where the facilitator makes no profit or loss, other than a previously disclosed commission, fee or charge for the transaction.</p> <p><b>AOTC</b> - ‘Any other capacity’: means where the order submission does not result from the member, participants or client of the TV carrying out matched principal trading or dealing on own account.</p>
<b>Complex trade</b>	<p>For the purpose of transaction reporting, according to Art.12 of CDR 590/2017 and ESMA guidelines on transaction reporting (example 5.35.9), a complex trade is a transaction involving “<i>two or more financial instruments when there is one single transaction in multiple financial instruments simultaneously for one single price</i>”. Borsa Italiana will pre-populate field #40 “Complex Trade component ID” for all situations where a strategy trade, involving different instruments traded on the IDEM market, is executed according to the above definition.</p> <p>In case of strategy transactions involving off-venue legs, it is responsibility of the Non MiFID Member: i) to define whether the strategy transaction is fulfilling the definition of “Complex trade”, ii) attribute a unique ID, and iii) report the net price of the strategy trade in the transaction report.</p>
<b>Identifier for natural persons (National ID)</b>	<p>This category of identifier is relevant for clients, responsible for the investment decision and responsible for the execution, when they are a natural person. The identifier (as defined in Annex to CDR 2017/580<sup>12</sup>) shall be the concatenation of ISO 3166 code of the country representing the nationality of the natural person, followed by its “national client identifier” according to the priority chain defined in Art.6 and Annex II of CDR 2017/59011 (transaction reporting). As an example:</p> <ul style="list-style-type: none"> <li>• in the case of Italian persons, “IT” plus (always) the “Fiscal code” (codice fiscale) of the client;</li> <li>• in the case of UK persons, “GB” plus the “UK National Insurance number” or, when not available, the “CONCAT” code<sup>12</sup> of the client;</li> <li>• in case the person has more than 1 nationality, requirements of Art.6 comma 3 of CDR 2017/59013 shall be followed.</li> </ul>

<sup>12</sup> Commission Delegated Regulation (EU) 2017/580 of 24 June 2016, supplementing Regulation (EU) N. 600/2014 of the European Parliament and of the Council, with regards to regulatory technical standards for the maintenance of relevant data relating to orders in financial instruments.

	<p>For other scenarios, please refer to CDR 2017/580.</p> <p>CONCAT is the concatenation of: i) date of birth of the person in the format “YYYYMMDD”; ii) first 5 characters of the first name; iii) first five characters of the surname; excluding prefixes to names; filler “#” must be used for names / surnames shorter than 5 characters; upper case only; no apostrophes, accents, hyphens, punctuation marks or spaces.</p> <p>Example:  Nationality: Norway  Date of birth: 15 March 1976  Name: Eli  Surname: Ødegård</p> <p>CONCAT: NO19760315ELI##ODEGA</p> <p>Comment: Padded 'Eli' to 5 characters. Converted Ø to O, and å to A.</p>
<b>Identifier for algorithms</b>	<p>See Art.8(3) and 9(3) of CDR 2017/590. Where a computer algorithm within the investment firm is responsible for the investment decision or execution, the investment firm shall assign a designation for identifying the computer algorithm in a transaction report. This identifier should be alphanumerical, of max. 50 characters, and shall comply with the following conditions:</p> <p>(a) it is unique for each set of code or trading strategy that constitutes the algorithm, regardless of the financial instruments or markets that the algorithm applies to;</p> <p>(b) it is used consistently when referring to the algorithm or version of the algorithm once assigned to it;</p> <p>(c) it is unique over time.</p>
<b>Unavista-specific fields</b>	<p>Unavista requires to provide, in addition to all regulatory information, certain additional fields in order to support quality checks before submitting the transaction reports to the Competent Authority. These include:</p> <ul style="list-style-type: none"> <li>- “Type”, and</li> <li>- “Sub-type”</li> </ul> <p>for Buyer / Seller ID, Investment Decision ID, Execution ID, Buyer / Seller Decision Maker ID.</p> <p>“Type”: the following types can be set:  “L”: indicate that the ID is a LEI (legal entity);  “N”: indicate that the ID refers to a natural person;  “A”: indicate that the ID refers to an algorithm;  “M”: indicate that the ID refers to a MIC code (identifier of a trading venue);  “I”: used for aggregated transactions.</p> <p>“Sub-Type”: the following sub-types can be set and are relevant only in case “Type” refers to a national person (national ID):  “CCPT”: for Passport number;  “CONCAT”: for Concatenated identifiers;  “NIDN” for other identifiers.</p>

**Appendix 2: Key trading scenarios and fields related to: i) buyer / seller, ii) decision maker for the buyer / seller, iii) branch of the Non-MiFID Member receiving of the order, iv) responsible for the execution**

**Please note that this table does not intend to cover all possible scenarios for transaction reports. More information is available in ESMA's Guidelines on Transaction Reporting. In case of discrepancies with this document, ESMA's Guidelines shall prevail**

		Trading in 'DEAL' capacity	Trading in 'MTCH' or 'AOTC' capacity (for a client)*		
		(against proprietary capital)	Investment decision taken by the client	Investment decision delegated to a third party	
				To the Non-MiFID Member	To another party (different from the Non-MiFID Member)
Buyer / Seller ID	#7, #16	<LEI of Member> / <LEI of CCP>	<LEI or NAT_ID of client> / <LEI of CCP>	<LEI or NAT_ID of client> / <LEI of CCP>	< LEI or NAT_ID of client> / <LEI of CCP>
Buyer/ Seller country of branch	#8, #17	<empty>	<val or empty> <sup>Sup</sup>	<val or empty> <sup>Sup</sup>	<val or empty> <sup>Sup</sup>
Buyer / Seller first name	#9, #18	<empty>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>
Buyer / Seller surname	#10, #19	<empty>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>
Buyer / Seller date of birth	#11, #20	<empty>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>	<val> <sup>Sup (for NP only)</sup>
Buyer / Seller decision maker ID	#12, #21	<empty>	<empty> <sup>Sup</sup>	<LEI of Member> <sup>Sup</sup>	< LEI or NAT_ID of dec. maker> <sup>Sup</sup>
Buyer / Seller decision maker name	#13, #22	<empty>	<empty> <sup>Sup</sup>	<empty> <sup>Sup</sup>	<val> <sup>Sup (for NP only)</sup>
Buyer / Seller decision maker surname	#14, #23	<empty>	<empty> <sup>Sup</sup>	<empty> <sup>Sup</sup>	<val> <sup>Sup (for NP only)</sup>
Buyer / Seller dec. maker date of birth	#15, #24	<empty>	<empty> <sup>Sup</sup>	<empty> <sup>Sup</sup>	<val> <sup>Sup (for NP only)</sup>
Country of the branch membership	#37	<val>	<val>	<val>	<val>
Inv. decision within firm	#57	<NAT_ID of dec. maker or ID of algo>	<empty>	<NAT_ID of dec. maker or ID of algo>*	<empty>
Country of the branch responsible for the person making the inv. decision	#58	<val> <sup>Sup</sup>	<empty>	<val> <sup>Sup</sup>	<empty>
Execution within firm	#59	<NAT_ID of person or ID of algo >	<NAT_ID of person, ID of algo or 'NORE'>	<NAT_ID of person, ID of algo or 'NORE'>	<NAT_ID of person, ID of algo or 'NORE'>
Country of the branch responsible for the execution	#60	<val> <sup>Sup</sup>	<val> <sup>Sup</sup>	<val> <sup>Sup</sup>	<val> <sup>Sup</sup>

(\*)This table is not covering scenarios referring to: i) transmitted orders, as per Art.4 of CDR 590/2017, ii) "aggregated" or "pending allocation" transactions.

Grey cells are part of Trading Venue data, so they are pre-populated by Borsa Italiana in the TRS.

<val>: indicates that a non-blank value is required in the transaction report; <empty>: indicates that this field must be left blank

<val><sup>Sup</sup>: indicated that a value is required and that this is part of the Supplementary Information to be provided by the Non-MiFID Member (NP only = relevant for natural persons only; LEI = Legal Entity Identifier; NAT\_ID = national identification code for natural persons).



### **Appendix 3: Additional information required to the Non-MiFID Member in case 'Long codes' have not been timely provided through the Member Portal**

The information described in this Appendix is normally part of the Trading Venue Data. For this reason, if provided to Borsa Italiana within the required cut-off daily deadlines, this information is automatically inserted into the TRS by Borsa Italiana.

Non-MiFID Members must be aware that, in case this information is not received by Borsa Italiana before 9pm CET of trading day (T) (see paragraph 5 "Transaction Reporting daily timeline"), the Non-MiFID Firm will be required to manually insert it in the TRS, as part of the Supplementary Data, in addition to the Supplementary Information described in paragraph 8.

- **Buyer ID / Seller ID (Fields #7, #16)**

Fields must be populated when: the Non-MiFID Member is operating under "MTCH" or "AOTC" trading capacity. For transactions on "DEAL" account, Borsa Italiana will always pre-populate these fields as part of the Trading Venue Data. Non-MiFID Members that are executing orders on behalf of clients must identify the client on behalf of which the transaction has been executed. The "Long code" to identify the client must be reported.

How to populate:

For buyers / sellers that are legal entities, the LEI code must be used.

For buyers / sellers that are natural persons, see "Identifier for natural persons (National ID)" in Appendix 1.

For transaction reports referring to the purchase of a financial instrument, only field #7 must be populated. For transaction reports referring to the sale a financial instrument, only field #16 must be populated. The opposite side will be always automatically populated by Borsa Italiana with the LEI code of the CCP.

- **Investment Decision within firm (field #57)**

Investment Decision ID field is the code used to identify the natural person or algorithm within the investment firm who is responsible for the investment decision, as set out in Article 8 of CDR (EU) 2017/590. The "Long code" to identify the responsible for the investment decision must be reported.

Field must be populated when: the Non-MiFID Member is operating under "DEAL" trading capacity, or when the Non-MiFID Member was acting under a discretionary mandate provided by the client. Otherwise, this field will be empty.

How to populate:

For decision markers that are natural persons, see "Identifier for natural persons (National ID)" in Appendix 1.

For decision markers that are algorithms, see "Identifier for algorithms" in Appendix 1.

In case the investment decision was taken by a person outside of the Non-MiFID Member, this field must NOT be populated (must be left blank).

- **Firm Execution ID (field #59)**

Firm Execution ID field is the code used to identify the person or algorithm within the investment firm who is responsible for the execution as set out in Article 9 of CDR (EU) 2017/590. The “Long code” to identify the responsible for the execution must be reported.

Field must be populated when: always.

How to populate:

For decision markers that are natural persons, see “Identifier for natural persons (National ID)” in Appendix 1.

For decision markers that are algorithms, see “Identifier for algorithms” in Appendix 1.

In case the execution decision was taken outside of the Non-MiFID Member (i.e. by the client itself or by another person outside the Non-MiFID Member), the standard code “NORE” must be inserted.

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#### **Appendix 4: Submission of Transaction Reports for ‘aggregated’ and ‘pending allocation’ trades**

In case the Non-MiFID Member is acting in “AOTC” or “MTCH” trading capacity, and the transaction has been executed in the trading system from:

- an aggregated order, as defined in CDR 2017/580, Art.2(3);
- an order with ‘pending allocations’, as defined in CDR 2017/580, Art.2(2);

the Non-MiFID Member is required: i) to populate the missing fields of the “market side” transaction report, as per the normal process, and; ii) to manually generate one additional transaction report for each client to which the instruments traded in the “market side” transaction are then allocated to.

See paragraph 5.30.3 of ESMA’s Guidelines on Transaction Reporting for full information on this specific scenario.

Borsa Italiana will pre-populate data for the “market side” transaction and, in particular:

- for an “aggregated” transaction, fields #7 or #16 (Buyer / Seller ID, depending on the side of the transaction report) will be automatically populated with “INTC”;
- for a ‘pending allocations’ transaction, fields #7 or #16 (Buyer / Seller ID, depending on the side of the transaction report) will be automatically populated with “PNAL”.

Process to be followed by the Non-MiFID Member to populate the transaction reports:

- for the transaction report referring to the “market side” transaction:
  - update the existing TR following the usual process described in this document;
- for the transaction reports referring to allocations to individual clients:
  - create a transaction report for each client of the aggregate transaction;
  - set a unique Transaction Reference Number for each transaction report. Refer to “Manual Transactions” for the logic on how to create this identifier;
  - set the core fields that are common with the ‘market side’ transaction report (which may be copied from it), including (among others): Executing Entity ID (#4), Investment Firm Indicator (#5), Submitting Entity ID (#6), Trading Capacity (#29), Instrument ID (#41) etc.;
  - do not populate field #3 (“Trading Venue identification code”);
  - set the field “Venue” (#36) to “XOFF”;
  - set the “short selling indicator” (#62) and “commodity derivatives indicator” fields (#64), when relevant;
  - populate the fields that identify the allocation to the individual client, according to the general rules described in this document, including:
    - buyer and seller identification code (field #7 / #16), where one of the two - depending on the side of the transaction - must correspond to “INTC”, and the other to the ID of the client;
    - additional details for the buyer / seller (fields #8-11, #17-20);
    - details of buyer / seller decision maker (fields #12-15, #21-24);
    - price (field #33);
    - quantity (field #30);
    - etc.
  - set the execution within firm ID (field #60) to ‘NORE’.
- Once completed, import the new transaction reports in UnaVista and follow the usual workflow to correct and submit any errors. See next paragraph for more information.

### Process to generate and upload “Manual transactions”

Manual transactions may be generated in the following way:

- (a) create a new Excel file with all transaction report fields as columns<sup>13</sup>. An existing transaction report can be exported from the TRS and used as a template. In this case, please ensure any UnaVista added columns such as the UnaVista ID, Regulator, Transaction Status and Error Fields are removed;
- (b) populate the file with the required data, and using the guidelines outlined in this document;
- (c) ensure a unique Transaction Reference Number (TRN) is set for each row. You shall use the following format for the TRN for this purpose:

*YYYYMMDD<Your domain name><unique counter>*

Note, only uppercase letters and numerical characters are allowed, spaces are not allowed.

- (d) save the file using the naming convention (replacing any spaces in the domain name with ‘\_’):

*<your domain name in UnaVista>\_MiFIR\_<insert date>.csv*

- (e) import the file into the MiFIR ARM using the Import button in the interface. Ensure the status of the file shows 100% loaded;
- (f) check the Exceptions folders in MiFIR Reporting for any errors and correct them following the normal procedure.

Please refer to UnaVista User Guide for full instructions on how to use the UnaVista interface.

### Pending allocation (PNAL)

In the case of pending allocation to a single client, it is just necessary to replace the Buyer / Seller ID in the market side transaction report with the details of the client to which the trade is then allocated to, as described in the Buyer/Seller identification section. In the case of pending allocation to multiple clients, follow the steps above for creating additional client TRs.

### Cancellation of “Manual transactions”

If the member created manual transaction reports under the INTC/PNAL scenarios and subsequently these trades were cancelled or amended, the member will need to send: i) a transaction report cancellation for each cancelled trade, and; ii) a transaction report for each

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<sup>13</sup> Alternatively, a sample transaction report file can be used as a template from the MiFIR ARM samples in the UnaVista documentation pack.

amended trade, with the new details of the trade, by following the steps below. See section “Process to generate and upload Manual transactions” for more information on how to create and import transactions into the TRS.

<b>Step</b>	<b>Description</b>															
#1	Use an existing transaction report CSV file as a template (with the all transaction report fields as a the header row)															
#2	<p>Create a transaction report cancellation in the file for each transaction report sent with the following fields populated:</p> <table border="1"> <thead> <tr> <th><b>Field number</b></th> <th><b>Field name</b></th> <th><b>Value</b></th> </tr> </thead> <tbody> <tr> <td>Field 1</td> <td>Report status</td> <td>'CANC'</td> </tr> <tr> <td>Field 2</td> <td>Transaction Reference Number</td> <td>The transaction reference number submitted for the original transaction report</td> </tr> <tr> <td>Field 4</td> <td>Executing Entity ID</td> <td>Firm LEI, same as original transaction report</td> </tr> <tr> <td>Field 6</td> <td>Submitting Entity ID</td> <td>Submitting firm LEI, same as original transaction report</td> </tr> </tbody> </table> <p>No other fields shall be populated. All other fields should be left blank and no change made to the format of the transaction report.</p>	<b>Field number</b>	<b>Field name</b>	<b>Value</b>	Field 1	Report status	'CANC'	Field 2	Transaction Reference Number	The transaction reference number submitted for the original transaction report	Field 4	Executing Entity ID	Firm LEI, same as original transaction report	Field 6	Submitting Entity ID	Submitting firm LEI, same as original transaction report
<b>Field number</b>	<b>Field name</b>	<b>Value</b>														
Field 1	Report status	'CANC'														
Field 2	Transaction Reference Number	The transaction reference number submitted for the original transaction report														
Field 4	Executing Entity ID	Firm LEI, same as original transaction report														
Field 6	Submitting Entity ID	Submitting firm LEI, same as original transaction report														
#3	Create new transaction reports (in the case of amendments) following the same procedure for on book / off book trades. The same transaction reference number may be used as in the previous report.															