

How to become an ARM participant?



Forms of participation

ARM is the Approved Reporting Mechanism service where KDPW reports to the competent supervisory authorities with details of transactions in financial instruments concluded by obliged institutions in accordance with Article 26(1) of MIFIR on behalf of those institutions.

KDPW offers three forms of participation in the ARM service:

Basic Participant. In this form of participation, an institution obliged to report under Article 26(1) of MIFIR reports to KDPW on its own behalf. A basic participant may be an entity which is an investment firm within the meaning of Article 4(1)(1) of MiFID.

Representative. In this form of participation, an entity reports to KDPW on behalf of the investment firm. A representative may only report on behalf of an investment firm which is an ARM basic participant. A participant with the participation type of representative may be an entity which is:

- 1) a participant in the depository system operated by KDPW with the participation type of representative within the meaning of the KDPW Rules, acting in that depository system as a party to the settlement of transactions concluded by an entity which is also an ARM basic participant,
- 2) a reporting participant of the EMIR Trade Repository operated by KDPW reporting contracts to which the ARM basic participant is a party,
- 3) a company operating a financial instruments trading system, where reporting only covers transactions concluded in that system.

Market Operator. This form of participation is only available to entities which are a market operator as referred to in Article 4(1)(18) of MiFID, obliged under Article 26(5) of MiFIR to report to the competent supervisory authority details of transactions in financial instruments concluded by market participants established in a third country.

How to become a participant?

The terms and conditions for entering into an ARM participation agreement with KDPW and the rules of participation are set out in the template agreement - the [ARM Rules](#).

STEP 1 – Submitting an application for participation

Application. A model application for the conclusion of an ARM participation agreement and the granting of ARM participant status is available [here](#).

Enclosures. The application must be accompanied by the following:

- up-to-date copy or extract from the relevant register or other document identifying the applicant*
- copies of powers of attorney and specimen signatures of persons authorised to represent the applicant (in accordance with the template) if the right to represent the applicant does not result from the document referred to above*
- in the case of a Representative, a power of attorney to send and receive messages transmitted within the ARM system on behalf of the Basic Participant, in accordance with the template available on the KDPW website
- instruction to build organised market reports in the ARM system, in accordance with the template.

*if, on the date of application, the entity applying for ARM participant status has the status of KDPW participant, Trade Repository participant or Compensation Scheme participant and has delivered this document to KDPW, the delivery requirement only applies if the content of the document needs to be updated

Form. The application should be made in writing or in electronic form (in the form of a document bearing a qualified electronic signature) and signed in accordance with the rules of representation or by other persons authorised to do so. The application may be drawn up in Polish or English.

A copy or an extract from the relevant register or any other document identifying the applicant should be submitted in the original or in the form of a copy certified officially, by a notary public or signed in accordance with the rules of representation of the applicant.

If the application is signed by a proxy, the power of attorney attached to the application should be submitted in the original or as a copy certified in accordance with the rules of representation of the applicant.

If the application is signed by a proxy in writing, the specimen signature card of the proxy should be submitted in the original signed in accordance with the rules of representation of the applicant. If the

application is signed with a qualified electronic signature of the proxy, a specimen signature card of the proxy is not required.

The power of attorney for the representative and the instruction to build reports should be submitted in the original signed in accordance with the rules of representation of the applicant.

Delivery. The application and the required enclosures should be sent to the postal address of KDPW: Warsaw (00-498), ul. Książęca 4, or submitted to the Registry at the KDPW registered office or, in the case of documents prepared electronically, sent to the email address kdpw@kdpw.pl.

STEP 2 – Signing the agreement

The ARM participation agreement is concluded after the application has been analysed. KDPW may, within 10 working days of the submission of a complete application, request the applicant to provide necessary amendments or additions.

The KDPW Management Board adopts a resolution regarding the conclusion of the ARM participation agreement.

In the resolution, KDPW indicates the four-character institution code(s) assigned to the participant, which the participant will use in communication with KDPW.

STEP 3 – Accessing the ARM system

The ARM system can be accessed via the U2A or A2A interface.

Where a participant has been assigned more than one institution code, each interface is accessed separately for each of these codes.

U2A interface

The U2A interface is accessible via the GUI application “ARM Approved Reporting Mechanism” available on the KDPW Service Portal <https://online.kdpw.pl/>.

The rules for access to the ARM application by a person authorised by a participant to act on its behalf, the rules for such a person to open an access account and the rules for the authentication process are set out in the [Rules of access to the KDPW IT systems](#).

Detailed information on the establishment of communication via the U2A interface can be found [here](#).

Roles in the application. A person authorised by the participant can access the ARM application in the role of user or service administrator. A user is a person who directly transfers prepared XML messages to the ARM system or enters data via a form available in the application. A service administrator is a person authorised by the participant to grant and revoke access to the ARM application to persons in the role of user. Each participant is required to appoint at least one administrator, which means that user requests for access to the application are approved by an authorised administrator rather than by KDPW.**

Requesting access to the ARM application. To access the ARM application, a person with an access account is required to submit an application access request in the KDPW Service Portal. In the case of a request submitted by the service administrator, once the request has been submitted, it is necessary to provide KDPW with a declaration from the participant confirming the details of the person submitting the request and authorising that person to act on behalf of the participant in the ARM application. Access of a person acting as a user is granted by the service administrator. Requests for access to the application are handled in accordance with the instructions posted [on the KDPW website](#).

****NOTE: The above rules do not apply to an ARM participant which is also a KDPW direct participant.** In that case, the ARM participant is not required to appoint a service administrator, and access to the ARM

application by a person acting in the role of user or service administrator is granted or withdrawn by the permission administrator appointed in accordance with the KDPW direct participation agreement. However, access of persons acting in the role of user may also be granted or withdrawn by the service administrator.

A2A interface

The A2A interface is accessible through a communication channel authenticated by an electronic certificate downloaded by the participant under the [Rules for establishing electronic communication through system connections](#). The certificate can be downloaded under the participant's institution code using the dedicated application "A2A Certificates" available on the KDPW Service Portal.

Detailed information on establishing communication via the A2A interface can be found [here](#).

STEP 4 - Reporting

Participants granted access to the ARM system can submit trade reports. The process follows the system's functional documentation.

This documentation is available to ARM participants. It consists of:

- ARM system specification,
- Content and formal checks of messages in the ARM system and rules for validating trade details in accordance with MiFIR validation rules and KDPW rules,
- Message flow diagrams,
- Status flow diagrams,
- XML message structures.