KDPW | ARM

Information Material of the Approved Reporting Mechanism (ARM) System

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Definitions

IF – investment firm obligated to report transactions under Article 26 MiFIR

ARM Service – service of reporting details of transactions to the competent authorities or the ESMA on behalf of IF, offered by KDPW as an Approved Reporting Mechanism (ARM) referred to in Article 4(1)(54) MiFIR

EMIR – Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories

MiFIR – Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012

MiFID II – Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU

ESMA – European Securities and Markets Authority

RTS 22 – Commission Delegated Regulation (EU) 2017/590 of 28 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities

Table 2 to RTS 22 – Table 2 of Annex 1 to Commission Delegated Regulation (EU) 2017/590 of 28 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities

SHORTCODE – identifier used in market orders and reports sent by IF directly to KDPW, which identifies the counterparties of the transaction (buyer, seller) and other entities/individuals specified in reports in the fields: Buyer/Seller decision maker; Investment decision within firm; Execution within firm.

Participant – entity which is a party to an ARM agreement concluded with KDPW

Supervisor – authority designated by each Member State according to Article 67 MiFID II

FIRDS - Financial Instrument Reference Data

TR – trade repository service offered by KDPW

Report – new report or cancellation of a report containing the transaction data defined in Table 2 to RTS 22

1. Purpose of the ARM Service

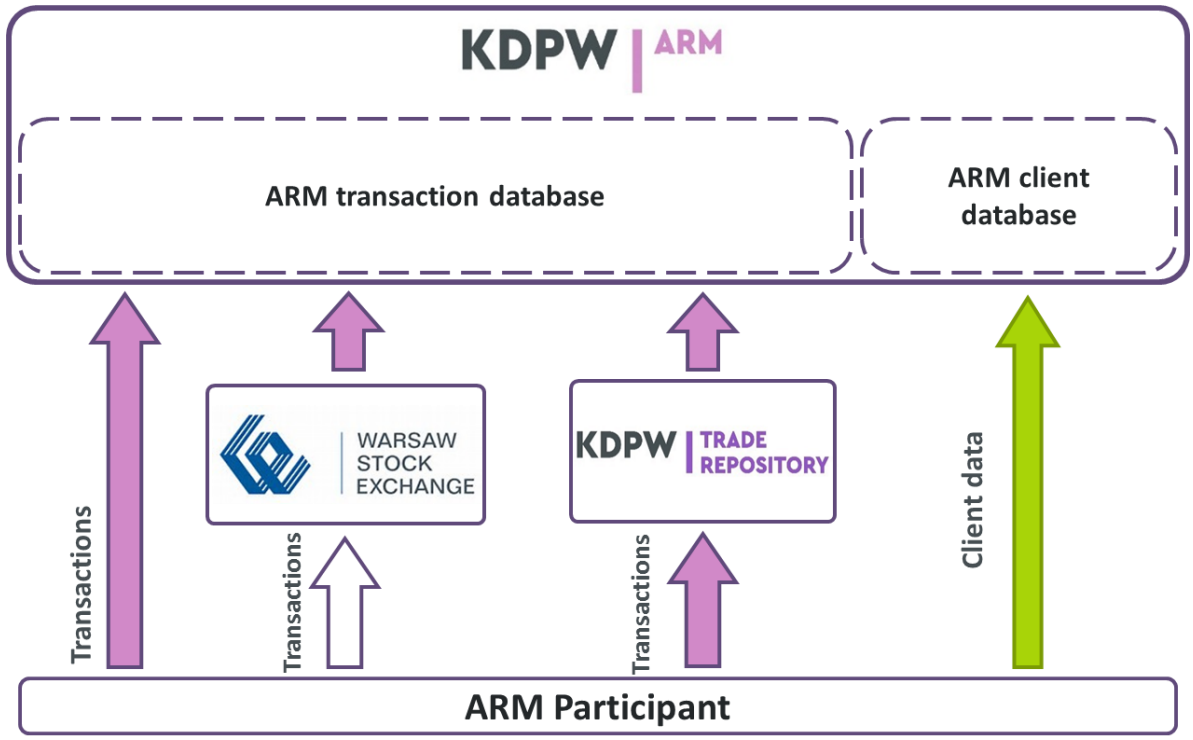
The purpose of the ARM Service is to enable Investment Firms to comply with the obligation to report transactions under Article 26 MiFIR through the mediation of KDPW. Pursuant to Regulation (EU) 2016/1033 of 23 June 2016 amending the MiFIR, the obligation takes effect on 3 January 2018.

Transactions concluded on day T should be reported to the Supervisor not later than by the end of day T+1. The Financial Instrument Reference Data (FIRD) system published by the ESMA will define the scope of instruments which must be reported to the Supervisor. The FIRD will be built on the basis of data (of financial instruments traded in trading systems and indices) received on the previous day from the Supervisor in a jurisdiction. Therefore, the reporting obligation covers transactions in instruments published in the FIRDS or instruments based on an underlying which is an instrument published in the FIRDS. KDPW will not check which transactions must be reported. According to the assumptions, such checks should be ensured by the Supervisor within 7 calendar days from the receipt of a report. Consequently, KDPW acting on behalf of the IF will provide the Supervisor with all reports, irrespective of the instruments in which the transactions are concluded.

In an effort to develop a comprehensive offer ensuring compliance with the reporting obligations, KDPW has taken steps to launch the ARM Service. The details of the ARM Service Model, which is expected to be launched by KDPW, are outlined in this document.

2. Overview of the ARM Service

2.1 ARM Service overview



2.2 ARM Service functionalities

- Receiving and maintaining transaction reports from IF;
- Performing file and content checks of received reports;
- Building reports on the basis of transaction data from the markets and TR;
- Sending reports to the Supervisor;
- Sending copies of reports sent to the Supervisor to IF;
- Reporting the report status issued by the Supervisor and the report status after the performed file and content checks.

3. Reporting modes

Irrespective of the reporting mode, the ARM Service may only be used upon conclusion of an agreement with KDPW or through the services of an intermediary – representative. The detailed terms and conditions of provision of the ARM Service will be defined in the rules of the ARM Service.
In addition, the TR Rules will be amended in order to define the rights and obligations of TR participants with respect to reporting under the MiFIR.

The following reporting modes will be available in the ARM Service:

I. Simplified Reporting

II. Direct Reporting

III. TR Reporting

Participant configuration in the different reporting modes will be available by means of different institution codes.

3.1. Simplified Reporting

Simplified Reporting will cover transactions concluded on the Warsaw Stock Exchange (GPW). This mode is dedicated exclusively to IFs which are GPW Members.

Simplified Reporting is discussed in detail in the section *Simplified Reporting*.

3.2. Direct Reporting

Direct Reporting will cover direct reporting by IFs, i.e., provision of complete information required under Annex 1 to RTS 22 in a message sent directly to KDPW (via the channels U2A (user to application) or A2A (application to application)). Reports with personal data or with SHORTCODES will both be accepted.

Direct Reporting is discussed in detail in the section *Direct Reporting*.

3.3. TR Reporting

TR Reporting will cover reports of transactions in derivatives sent by TR participants subject to the reporting obligations under Article 9 EMIR and Article 26 MiFIR. Acting as both TR and ARM, KDPW will transmit to the Supervisor information received from a TR participant enriched with the data required under RTS 22, allowing the IF to comply with the reporting obligation under the MiFIR.
TR Reporting will not cover reports sent to TR by KDPW_CCP on behalf of KDPW_CCP Participants. Such transaction reports will be generated in the Simplified Reporting mode on the basis of transaction data received directly from GPW.

TR Reporting will not cover reports from the cash market, either, as these are not subject to the reporting obligation under Article 9 EMIR. Cash market data may be sent to KDPW using the TR participant code in Direct Reporting mode in messages auth.016 or auth.rpt.

TR Reporting is discussed in detail in the section *TR Reporting*.

4. FI identification in the ARM Service

In the ARM Service, IF as a legal entity will be identified with an LEI. It is expected that branches of foreign companies which wish to participate in the ARM Service will request an LEI, provided that the GLEIF[1] allows for the issuance of LEIs to such entities.

Each IF may use more than one institution code. This applies in particular to institutions using codes of market participants or TR participants.

[1] GLEIF (Global Legal Entity Identifier Fundation) – non-profit organisation and operational unit of the Global LEI System with the mission of ensuring the operational integrity of the Global LEI System.

5. ARM Service message flowchart

Communication between KDPW, the Supervisor and ARM Service Participants will be based on ISO20022 published by the ESMA and used to exchange data with the Supervisors. Additional messages will be developed in order to transmit data between ARM Service Participants and KDPW.

The ARM Service Participants may send data in Direct Reporting mode using the following messages:

- auth.rpt.001.01 – message similar to auth.016 report (published by ESMA) enriched with fields necesssary to send SHORTCODES instead of full personal data;
- auth.clt.001.01 – used to send data of individuals or entities identified with SHORTCODES.

TR participants will send reports subject to the MiFIR obligation in messages trar.ins.001.03, which will be enriched with fields necessary to send data required under the MiFIR but not required under the EMIR. The messages trar.ins may identify individuals/entities using SHORTCODES; the TR participant will provide KDPW with the data of the individuals/entities identified using SHORTCODES in messages auth.clt.

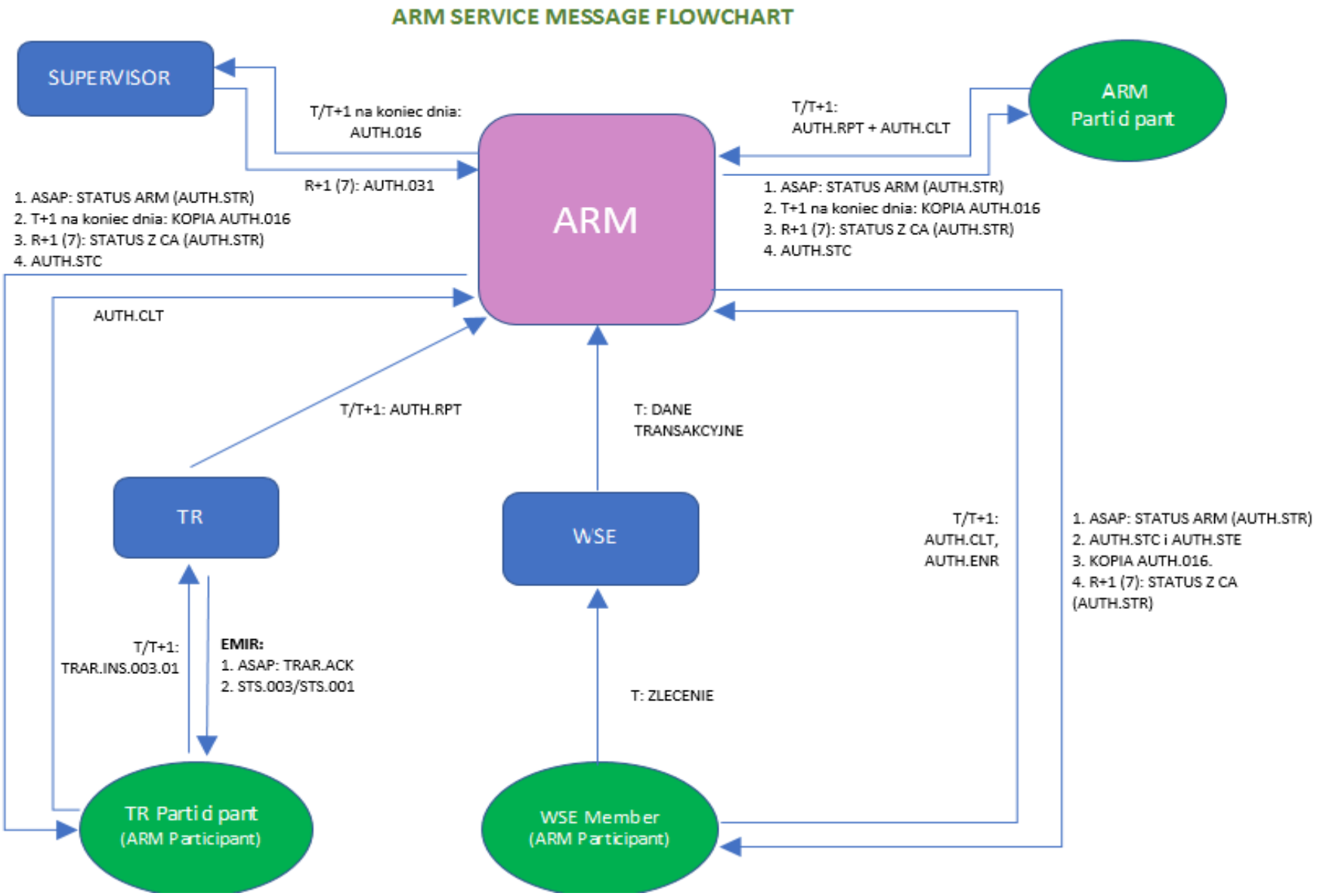
KDPW direct participants who use Simplified Reporting may provide additional data for reports of GPW and BondSpot ntransactions in the following messages:
- auth.clt.001.01 – used to send data of individuals/entities identified using SHORTCODES;

- auth.enr.001.01 – enrichment message used to provide additional transaction data not available in the GPW/KDPW systems.

The feedback messages in the ARM Service include:

- auth.str.001.01 – identifies a report as correct or identifies errors after validation; the message is also used to provide the report status issued by the Supervisor;
- auth.016 – feedback message (Notification) for the ARM Service Participant, contains a copy of the report sent to the Supervisor (the report to the Supervisor will be sent provided that it is processed as correct);

- auth.stc.001.01 – auth.clt status message;
- auth.ste.001.01 – auth.enr status message.


ARM SERVICE MESSAGE FLOWCHART
SUPERVISOR
T/T+1 na koniec dnia:
AUTH.016
R+1 (7): AUTH.031
ARM
Participant
T/T+1:
AUTH.RPT + AUTH.CLT
1. ASAP: STATUS ARM (AUTH.STR)
2. T+1 na koniec dnia: KOPIA AUTH.016
3. R+1 (7): STATUS Z CA (AUTH.STR)
4. AUTH.STC
ARM
1. ASAP: STATUS ARM (AUTH.STR)
2. T+1 na koniec dnia: KOPIA AUTH.016
3. R+1 (7): STATUS Z CA (AUTH.STR)
4. AUTH.STC
AUTH.CLT
T/T+1: AUTH.RPT
T: DANE
TRANSAKCYJNE
TR
WSE
T/T+1:
AUTH.CLT,
AUTH.ENR
1. ASAP: STATUS ARM (AUTH.STR)
2. AUTH.STC i AUTH.STE
3. KOPIA AUTH.016.
4. R+1 (7): STATUS Z CA
(AUTH.STR)
T/T+1:
TRAR.INS.003.01
EMIR:
1. ASAP: TRAR.ACK
2. STS.003/STS.001
T: ZLECENIE
TR Participant
(ARM Participant)
WSE Member
(ARM Participant)

6. Content checks of transaction reports recorded in ARM databases

Messages received by KDPW from an ARM Service Participant in Direct Reporting or TR Reporting mode, as well as data generated in Simplified Reporting mode, will be subject to validation according to predefined criteria. Two levels of validation will apply: file checks (check of the XML schema) and content checks, implemented in the message and input data processing software.

In particular, the validation of messages auth.rpt will follow the validation rules defined by the ESMA in the following documents: Data validation rules (Appendix I) and DRAFT15auth.016.001.01_ESMAUG_Reporting_1.0.2 of 31 January 2017 (Appendix II).

The exception is a check of Field 41, where KDPW's ARM Service will validate only the ISIN check digit. The validation of ISIN against the ESMA reference database is an exclusive responsibility of the Supervisor.

KDPW will check the following:

- checking transaction report messages (auth.rpt),
- checking market transaction enrichment messages (auth.enr),
- checking client data messages (auth.clt).

7. Simplified Reporting

7.1. General

In Simplified Reporting, KDPW builds reports sent to the Supervisor on the basis of transaction data from GPW systems.

Simplified Reporting will use the SHORTCODE as a **required** identifier of the personal data of the counterparties to the transaction (buyer, seller) and other entities/individuals specified in reports in the fields: Buyer/Seller decision maker; Investment decision within firm; Execution within firm. The personal data of the entities/individuals identified with a SHORTCODE may be provided by the ARM Service Participant to KDPW in messages auth.clt.

Transaction data required under RTS 22 which are not received by KDPW in transaction files from GPW may be provided by the ARM Service Participant in messages auth.enr.

In the generation of reports, KDPW will issue an individual TRN (Field 2 of Table 2 to RTS 22). In order to avoid the duplication of the identifier and the identifiers issued by the IF for transactions outside the market, KDPW will communicate the rules of generating the TRN. It is expected that all TRNs of reports generated by KDPW will begin with the prefix KDPWARM.

For report of transactions in derivatives concluded on GPW sent to the TR by KDPW_CCP on behalf of KDPW_CCP participants, it is expected that KDPW will not receive data directly from the TR systems. Reports of derivatives will be generated directly on the basis of transaction data received from GPW systems (the same as for cash transactions).

Reports generated in Simplified Reporting will be sent to the Supervisor with a copy sent to the IF (auth.016).

7.2. Reports of transactions on the regulated market

7.2.1. Sources of data for reporting on the regulated market

The table below presents the working version of the sources of data from the GPW regulated market as agreed with GPW. The data sources include:

- Data generated by KDPW on the basis of reference databases other than the entity database, personal data database, and default rules;
- Data from the client reference database uploaded from personal data files transmitted directly by the IF to KDPW;
- Data in post-trade market files received by KDPW directly from GPW;
- Data in the enrichment message sent by the IF to KDPW – auth.enr;
- It is expected that GPW will send transaction data to KDPW on day T+1, no later than X hours (before noon, according plan), following the reconciliation of SHORTCODE – long code data with GPW Members if any discrepancies are identified in orders / the client database;
- KDPW will be authorised to generate reports on the basis of transaction data received from GPW according to a declaration submitted by the IF;
- KDPW will perform the technical process introducing KDPW_CCP between the original counterparties to the transaction;
- The institution code in Simplified Reporting will be the same four-character institution code as the one used to identify market members (GPW). A copy of the report (auth.16) will be sent in Direct Reporting mode;
- If an ARM Service Participant submits a declaration of participation in the KDPW system generating reports on the regulated market, if no report can be generated within the predefined time limit (e.g., in the absence of client data), KDPW will send the message auth.str in Direct Reporting mode to the ARM Service Participant, indicating the reason for the failure to generate a report. In such cases, the IF should report the transaction in Direct Reporting mode.

Table 7a: Sources of data for reports from the regulated market					
	FIELD	**Data generated by KDPW**	**Data from the personal data database developed on the basis of messages auth.clt**	**Data in post-trade market files**	**Data from messages auth.enr**
1	Report status	X			
2	Transaction Reference Number			X	
3	Trading venue transaction identification code			X	
4	Executing entity identification code			X	
5	Investment Firm covered by Directive 2014/65/EU	X			
6	Submitting entity identification code	X			
7	Buyer identification code			X	
8	Country of the branch for the buyer		X		
9	Buyer - first name(s)		X		
10	Buyer - surname(s)		X		
11	Buyer - date of birth		X		
12	Buyer decision maker code				X
13	Buy decision maker - First Name(s)		X		
14	Buy decision maker – Surname(s)		X		
15	Buy decision maker - Date of birth		X		
16	Seller identification code			X	
17	Country of the branch for the seller		X		

Table 7a: Sources of data for reports from the regulated market					
	FIELD	**Data generated by KDPW**	**Data from the personal data database developed on the basis of messages auth.clt**	**Data in post-trade market files**	**Data from messages auth.enr**
18	Seller - first name(s)		X		
19	Seller - surname(s)		X		
20	Seller - date of birth		X		
21	Seller decision maker code				X
22	Sell decision maker - First Name(s)		X		
23	Sell decision maker – Surname(s)		X		
24	Sell decision maker - Date of birth		X		
25	Transmission of order indicator				X
26	Transmitting firm identification code for the buyer				X
27	Transmitting firm identification code for the seller				X
28	Trading date time			X	
29	Trading capacity			X	
30	Quantity			X	
31	Quantity currency			X	
32	Derivative notional increase/decrease	X			
33	Price			X	
34	Price Currency			X	

Table 7a: Sources of data for reports from the regulated market					
	FIELD	**Data generated by KDPW**	**Data from the personal data database developed on the basis of messages auth.clt**	**Data in post-trade market files**	**Data from messages auth.enr**
35	Net amount	X			
36	Venue			X	
37	Country of the branch membership		X		
38	Up-front payment	X			
39	Up-front payment currency	X			
40	Complex trade component id				X
41	Instrument identification code			X	
42	Instrument full name	X			
43	Instrument classification	X			
44	Notional currency 1	X			
45	Notional currency 2	X			
46	Price multiplier	X			
47	Underlying instrument code	X			
48	Underlying index name	X			
49	Term of the underlying index	X			
50	Option type	X			
51	Strike price	X			
52	Strike price currency	X			
53	Option exercise style	X			

Table 7a: Sources of data for reports from the regulated market					
	FIELD	**Data generated by KDPW**	**Data from the personal data database developed on the basis of messages auth.clt**	**Data in post-trade market files**	**Data from messages auth.enr**
54	Maturity date	X			
55	Expiry date	X			
56	Delivery type	X			
57	Investment decision within firm			X	
58	Country of the branch responsible for the person making the investment decision		X		
59	Execution within firm			X	
60	Country of the branch supervising the person responsible for the execution		X		
61	Waiver indicator			X	
62	Short selling indicator				X
63	OTC post-trade indicator	X			
64	Commodity derivative indicator	X			
65	Securities financing transaction indicator	X			

7.2.2. Rules for populating fields in reports to Supervisors where the value is generated in KDPW

Data are completed on the basis of reference databases other than the client database and default rules as follows:

- Field 1 ‘NEWT' – New ; ‘CANC’ – Cancellation.
- Field 5: It is expected that all participants (active on the regulated market) are IF; hence, the value is always ‘true’.

- Field 6. Fixed value: LEI KDPW: 259400L3KBYEVNHEJF55.
- Field 32. Not applicable to regulated market transactions; hence, the tag is not populated in reports for Supervisors.
- Field 35.
  - Field applicable to debt instruments
  - For debt instruments, the value is equal to the value in Field 30 Quantity times the market value of the instrument determined by KDPW.
- Fields 38 – 39. Not applicable to market transactions; hence, the section/tag is not populated in reports for Supervisors.
- Fields 42 – 56. Not applicable to transactions where the instrument ISIN is known; hence, the section/tag is not populated in reports for Supervisors. The fields are never populated in Simplified Reporting.
- Fields 42 – 56. Not applicable to GPW market transactions; hence, the section/tag is not populated in reports for Supervisors. The fields are never populated in Simplified Reporting.
- Field 63 – The field is not populated in reports. Market transactions are not OTC.
- Field 64 – The field is not populated in reports – only applicable to commodity derivatives.
- Field 65 – always 'false'. Applies to transactions subject to the SFTR.

7.2.3. Processing of data from the enrichment message for transactions received from IF

If an enrichment message is not received within a set time limit, defined in the rules of the service, or if a specific message tag / section is not populated in the message, it is expected that all or some of the fields in the report sent to the Supervisor will be populated with default values by KDPW.

Enrichment data will be sent in dedicated messages auth.enr. The fields will be processed as follows:

- Field 12. If KDPW receives no message from the IF within a set time limit or a dedicated tag is not populated in a received enrichment message, the field will not be populated in the report. If data are received from the IF in an enrichment message (sent within the set time limit), the field will be populated with a value based on the SHORTCODE specified by the IF.

- Field 21. If KDPW receives no message from the IF within a set time limit or a dedicated tag is not populated in a received enrichment message, the field will not be populated in the report. If data are received from the IF in an enrichment message (sent within the set time limit), the field will be populated with a value based on the specified SHORTCODE.
- Field 25:
  - "true" – if KDPW receives a message from IF within a set time limit, where the dedicated field of the enrichment message is populated with "true"
  - "false" – if KDPW receives an enrichment message from IF within a set time limit, where the dedicated field is populated with "false", or no data is received within a set time limit, i.e., KDPW receives no message or receives a message where the dedicated tag is not populated.
- Field 26. If KDPW receives no message from the IF within a set time limit or a dedicated tag is not populated in a received enrichment message, the field will not be populated in the report for the Supervisor. If data are received from the IF in an enrichment message, the field will be populated with a value based on the specified SHORTCODE.
- Field 27. If KDPW receives no message from the IF within a set time limit or a dedicated tag is not populated in a received enrichment message, the field will not be populated in the report for the Supervisor. If data are received from the IF in an enrichment message, the field will be populated with a value based on the specified SHORTCODE.
- Field 62.
  - According to the value populated in the dedicated tag in the enrichment message from FI, if KDPW receives a message from the IF within a set time limit;
  - 'UNDI' – if KDPW receives an enrichment message populated with "UNDI" from the IF within a set time limit, or no data is received within a set time limit, i.e., KDPW receives no message or receives a message where the dedicated tag is not populated.

8. TR Reporting

8.1. Reporting mode

Reports may be sent by TR participants in an extended proprietary XML message (trar.ins) which ensures compliance with the obligations under both the EMIR and the MiFIR. The reporting participant identifies the obligation(s) concerned by the report in a special field with the REG flag (E – EMIR, M – MiFIR, B – both). If no indicator is provided, it is assumed that the report is sent only under the EMIR. The message sent to the TR will include additional sections mandatory for reports with the B or M flag, where the participant should provide the data required under the MiFIR. In messages with REG=B (both Regulations), the section General Information will be common to both Regulations; the (one or two) section(s) Counterparty Information will be common to both Regulations (if the section is repeated, the ARM will generate reports for both counterparties); the section Valuation and Collateral will only include EMIR data; the section Trade data details will be common to both Regulations.

All content validations required under the MiFIR will be implemented within the ARM Service, and the TR will validate the XSD schema and apply content checks required under the EMIR according to the existing terms and conditions. Feedback will be sent to the Participant via the TR channel in a status message auth.str; a copy of the report sent to the Supervisor by KDPW will be sent in a message auth.016 when the report is delivered by KDPW. Upon receipt of a status message from the Supervisor, KDPW will send it to the TR participant.

8.2. Processing action types (AT)

The following options of recording AT=N reports in the TR will apply:

1. The Participant sends a message only for EMIR (REG=E), i.e., the sections mandatory under the MiFIR are void (if they are populated, they will be ignored). The message is processed on the standard terms applicable in the TR.
2. The Participant sends a message for both Regulations (REG=B) with the MiFIR section populated.

   The TR validates the message schema; if the schema is incorrect, the TR rejects the message.

If the schema is correct, the TR runs a content check of the EMIR section. If the EMIR section is incorrect, the message is rejected. If the EMIR check is successful, the transaction is recorded in the TR database and a feedback message trar.sts is sent to the TR participant. The TR generates a transaction message for the ARM (using the SHORTCODE or the complete set of personal data, depending on the personal data option selected by the participant).

3. The Participant sends a message only for MiFIR (REG=M).

   The TR validates the XSD schema. If it is incorrect, the message is rejected. If the schema is correct, the TR checks whether a message with the EMIR key (UTI, CP1, CP2) is available in the TR database. If it is not available, the TR rejects the message. If it is available, the TR generates a message for the ARM, where the MiFIR section data are enriched with data from the TR database, even if the EMIR section fields in the message trar.ins are populated.

For the sake of consistency of the data maintained by the TR with the data provided to the Supervisors under the MiFIR (the TR only maintains transaction data subject to reporting under the EMIR), it is expected that the Action Type (AT) specified in each message trar.ins.001.03 will indicate processing both for reporting under the EMIR and the generation mode of messages for the ARM by the TR, as per the guidance in the table below, depending on the REG flag.

Table 8a: Processing of TR incoming reports depending on AT and the REG flag		
EMIR: Action Type	**REG**	**TR action**
N – New P – Position Component	E	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored.
	M	TR generates report status = NEW message for ARM, where MiFIR section fields are enriched with data previously provided from the TR database after checking that they are available. If there is no transaction in the EMIR database, the message is rejected.
	B	TR records data in the EMIR database and generates a message for ARM: NEW

Table 8a: Processing of TR incoming reports depending on AT and the REG flag		
EMIR: Action Type	**REG**	**TR action**
M – Modify	not required	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored
C – Early Termination	not required	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored
E – Error	E,B	TR records data in the EMIR database (AT=E); TR generates a message for ARM: CANCEL, and flags the report in the EMIR database as CANCEL (flag field)
	M	TR records no AT=E data in the EMIR database but generates a message for ARM: CANCEL, and flags the report in the EMIR database as CANCEL (flag field)
R – Correction	E	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored
	M	TR generates CANCEL and NEW messages for ARM; the data in the NEW message are from the MiFIR section of the message enriched with data in the TR database
	B	TR records AT=R in the EMIR database and uses data provided in the message and data in the EMIR database (after modifications) to generate two messages for ARM: CANCEL and NEW. In this case, the participant may report only the EMIR fields to be modified (other fields will be populated with data from the TR database) but must also provide a complete set of MiFIR data.
Z – Compression	not required	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored
V- Valuation	not required	TR records data in the EMIR database; TR generates no message for ARM; MiFIR sections are ignored

8.3. Enriching data required to comply with the reporting obligations under the MiFIR

In a report flagged for reporting under the MiFIR (REG=M or B), the Participant provides (in the relevant sections) all data necessary to generate a MiFIR report which were not provided in the EMIR section (as per the table below).

The trar.ins. message section codes used in the table are as follows:

1 – General Information,

2 - Counterparty Information,

3 – Valuation and Collateral,

4 – Trade Details.

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
1	Report status	'NEWT' - New 'CANC' - Cancellation	According to Action type	
2	Transaction Reference Number	{ALPHANUM-52}	Report tracking number	4
3	Trading venue transaction identification code	{ALPHANUM-52}	*Populated in the MIFIR section*	4
4	Executing entity identification code	{LEI}	For ETD: Broker ID, for OTC[2]: Reporting Counterparty ID;	2
5	Investment Firm covered by Directive 2014/65/EU	'true'- yes 'false'- no	*Populated in the MIFIR section*	*2*
6	Submitting entity identification code	{LEI}	KDPW LEI	

[2] OTC reports are reports where Venue of Execution is populated with 'XXXX' or 'XOFF'; other reports are ETD reports.

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
7	Buyer identification code	{LEI} {MIC} {NATIONAL_ID} 'INTC'	if Counterparty Side='B' then Reporting Counterparty ID, otherwise: ID of the other Counterparty; if ID of the other counterparty is Clearing Member then CCP (for LEI, for Client Code – from the MIFIR subsection)	2
8	Country of the branch for the buyer	{COUNTRYCODE_2}	*Populated in the MIFIR section*	*2*
9	Buyer - first name(s)	{ALPHANUM-140}	*Populated in the MIFIR section*	*2*
10	Buyer - surname(s)	{ALPHANUM-140}	*Populated in the MIFIR section*	*2*
11	Buyer - date of birth	{DATEFORMAT}	*Populated in the MIFIR section*	*2*
12	Buyer decision maker code	{LEI} {NATIONAL_ID}	*Populated in the MIFIR section*	*2*
13	Buy decision maker - First Name(s)	{ALPHANUM-140}	*Populated in the MIFIR section*	*2*
14	Buy decision maker – Surname(s)	{ALPHANUM-140}	*Populated in the MIFIR section*	*2*
15	Buy decision maker - Date of birth	{DATEFORMAT}	*Populated in the MIFIR section*	*2*
16	Seller identification code	{LEI} {MIC} {NATIONAL_ID} 'INTC'	if Counterparty Side='S' then Reporting Counterparty ID, otherwise: ID of the other Counterparty; if ID of the other counterparty is Clearing Member then CCP (for LEI, for Client Code – from the MIFIR subsection)	2
25	Transmission of order indicator	'true' 'false'	*Populated in the MIFIR section*	*4*

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
26	Transmitting firm identification code for the buyer	{LEI}	*Populated in the MIFIR section*	*2*
27	Transmitting firm identification code for the seller	{LEI}	*Populated in the MIFIR section*	*2*
28	Trading date time	{DATE_TIME_FORMAT}	Execution timestamp	4
29	Trading capacity	'DEAL' - Dealing on own account 'MTCH' - Matched principal 'AOTC' - Any other capacity	*Populated in the MIFIR section*	*4*
30	Quantity	{DECIMAL-18/17} in case the quantity is expressed as number of units {DECIMAL-18/5} in case the quantity is expressed as monetary or nominal value	Notional Amount	4
31	Quantity currency	{CURRENCYCODE_3}	Notional Currency 1	4
32	Derivative notional increase/decrease	'INCR' - Increase 'DECR' - Decrease	*Populated in the MIFIR section*	*4*
33	Price	{DECIMAL-18/13} in case the price is expressed as monetary value {DECIMAL-11/10} in case the price is expressed as percentage or yield {DECIMAL-18/17} in case the price is expressed as basis points 'PNDG' in case the price is not available 'NOAP' in case the price is not applicable	Price	4
34	Price Currency	{CURRENCYCODE_3}	Price notation	4
35	Net amount	{DECIMAL-18/5}	*Not applicable to derivatives*	
36	Venue	{MIC}	Venue of execution	4

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
37	Country of the branch membership	{COUNTRYCODE_2}	*Populated in the MIFIR section*	*2*
38	Up-front payment	{DECIMAL-18/5}	if Counterparty Side='S' then Up-front payment, otherwise: Up-front payment	4
39	Up-front payment currency	{CURRENCYCODE_3}	*Populated in the MIFIR section*	*4*
40	Complex trade component id	{ALPHANUM-35}	Complex trade component ID	4
41	Instrument identification code	{ISIN}	Product identification (but only where Product identification type=ISIN)	4
42	Instrument full name	{ALPHANUM-350}	*Populated in the MIFIR section; TBD to be enriched from ESMA reference database*	*4*
43	Instrument classification	{CFI_CODE}	Product classification	4
44	Notional currency 1	{CURRENCYCODE_3}	Notional currency 1	4
45	Notional currency 2	{CURRENCYCODE_3}	Notional currency 2	4
46	Price multiplier	{DECIMAL-18/17}	Price multiplier	4
47	Underlying instrument code	{ISIN}	Underlying identification, but only where Underlying identification type=ISIN, otherwise to be enriched	4
48	Underlying index name	{INDEX} Or {ALPHANUM-25} - if the index name is not included in the {INDEX} list	Floating rate of leg 1	4

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
49	Term of the underlying index	{INTEGER-3}+'DAYS' - days {INTEGER-3}+'WEEK' - weeks {INTEGER-3}+'MNTH' - months {INTEGER-3}+'YEAR' - years	(Floating rate reset frequency leg 2 - multiplier) + (Floating rate reset frequency leg 2- time period)	4
50	Option type	'PUTO' - Put 'CALL' - Call 'OTHR' - where it cannot be determined whether it is a call or a put	Option type	4
51	Strike price	{DECIMAL-18/13} in case the price is expressed as monetary value {DECIMAL-11/10} in case the price is expressed as percentage or yield {DECIMAL-18/17} in case the price is expressed as basis points 'PNDG' in case the price is not available	Strike price (cap/floor rate)	4
52	Strike price currency	{CURRENCYCODE_3}	Strike price notation	4
53	Option exercise style	'EURO' - European 'AMER' - American 'ASIA' - Asian 'BERM' - Bermudan 'OTHR' - Any other type	Option exercise style	4
54	Maturity date	{DATEFORMAT}	Not applicable to derivatives	
55	Expiry date	{DATEFORMAT}	Maturity date	4
56	Delivery type	'PHYS' - Physically settled 'CASH' - Cash settled 'OPTL' - Optional for counterparty or when determined by a third party	Delivery type	4
57	Investment decision within firm	{NATIONAL_ID} - Natural persons {ALPHANUM-50} - Algorithms	*Populated in the MIFIR section*	*2*
58	Country of the branch responsible for the person making the investment decision	{COUNTRYCODE_2}	*Populated in the MIFIR section*	*2*

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
59	Execution within firm	{NATIONAL_ID} - Natural persons {ALPHANUM-50} - Algorithms	*Populated in the MIFIR section*	*2*
60	Country of the branch supervising the person responsible for the execution	{COUNTRYCODE_2}	*Populated in the MIFIR section*	*2*
61	Waiver indicator	Populate one or more of the following flags: 'RFPT' - Reference price 'NLIQ' - Negotiated (liquid) 'OILQ' - Negotiated (illiquid) 'PRIC' - Negotiated (conditions) 'SIZE' - Above specified size 'ILQD' - Illiquid instrument	*Populated in the MIFIR section*	*4*
62	Short selling indicator	'SESH' - Short sale with no exemption 'SSEX' - Short sale with exemption 'SELL' - No short sale 'UNDI' – Information not available	*Populated in the MIFIR section*	*4*
63	OTC post-trade indicator	Populate one or more of the following flags: 'BENC' – Benchmark 'ACTX' – Agency cross 'LRGS' - Large in scale 'ILQD' - Illiquid instrument 'SIZE' - Above specified size 'CANC' - Cancellations 'AMND' - Amendments 'SDIV' – Special dividend ' 'RPRI' – Price improvement 'DUPL' – Duplicative 'TNCP – Not contributing to the price discovery process 'TPAC' - Package 'XFPH' – Exchange for Physical	*Populated in the MIFIR section*	*4*
64	Commodity derivative indicator	'true' - yes 'false'- no	*Populated in the MIFIR section*	*4*

Table 8b: Sources of data in messages generated by TR for ARM				
No.	**FIELD**	**FORMAT AND STANDARDS TO BE USED FOR REPORTING**	**NEW EMIR RTS Field name**	**SECTION in the existing message trar.ins**
65	Securities financing transaction indicator	true - yes false- no	'No'	

9. Direct Reporting

ARM Service Participants may report to KDPW using XML messages up to the cut-off time specified in the rules of the service on day T+1, where T is the transaction date. KDPW will perform file checks (including consistency with the XSD schema) and content checks (as described in the section “Content checks of transaction reports recorded in ARM databases”). A feedback message indicating that the report was correct or identifying an error will be sent to the Participant. The ARM Service Participant will also receive a notification message(s) received from the Supervisor.

In Direct Reporting, KDPW will check the uniqueness of TRNs.

10. Delegated Reporting

The ARM Service offered by KDPW allows intermediaries (representatives) to send reports on behalf of IFs. If a representative wishes to send client data to the database and use SHORTCODES in transaction reports, the representative must ensure uniqueness of SHORTCODES across all of its clients for which it is reporting.

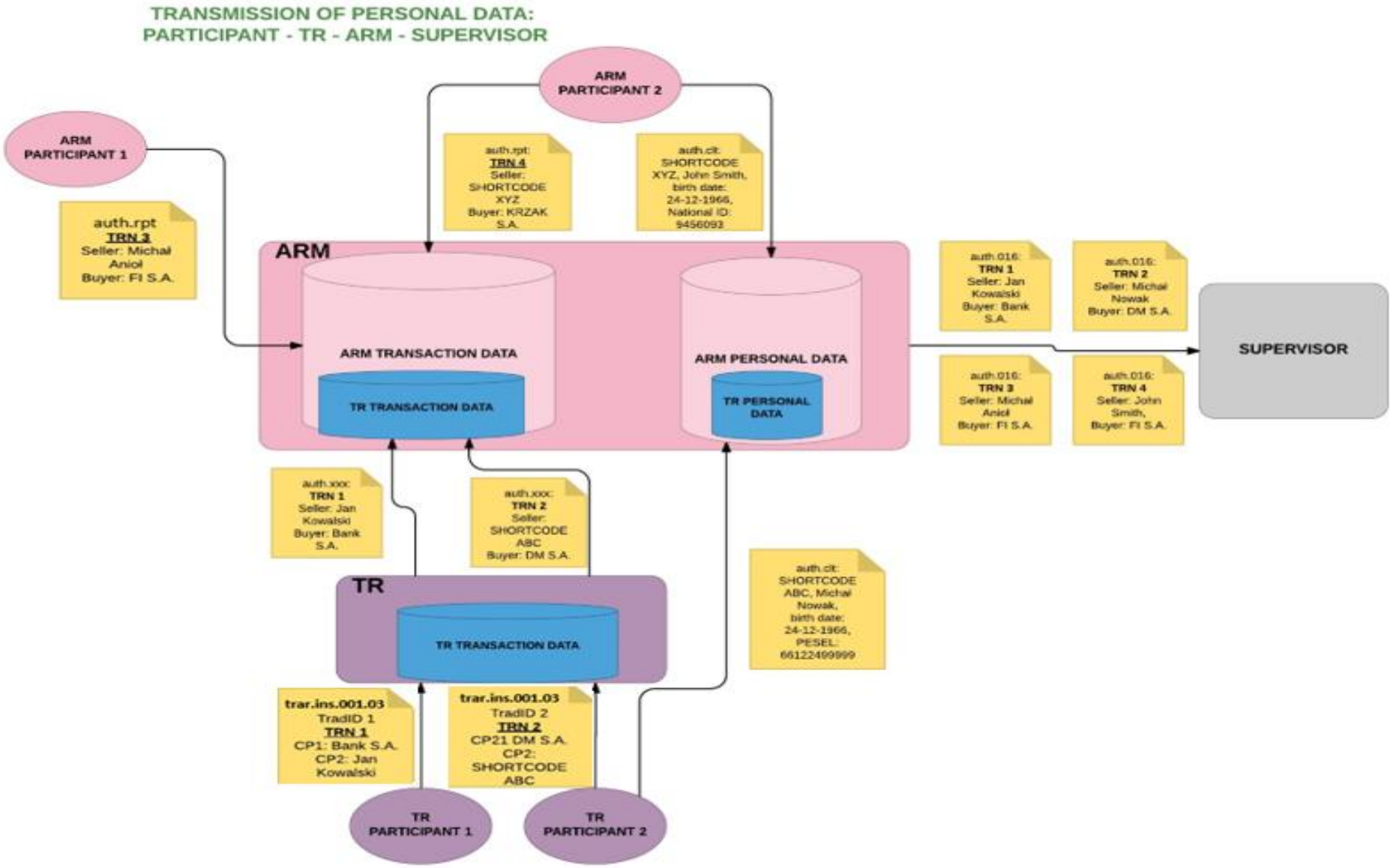
11. Required personal data

According to the legal regulations governing reporting, the entity reporting to supervisory authorities must provide a range of personal data. With a view to the security of personal data and the pan-European market arrangements, SHORTCODES will represent the most universal model. The message auth.clt has been developed for this purpose. However, this does not deprive ARM Service Participants of the option of reporting the required data directly as well.

The uniqueness of SHORTCODES will be ensured at the level of reporting participant. ARM Service Participants who report under the MiFIR may provide full personal data of clients in the report or enter SHORTCODES in the relevant fields, and provide the personal data represented by the SHORTCODES in a message auth.clt sent directly to KDPW. In that case, the data will be added by KDPW when it builds a report for the Supervisor based on the personal data database. Consequently, the participant may provide the personal data only once, and update them as necessary at a later time, and the data will be used by the ARM at each time in all messages sent to the Supervisor.

The personal database will include a database of TR participants' clients based on the SHORTCODES.

The figure below shows how client personal data are sent and added to messages.


TRANSMISSION OF PERSONAL DATA:
PARTICIPANT - TR - ARM - SUPERVISOR
ARM PARTICIPANT 2
ARM PARTICIPANT 1
auth.rpt:
TRN 4
Seller: SHORTCODE XYZ
Buyer: KRZAK S.A.
auth.clt:
SHORTCODE XYZ, John Smith, birth date: 24-12-1966, National ID: 9456093
auth.rpt
TRN 3
Seller: Michał Aniol
Buyer: FI S.A.
ARM
ARM TRANSACTION DATA
TR TRANSACTION DATA
ARM PERSONAL DATA
TR PERSONAL DATA
auth.016:
TRN 1
Seller: Jan Kowalski
Buyer: Bank S.A.
auth.016:
TRN 2
Seller: Michał Nowak
Buyer: DM S.A.
auth.016:
TRN 3
Seller: Michał Aniol
Buyer: FI S.A.
auth.016:
TRN 4
Seller: John Smith,
Buyer: FI S.A.
SUPERVISOR
auth.xxx:
TRN 1
Seller: Jan Kowalski
Buyer: Bank S.A.
auth.xxx:
TRN 2
Seller: SHORTCODE ABC
Buyer: DM S.A.
TR
TR TRANSACTION DATA
auth.clt:
SHORTCODE ABC, Michał Nowak, birth date: 24-12-1966, PESEL: 66122499999
trar.ins.001.03
TradID 1
TRN 1
CP1: Bank S.A.
CP2: Jan Kowalski
trar.ins.001.03
TradID 2
TRN 2
CP21 DM S.A.
CP2: SHORTCODE ABC
TR PARTICIPANT 1
TR PARTICIPANT 2

12. ARM Reporting to Supervisors

According to the Regulations, reports sent by an ARM to a Supervisor must comply with a predefined XML message structure and must be reported within T+1, where T is the transaction date. It is expected that reports will be sent on a daily basis in a 1:1 system where 1 received report = 1 sent report. However, it is possible to process messages which report sets of transactions, i.e., 1 message = 1 – n transactions.

The Supervisor who is to receive the report will be identified on the basis of the LEI entered in Field 4 of Table 2 to RTS 22: Executing entity identification code and the country of the registered address of the entity entered in the GLEIF database.

The list of messages used in reporting to Supervisors includes:

- report - auth.016.001.01,
- report status – auth.031.001.01,
- BAH header - head.001.0.001.01,
- file header – head.003.001.01.

For received correct reports, KDPW will send to the ARM Service Participant a copy (notification) of the sent report in message auth.016 when the report is sent to the Supervisor.

Each status report (including follow-up reports) received from the Supervisor will immediately be sent to the IF – message auth.str. According to published guidelines, the Supervisor has T+7 days to process and issue the status of received messages.

The table below presents the list of status codes used by Supervisors following the validation of single report/transactions.

Table 12: List of status codes used by Supervisors in the validation of a single report/transaction			
Status code	**Name**	**Definition**	**Used in reporting by submitting entities**
ACPT	Accepted	Transaction has been accepted.	During the first validation of a file, ACPT status code is reported only in the message statistics of the status advice file. This status should be explicitly provided for a transaction in case it was in the PDNG status before.
ACPD	Accepted After Pending	Transaction that was pending in previous report has been accepted.	Not used.
PDNG	Pending	Processing of transaction is pending.	This status code is used in case the transaction report cannot be validated due to missing instrument reference data. The following error code should be provided in the RcrdSts complex element: CON-411 (pending instrument validation), CON-471 (pending underlying instrument validation). If this status is used, in one of the following feedback messages sent within no more than 7 days the transaction should be reported as rejected or
WARN	Warning	Transaction has been accepted with warning.	Not used.
RJCT	Rejected	Transaction has been rejected.	This status code is used in case the transaction report is incorrect. Error codes indicating validation rules that failed should be provided in the RcrdSts complex element (codes CON-NNN except for CON-411 and CON-471).
RJPD	Rejected After Pending	Transaction that was pending in previous report has been rejected.	Not used.

The table below presents a list of status codes used in the validation of single reports/transactions performed by ARM itself.

Tab.13 . List of status codes used by SKDPW ARM in the validation of a single report/transaction

Code	Name	Definition	Additional Information
AR**AC**	Accepted	Accepted by ARM.	
AR**PD**	Pending	Processing is pending at ARM level.	Status used during processing of cancellation
AR**WR**	Warning	Accepted by ARM with warnings.	Status indicating that there is no ISIN in the FRDS list
AR**RJ**	Rejected	Rejected by ARM.	
AR**CL**	Removed	Removed from ARM.	Status wysyłany gdy transakcja zmienia status na usunięta z baz ARM.
AR**RW**	Warning for repair	ARM warning, report for repair.	Status informing about lack of client data at the moment of receiving trades from the market

13. Reporting: Simple examples

13.1. Reporting of organised market transactions

Example 1. Own account transaction (client order)

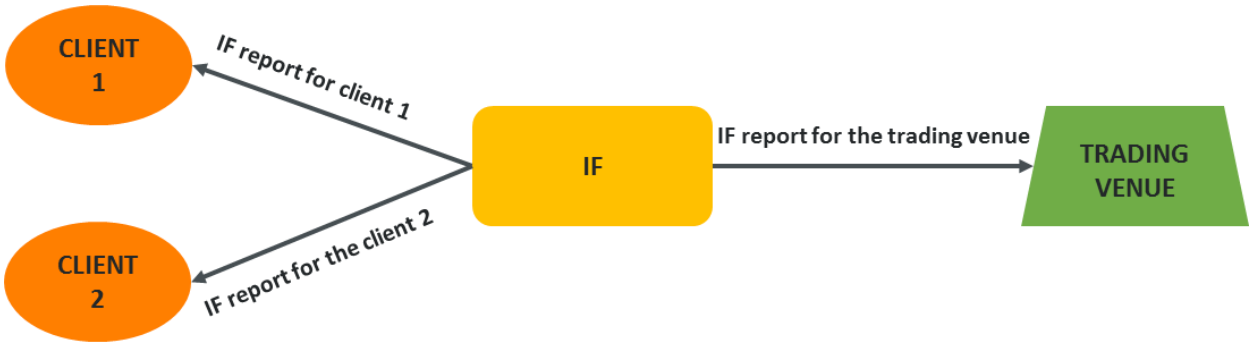
IF (IF SA) receives an order of a client (Notes SA) to buy instruments on Trading Venue R. IF SA executes the order on own account (at the price of GBP 0.352) and resells the instruments to Notes SA at the price of GBP 0.370.

IF SA is required to send two reports to the Supervisor (according to the figure above).

Table 13a: Example 1

Field no. (Table 2 RTS 22)	Field	Value in report 1 (for the trading venue)	Value in report 2 (for the client)
4	Executing entity identification code	{LEI} of IF SA	{LEI} f IF SA
7	Buyer identification code	{LEI} of FI SA	{LEI} of Notes SA
16	Seller identification code	{LEI} of CCP clearing Trading Venue R	{LEI} of IF SA
29	Trading capacity	'DEAL'	'DEAL'
33	Price	'0.352'	'0.370'
36	Venue	MIC of Trading Venue R segment	'XOFF'

Example 2. Transaction executing several client orders



Firm IF receives an order of Client 1 and an order of Client 2 to buy the same instrument (volume: 100 for Client 1 and 200 for Client 2) on Trading Venue R. IF aggregates the orders and executes trades on Trading Venue R (on 1 July 2018 at 10:00): volume 300 at price EUR 25.54. The purchased instruments are deposited in clients' accounts 15 minutes later. The firm trades on own account.

IF is required to send three reports according to the figure above.

Field No. (Table 2 RTS 22)	Field	Value in IF report for the trading venue	Value in IF report for Client 1	Value in IF report for Client 2
4	Executing entity identification code	{LEI} of IF	{LEI} of IF	{LEI} of IF
7	Buyer identification code	{LEI} of IF	{LEI} of Client 1	{LEI} of Client 2
16	Seller identification code	{LEI} CCP for Trading Venue R	{LEI} of IF	{LEI} of IF
28	Trading date time	'2018-07-01T10:00:00Z'	'2018-07-01T10:15:00Z'	'2018-07-01T10:15:00Z'
29	Trading capacity	'DEAL'	'DEAL'	'DEAL'
30	Quantity	'300'	'100'	'200'
33	Price	'25.54'	'25.54'	'25.54'
36	Venue	{MIC} of Trading Venue R segment	'XOFF'	'XOFF'

13.2. Reporting OTC transactions

Firm IF 1 executes an OTC transaction in equities with firm IF 2. Both firms act on own account. The transaction is 'large in scale'. As an OTC transaction, it requires reporting in Field 63 OTC post-trade indicator.

Both investment firms are required to send reports according to the figure above.

Table 13c: Example 3

Field No. (Table 2 RTS 22)	Field	Value in IF1 report	Value in IF2 report
4	Executing entity identification code	{LEI} of IF1	{LEI} of IF2
29	Trading capacity	'DEAL'	'DEAL'
36	Venue	'XOFF'	'XOFF'
63	OTC post-trade indicator	'LRGS'	'LRGS'

14. Fees

Two types of fees are expected to be charged in the current service model proposed by KDPW:

- fee for participation in the system, taking into account the relationship between the IF and KDPW in respect of other services, which reduces the amount of the fee;
- fee per submitted report.

Furthermore, it is expected that the fee will be no more than PLN 0.05 per report submitted by the ARM to the Supervisor, while the participation fee may vary depending on the scope of the authorisation.

15. Appendices

All appendices are provided on www.kdpw.pl website.

List:

Data validation rules

DRAFT15 auth.016.001.01_ESMAUG_Reporting_1.0.2Post-trade data enrichment message for GPW transactions – auth.enr.001.01

auth.ste.001.01 – auth.enr status message.

Technical Reporting Instructions - MiFIR Transaction Reporting

RTS 22 - COMMISSION DELEGATED REGULATION (EU) 2017/590 of 28 July 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the reporting of transactions to competent authorities

Personal data message auth.clt.001.01

Message auth.rpt.001.01

auth.str.001.01 – auth.rpt status message.

ARM issues for consultation

auth.stc.001.01 – auth.clt status message.