<u>Required content of trade reports</u> [3040]

G P GT	3040	A **member firm** must ensure that the content of a **trade report** is accurate and entered in accordance with the guidance to this rule and the **parameters**.

Guidance to Rule:

<u>Counterparty identification</u>

*Where the **customer** or **counterparty** is an **introducing firm**, the **member ID** for the **introducing firm** must be used and not the **member ID** of the **model B firm** that represents it.*

*Where the **customer** or **counterparty** is a **dealing agent**, the **member ID** for the **dealing agent** must be used and not the **member ID** for the **member firm** it represents.*

*Where the **customer** or **counterparty** is a **member firm** that employs a **settlement agent**, the **member ID** for the **member firm** must be used and not the **member ID** of the **settlement agent**.*

<u>Date and time of trades</u>

*The time of execution of a 'give up', which should be shown as the trade time on the **trade report** for the 'give up', is the time at which the 'give up' is agreed between the two **member firms** involved.*

***Member firms** shall submit the exact date and time of when a trade is agreed to the nearest second. Therefore, the trade time submitted on a **trade report** should not automatically default to 00 seconds or any other automatic default of time traded.*

<u>Purchase or sale</u>

The reporting party must state whether they are the buyer or the seller.

<u>Quantity</u>

*The number of shares or amount of stock traded. Any splitting of transactions for settlement purposes shall be done within the settlement system and shall not have an impact on the **trade report**.*

<u>Trade type indicators</u>

*Each **trade report** can only have one trade type indicator. A **member firm** should ensure the correct trade type indicator is used when reporting the trade.*

- *The **negotiated trade** type indicator <u>(NT)</u> is only available for trades conducted in securities that have been admitted to trading on an **EU regulated market** and should also only be used where the trade qualifies as a **negotiated trade**. ~~Hence~~ <u>So</u>, where the reporting **member firm** is a **market maker** in the security and has provided pre-trade transparency, the trade should be reported as an ordinary trade, including an **agency cross**. Alternatively, where the reporting **member firm** is not a **market maker** in the security and has not provided pre-trade transparency for the trade, the trade should be reported as a **negotiated trade**, including an **agency cross**. <u>(</u>Where a **negotiated trade** is subject to conditions other than the current market price of the share, a **member firm** ~~should~~ <u>must</u> include the "SP" trade reporting condition on the **trade report** <u>– see Reporting condition section below)</u>..*

- *Where a **trade report** is not to be published, in accordance with rule 3011, it should be reported as a non-publishing trade report.*

- *Where a **member firm** conducts a **large trade** it can be entered as an ordinary trade.*

- *In the event that the reporting of a trade is delegated subject to rule 3013, the same trade type indicator should be used (i.e.: ordinary trade or negotiated trade).*

Trade price

All **trade reports** must be the gross price (excluding any commission).

Dealing capacity

The dealing capacity must be either “A” for **agent** or “P” for **principal**. **Member firms** must ensure that their dealing capacity is entered correctly on every **trade report** they submit to the **Exchange**. Doing so may prove important, for instance, in the event of a **member firm** (either the firm reporting the trade or another firm) being declared a **defaulter** on the **Exchange**.

Converted currency trades

All trade reports must be reported in the trading currency as defined by the **trading system** for that security. Where this is not the currency in which the trade was originally agreed, a **member firm** must indicate that it is a converted currency trade. This can be done by

- populating the settlement currency field and ~~original~~ optionally, a member firm may choose to also populate the price field~~s~~ on the trade report, thereby also publishing to the market, price details of the trade in the original execution currency~~;~~. ~~or~~

- ~~using the special price reporting condition.~~

Reporting condition

Where a trade is subject to conditions other than the current market price of the share, a **member firm** must always include the ‘SP’ reporting condition on the **trade report**.

~~Where the terms of a trade conflict with the market conditions prevailing at the time of the trade, the reporting condition should be included.~~ Examples where the reporting condition should be used include, but are not limited to:

- where the trade is done on a special cum or ex dividend / coupon / rights / bonus / capital repayment basis;

- where the trade is for guaranteed delivery;

- where the trade is part of a **portfolio**;

- where the trade is a VWAP;

- where the trade is a “give up”;

- ~~special price;~~

- where the trade is for non standard settlement; or

- ~~where a **negotiated trade** is subject to conditions other than the current market price of the share.~~

***Negotiated trades** that are subject to conditions other than the market price of the share*

In relation only to a **negotiated trade**, the **Exchange** will consider the following as **negotiated trades** that are subject to conditions other than the market price of the share ((adopting the terms of MiFID II RTS 1 Article 6 – subsequently re-issued by the Commission under reference “C(2016) 4390 final”)). This guidance does not bring **on Exchange** transactions that are not within the scope of Rule 3000:

(a) the transaction is executed in reference to a price that is calculated over multiple time instances according to a given benchmark, including transactions executed by reference to a volume-weighted average price or a time-weighted average price;

(b) the transaction is part of a portfolio trade;

(c) *the transaction is contingent on the purchase, sale, creation or redemption of a derivative contract or other financial instrument where all the components of the trade are meant to be executed as a single lot;*

(d) *the transaction is executed by a management company as defined in Article 2(1)(b) of Directive 2009/65/EC or an alternative investment fund manager as defined in Article 4(1)(b) of Directive 2011/61/EU which transfers the beneficial ownership of financial instruments from one collective investment undertaking to another and where no investment firm is a party to the transaction;*

(e) *the transaction is a give-up transaction or a give-in transaction;*

(f) *the transaction has as its purpose the transferring of financial instruments as collateral in bilateral transactions or in the context of a CCP margin or collateral requirements or as part of the default management process of a CCP;*

(g) *the transaction results in the delivery of financial instruments in the context of the exercise of convertible bonds, options, covered warrants or other similar financial derivative;*

(h) *the transaction is a securities financing transaction;*

(i) *the transaction is carried out under the rules or procedures of a trading venue, a CCP or a central securities depository to effect buy-in of unsettled transactions in accordance with Regulation (EU) No 909/2014.*

(Amended N09/14 – effective 22 December 2014)