



# Reporting Office Rules

SDX Trading Ltd

of 26 Mai 2021

Entry into force: 15 October 2021

## Content

1	Purpose and Scope .....	3
2	Registration.....	3
3	Charges.....	3
4	Reporting Obligation .....	4
5	Receiving of Trade Reports.....	4
5.1	Content .....	4
	Trade reports must contain the following information as a minimum:.....	4
5.2	Reporting Deadlines .....	4
5.3	Cancellation .....	5
6	Reporting Obligation .....	5
7	Receiving of Transaction Reports .....	5
7.1	Content.....	5
7.2	Transaction Report Format.....	6
7.3	Deadline .....	6
7.4	Cancellation of Transaction Reports .....	6
8	Emergency Situations.....	6
9	Inspection Right .....	7
10	Amendments to the Rules .....	7
11	Applicable Law and Place of Jurisdiction .....	7
12	Entry into Force .....	7
	Annex A – Further information on exemptions from the duty to report .....	8
	Annex B – Delayed Publication .....	9

The Reporting Office of SDX Trading Ltd (hereinafter: "Reporting Office") issues these Reporting Office Rules of SDX Trading Ltd pursuant to Art. 5 FMIO-FINMA (hereinafter: "Reporting Rules"):

## I General Provisions

### 1 Purpose and Scope

<sup>1</sup> Pursuant to Art. 39 FMIA in conjunction with Art. 37 FMIO and Art. 51 FinIA in conjunction with Art. 75 FinIO, Art. 2-5 FMIO-FINMA and FINMA Circular 2018/2 "Duty to report securities transactions", participants and other Swiss and foreign securities firms (collectively: "those subject to the duty to report") which are admitted to a trading venue are obliged to submit those reports which are necessary to ensure the transparency of securities trading.

<sup>2</sup> Trades in securities<sup>1</sup> admitted to trading at a Swiss trading venue or for securities derived from such securities are subject to the duty to report pursuant to Art. 37 FMIO and Art. 75 FinIO.

<sup>3</sup> FINMA Circular 2018/2 interprets and specifies the relevant definitions, the principles of the duty to report, reportable trades and the principles for how the beneficial owner is to be determined.

<sup>4</sup> As the reporting office of SDX Trading Ltd as referred to by Art. 5 paragraph 4 FMIO-FINMA, the Reporting Office receives reports on trades in securities admitted to trading or securities derived from these and processes said reports.

<sup>5</sup> Those subject to the duty to report are responsible for fulfilling the reporting obligation.

<sup>6</sup> These Reporting Rules govern the details for fulfilling the reporting obligation in the following sections:

- a) General Provisions (section I);
- b) Trade Reports (section II);
- c) Transaction Reports (section III);
- d) Final Provisions (section IV).

### 2 Registration

Those subject to the duty to report must be registered with the Reporting Office before they are able to submit reports. They will receive a registration number. Participants of SDX Trading

### 3 Charges

<sup>1</sup> The Reporting Office may charge fees for receiving and processing reports.

<sup>2</sup> The Reporting Office may charge fees for cancelling reports.

<sup>3</sup> The charges are set out in the List of Charges under the SDX Trading Ltd Reporting Rules.

---

<sup>1</sup> In the Reporting Rules, the term "securities" also includes derivatives.

## II Trade Reports

### 4 Reporting Obligation

<sup>1</sup> Those subject to the duty to report are obliged in conjunction with Art. 39 FMIA to issue the reports necessary for post-trade transparency pursuant to Art. 29 paragraph 2 FMIA

<sup>2</sup> Participants admitted to SDX Trading Ltd must submit Trade Reports for trades pursuant to these Rules if the following requirements are fulfilled on a cumulated basis:

- trades outside of SDX Trading Ltd ("off-exchange trades"); and
- trades in securities admitted for trading at SDX Trading Ltd.

<sup>3</sup> Information from these reports (price, volume, and the time of the trade) will be published to fulfil the SDX Trading Ltd post-trade transparency requirement

### 5 Receiving of Trade Reports

#### 5.1 Content

Trade reports must contain the following information as a minimum:

- a) Identification of the party subject to the duty to report;
- b) Transaction type (buy or sell);
- c) Precise identification of the securities concerned (ISIN);
- d) Execution volume (nominal value for bonds, nominal value or number of units for other securities);
- e) Execution price or price obtained on the market excluding commission and fees (incl. statement of currency);
- f) Time of execution (date and time);
- g) Information on whether the trade was a proprietary transaction (trading in own name and for own account) or a client transaction (transaction in own name but for the account of the client);
- h) Identification of the counterparty;
- i) Designation of the trading venue where the securities or derivative were traded, or notification that the transaction was executed outside a trading venue

#### 5.2 Reporting Deadlines

<sup>1</sup> Trade Reports for trades during SDX Trading Ltd trading hours must be submitted to the Reporting Office immediately, though equities, rights and options within not more than 1 minute and bonds not more than 15 minutes after the trade has been effected.

<sup>2</sup> If the requirements for delayed publication pursuant to Annex B apply, a delay in publication by the Exchange can be applied for.

<sup>3</sup> Trade Reports for trades outside of SDX Trading Ltd trading hours must be submitted before the start of trading on the trading day following the trade at the latest.

### 5.3 Cancellation

<sup>1</sup> Trade Reports may be cancelled upon application by the parties involved in the Trade Report. In the case of incorrect Trade Reports (i.e. those which do not comply with Clause 5.1), those subject to the duty to report are obliged to request cancellation of the Trade Report.

<sup>2</sup> The cancellation must be made by the end of the following trading day at the latest.

<sup>3</sup> Should the Reporting Office cancel a report upon application from those subject to the duty to report, this cancellation will be published.

## III Transaction Reports

### 6 Reporting Obligation

<sup>1</sup> For reportable trades in Swiss securities admitted for trading at SDX Trading Ltd, those subject to the duty to report must submit a Transaction Report to the Reporting Office. Furthermore, this shall also apply to trades in foreign securities admitted for trading at SDX Trading Ltd:

- provided the trade is conducted at SDX Trading Ltd or
- outside a foreign trading venue recognised by FINMA.

<sup>2</sup> The duty to report pursuant to paragraph 1 also applies to reportable trades in securities derived from securities admitted for trading at SDX Trading Ltd.

<sup>3</sup> Every Transmission of Orders for securities admitted to trading at SDX Trading Ltd or for securities derived from securities admitted for trading at SDX Trading Ltd which ultimately results in a trade must be reported as Transaction Report to the Reporting Office by every party in the transaction chain which is subject to the duty to report.

<sup>4</sup> Exemptions from the duty to report pursuant to Art. 39 FMIA arise from Art. 37 paragraph 4 FMIO, FINMA Circular 2018/2 and Annex A to these Reporting Rules.

<sup>5</sup> The Transaction Report serves to fulfil regulatory requirements of the parties subject to the duty to report and is not published.

### 7 Receiving of Transaction Reports

#### 7.1 Content

Transaction reports in Swiss format must contain the following information as a minimum:

- a) Identification of the party subject to the duty to report;
- b) Transaction type (buy or sell);
- c) Precise identification of the securities in question (in the sense of Art. 2 let. b in conjunction with let. c FMIA) (attributes such as the ISIN or CFI);
- d) Execution volume (nominal value for bonds, nominal value or number of units for other securities);
- e) Execution price or price obtained on the market excluding commission and fees (incl. statement of currency);

- f) Time of execution or time of order fulfilment in the case of Transmissions of Orders (date and time);
- g) Value date (corresponding to the date on which the securities are transferred and paid for following the trade);
- h) Information on whether the trade was a proprietary transaction (trading in own name and for own account) or a client transaction (transaction in own name but for the account of the client);
- i) Designation of the counterparty or, in the case of Transmissions of Orders: designation of the party to whom the order was transmitted;
- j) Designation of the trading venue where the securities or derivative were traded, or notification that the transaction was executed outside a trading venue;
- k) Information permitting the beneficial owner to be identified, or in the case of Transmissions of Orders: the designation of the party who transmitted the order;
- l) Transaction identification code (trade ID).

## 7.2 Transaction Report Format

<sup>1</sup> The Reporting Office accepts full Transaction Reports which comply with the Swiss format, as described in FINMA Circular 2018/2.

<sup>2</sup> The Reporting Office accepts full Transaction Reports in the European Union format as specified in the technical implementing standards (RTS 22) for Art. 26 of 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 (MiFIR).

<sup>3</sup> Technical details are governed in the technical specifications of SDX Trading Ltd.

## 7.3 Deadline

Transaction Reports must be submitted by the close of trading on the trading day following the trade at the latest.

## 7.4 Cancellation of Transaction Reports

<sup>1</sup> Those subject to the duty to report can delete a Transaction Report by no later than the end of the fifth trading day after submitting the Transaction Report and submit a new Transaction Report to the Reporting Office by the same deadline.

<sup>2</sup> To correct incorrect Transaction Reports, the Transaction Report must be deleted and resubmitted by the party subject to the duty to report.

# IV Final Provisions

## 8 Emergency Situations

<sup>1</sup> Those subject to the duty to report must immediately notify the Reporting Office in the event of an emergency situation (failure of the reporting or access system, force majeure).

<sup>2</sup> Emergency situations do not, as a rule, release participants from their reporting obligations.

## 9 Inspection Right

The Reporting Office has the right at all times to inspect compliance with legal and regulatory provisions, or to have it inspected. Those subject to the duty to report undertake to permit the office conducting the inspection to inspect all documents and provide such information as is necessary to carry out the inspection. The Reporting Office may invoice those subject to the duty to report for the costs associated with the inspection. The Reporting Office may inform or involve FINMA.

## 10 Amendments to the Rules

Subject to the approval of FINMA, the Reporting Office may amend the Rules. Those subject to the duty to report will be notified of any amendments on the SDX Trading Ltd website before they come into effect.

## 11 Applicable Law and Place of Jurisdiction

<sup>1</sup> The Rules are subject to Swiss law. The place of jurisdiction is Zurich, Switzerland.

<sup>2</sup> The German version alone of the Reporting Office Rules is binding in the event of inconsistencies between the German and English versions.

## 12 Entry into Force

These Reporting Office Rules were adopted by the Regulatory Board on 26 Mai 2021, approved by FINMA on 9 September 2021 and will be in effect as of 15 October 2021.

## **Annex A – Further information on exemptions from the duty to report**

1. Exempted from the duty to report are Transmissions of Orders concerning foreign securities that are admitted to trading at SDX Trading Ltd, providing they have been effected at a recognised foreign trading venue, or via a recognised foreign organised trading facility (OTF) (clarifying information in respect of FINMA Circular 2018/2, margin number 24).
2. Remote members are also exempted from the duty to report (clarifying information in respect of FINMA Circular 2018/2, margin number 25, first sentence):
  - a) In the case of trades in non-Swiss securities outside of Switzerland between two remote members of SDX Trading Ltd – outside of a trading venue; or – at a trading venue not recognised by FINMA; or – via an organised trading facility/systematic internaliser;
  - b) In the case of trades in non-Swiss securities outside of Switzerland between a remote member of SDX Trading Ltd and a Swiss counterparty subject to reporting requirements (the Swiss counterparty remains subject to the duty to report) – at a trading venue not recognised by FINMA; or – via an organised trading facility/systematic internaliser.

## Annex B – Delayed Publication

### 1 Equity market

The Exchange shall publish off-order-book trades:

- immediately after the participants have reported the trade; or
- with a delay, if the participants have requested a delayed publication.

A delayed publication can be applied for if all of the following provisions are fulfilled:

- a) the trade is executed off-exchange;
- b) the required minimum volume of the trade corresponds to the average daily turnover (ADT) in the securities in question.

The following table shows delayed publication as a function of the ADT.

Average daily turnover (ADT) in CHF	Required minimum volume for a trade qualifying for de- layed publication	Timing of publication follow- ing the transaction
≥ 50,000	10,000	60 minutes
	30,000	At the end of the trading day
< 50,000	5,000	60 minutes
	15,000	At the end of the trading day

The Exchange publishes the authoritative ADT per security, with the static data, on the Exchange website: [www.sdx.com](http://www.sdx.com)

### 2 Bond market

The Exchange shall publish off-order-book trades:

- immediately after the participants have reported the trade; or
- with a delay, if the participants have requested a delayed publication.

A delayed publication can be applied for if the corresponding requirements are fulfilled.

#### 2.1 Illiquid securities

The participant may apply for a delay of publication until 07:00 CET on the next trading day if all of the following provisions are fulfilled:

- a) the trade is executed off-exchange; and
- b) there is no liquid market for the security.

There is deemed to be no liquid market for a security if one or more of the following criteria is/are not met:

Average nominal value of trades per trading day during a calendar year	< CHF 100,000 or the equivalent amount for securities with a foreign nominal currency.
Average number of trades per trading day during a calendar year	< 15
Average number of trading days on which traded during a calendar year	< 80%
Issue size during a calendar year	a) for government bonds < CHF 1 billion or the equivalent amount for securities with a foreign nominal currency; or b) for other bonds < CHF 500 million or the equivalent amount for securities with a foreign nominal currency.

In the case of newly issued securities for which no data exists for the past three months, there is deemed to be no liquid market if the size of the government bond issue is less than CHF 1 billion and the issue size for other bonds is less than CHF 500 million (or the equivalent amount for securities with a foreign nominal currency).

The Exchange publishes the authoritative liquidity data per security, with the static data.

## 2.2. Large in scale trades (LIS threshold)

The participant may apply for delayed publication if all of the following provisions are fulfilled:

- a) the trade is executed off-exchange;
- b) there is a liquid market for the security;
- c) the required minimum volume of the trade corresponds to the large in scale (LIS) threshold of the securities concerned.

The required minimum trade volume for large in scale trades (the LIS threshold) corresponds to the 90th percentile of trading turnover on the exchange of the liquid securities in question during one calendar year, and is rounded down in each case to the nearest CHF 100,000.

The Exchange publishes the value of large in scale trades (the LIS threshold) per security with the static data.