

EMIR (European Market Infrastructure Regulation) & SFTR (Security Financing Transaction Regulation)

Financial and non-financial counterparties such as banks, corporations, funds etc. see themselves confronted with an ever increasing number of frequently changing reporting requirements.

Product Information

Key Benefits

- ◇ ISAE 3402 type 2 certified outsourcing services for EMIR|SFTR reporting
- ◇ Cooperation with a ISO 27001 and Tier 3+ certified data centre
- ◇ Automatic report generation depending on the type of transaction and report
- ◇ Communication with the trade repository (Regis-TR)
- ◇ Identification of reporting requirement changes under EMIR and SFTR
- ◇ Analysis of the change requirements irrespective of whether they were brought about by the trade repository or by ESMA
- ◇ Analysis and consulting services in case of reports being rejected by the trade repository
- ◇ Modular solution for customer-specific functions and use of additional functionalities

We offer outsourcing services for the creation of EMIR|SFTR reports and the communication with the trade repository.

Increasing Reporting Requirements

Since 12 February 2014, derivative counterparties have been required under EMIR to report the details of their derivative transactions to a trade repository not later than T+1. The EMIR



requirements on reporting have undergone several changes since then.

SFTR (Security Financing Transaction Regulation) is the attempt of the European Commission to close the transparency gap among security transactions that have not been covered by any other regulation so far. As of 2020, the counterparties are obligated to report the details of their security financing transactions.

Just like **EMIR (European Market Infrastructure Regulation)**, **SFTR** applies to financial and non-financial counterparties.

Reporting Obligation

The great number of reports that need to be created, pre- and post-processing tasks as well as the identification and implementation of modified or new requirements increase the pressure especially on smaller and medium-sized companies and funds.

What	Who has to report	What kind of transactions	When	Number of fields	To whom
EMIR	Financial and non-financial counterparties	Derivatives	T/T+1	Up to 130, depending on transaction and reporting type	Registered trade repository
SFTR	Financial and non-financial counterparties	Security financing transactions	T/T+1	Up to 153, depending on transaction and reporting type	Registered trade repository

Based on our long experience in regulatory requirements and particularly in EMIR reporting, we offer you our well-proven Business Process Outsourcing (BPO) services which allow you to meet your reporting obligations in accordance with EMIR and SFTR and crucially reduce your workload in operational business.

We will relieve you of the following tasks:

- ◆ Preparing the reports depending on the transaction and report type
- ◆ Communicating with the trade repository (Regis-TR)
- ◆ Identifying the changes in the reporting requirements under EMIR and SFTR
- ◆ Analysing the change requirements irrespective of whether they were brought about by the trade repository or by ESMA
- ◆ Prompt implementation in our system

It is possible to use your own *Regis-TR Reporting Participant Account* as well as our *Third Party Reporting Participant Account* for the EMIR and/or SFTR reports. If we submit reports on behalf of you as a third party participant, you do not need to create your own, separate reporting participant account.

You can choose between two solution variants

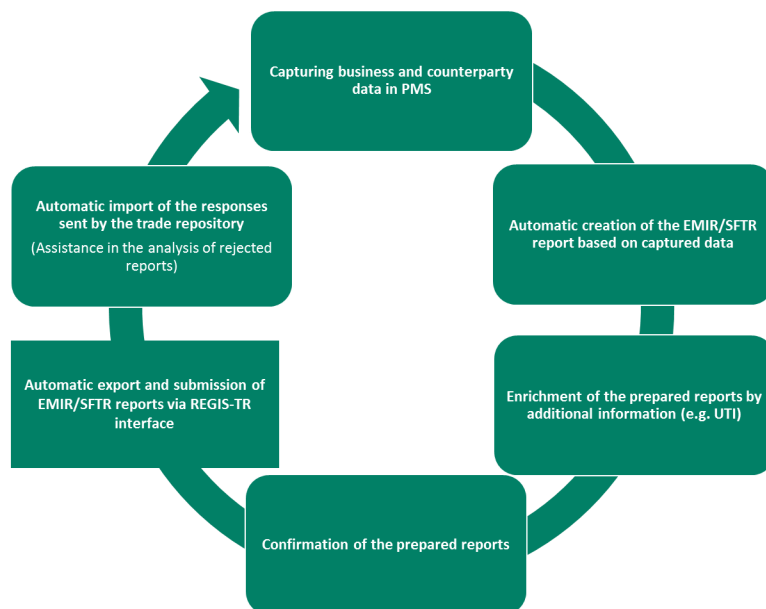
Solution Variant I - The Standard Solution

- ◆ The required data will be extracted from your core system and then imported into our system via our standard import interface
- ◆ Based on your data, the reports will be prepared in PMS and submitted to the trade repository via our REGIS-TR interface
- ◆ The responses of the trade repository will be imported into our system and forwarded to you via standard import interface
- ◆ When a report will be rejected by the trade repository, we will assist you in the analysis of this report



Solution Variant II - The Comfortable Solution

- ◆ Your transactions will be captured and booked in PMS
- ◆ The booking process will automatically create EMIR/SFTR transaction reports which already contain nearly all the information relevant for reporting such as instrument details, transaction parties, transaction data
- ◆ Information that is still missing e.g. UTI (Unique Trade Identifier) or clearing date/time, will be automatically imported into the system via standard import interface
- ◆ Prior to sending the report, you will still have the chance to check the report and confirm it subsequently for its submission
- ◆ The confirmed reports will then be automatically exported to the trade repository
- ◆ The responses of the trade repository will be automatically imported into our system via interface
- ◆ When a report will be rejected by the trade repository, we will assist you in the analysis of this report



Solution variant II gives you the possibility to use additional functions for your transactions which have been captured in our system such as:

- ◆ State-of-the-art valuation of simple and complex derivatives taking into account counterparty (CVA, DVA and FVA) and basis risks
- ◆ Pre-trade and post-trade limits and monitoring
- ◆ Collateral monitoring and management

Contact Information

much-net AG - Finanzsoftware & Services
Kennedyallee 1-5
53175 Bonn (Germany)
+49 (0) 2 28-9 11 46-0

sales@much-net.com

much-net financial software & services S.à.r.l.
1, rue Bender
1229 Luxembourg
+352-24 83 97 77

www.much-net.com

much-net Bulgaria Ltd.
Dimitar Manov Str. 33
1408 Sofia (Bulgaria)
+359-2 980 00 657