

Financial Conduct Authority approves NEX Regulatory Reporting's Abide Financial DRSP Ltd as an ARM under MiFID II

NEX Regulatory Reporting announces today that Abide Financial DRSP Ltd has received approval from the Financial Conduct Authority (FCA) as an Approved Reporting Mechanism (ARM), with effect from 3 January 2018. The authorisation will allow NEX Regulatory Reporting to report client transactions to National Competent Authorities (NCA) across Europe under MiFID II.

London – NEX Regulatory Reporting, a NEX Group business which provides regulatory reporting services across global regulatory regimes, announces today that Abide Financial DRSP Ltd has received approval from the Financial Conduct Authority (FCA) as an Approved Reporting Mechanism (ARM), with effect from 3 January 2018. The authorisation will allow NEX Regulatory Reporting to report client transactions to National Competent Authorities (NCA) across Europe under MiFID II.

With 96 days until MiFID II comes into effect, NEX Regulatory Reporting has been conducting testing of its ARM since July 2017 and will shortly be able to conduct end-to-end testing through to the FCA's UAT environment, as well as to other NCAs. Under the new regime, market participants are required to complete up to 65 fields for each transaction record, submitting via an ARM or directly to their NCA. This figure is more than double the number of fields required under MiFID I.

NEX Regulatory Reporting has provided MiFID I services to its clients since Abide Financial Ltd's authorisation as an ARM in 2011 and currently processes five million MIFID transactions per day. Based on recent data from the FCA, this equates to 25% of the daily average volume of all UK MiFID reportable transactions.

In addition to obtaining ARM status, NEX Regulatory Reporting's entities also include an Approved Publication Arrangement (APA) under MiFID II, a Registered Reporting Mechanism for REMIT and a hub for EMIR. Pending approval from ESMA, it will also house a Trade Repository under EMIR.

NEX Regulatory Reporting's approval as an ARM is significant as it ensures that clients are provided with a full end-to-end solution under MiFID II. Starting with a thorough review of a client reporting environment, clients connect to the Global Reporting Hub once, before uploading their transaction data for data normalisation, enrichment, determination and validation before being delivered via the ARM to the relevant NCA (dependent upon which authority is their lead regulator).

Clients will be able to access NEX Infinity, providing a cloud-hosted Software as a Service (SaaS) platform which will provide access to all NEX Optimisation services and those of selected third parties in one place. By utilising this platform, clients will be able to connect once to access a variety of different services which will allow them to further enrich their trade and transaction data.

Collin Coleman, Head of NEX Regulatory Reporting, said: "We are thrilled to receive the official approval from the FCA of our ARM today. ARMs are a fundamental component for tracking and tackling market abuse, one of the key aims of MiFID II. While many UK-based clients will be familiar with the ARM model, having been a construct of the FCA under MiFID I, the number of fields that need to be completed to be compliant poses a significant challenge, especially for European clients preparing for a new regulatory end-point. We strongly encourage any market participants who have not yet commenced testing to do so immediately to ensure they can continue to trade post 3 January 2018."

NEX REGULATORY REPORTING A NEX Group business, NEX Regulatory Reporting operates within NEX Optimisation, which helps clients simplify complexity and optimise resources. Powered by Abide Financial Ltd, the NEX

Regulatory Reporting platform lowers costs, reduces operational risk and provides regulatory reporting effectiveness. Through the business's multi-regime reporting hub, regulatory obligations are translated into future proof compliant solutions while its specialist advisory teams interpret the impact of evolving markets regulation relating to trade and transaction reporting. In addition to European regulatory environments (EMIR, MiFID/II, SFTR, REMIT), NEX Regulatory Reporting provides specialised reporting services for entities subject to international regulatory regimes such as Dodd-Frank, ASIC (Australia) and MAS (Singapore).

NEX Regulatory Reporting was recently awarded 'Best Regulatory Reporting Platform' at the 2017 Operational Risk (OpRisk) Awards, 'Best Reporting Platform or Service for the Sell Side' at the 2017 Waters Technology Awards and 'Best Advisory Firm for Regulation and Compliance' at the HFM Week European Hedge Fund Awards.

For more information, go to www.nexregulatoryreporting.com

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