MiFID II FAQs

Please note: This information is only available in English language.

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WBAG MiFID II FAQs

Content

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Revision History

Version	Date	Page/question #	Description
1.1	6.12.2017	Page 5, question 19	New question + answer about short code solution: **NEW:** How shall we provide the corresponding long codes if a client's depot has more than one accounts (authorized signatories)? This means, the decision maker for one short code ID can be different persons. The short code has to be unique per member. But if there is a joint account, please provide all corresponding long codes for one short code. Example: if one portfolio is owned by 3 persons, that are authorized signatories, please submit the following long codes: Short Code 1000 – Concat for Person A Short Code 1000 – Concat for Person B Short Code 1000 – Concat for Person C i.e. 3 different long codes shall be sent for one short code (= 3 records in the file)
1.2	20.12.2017	Page 5, question 20	New question + answer about short code solution **NEW:** If a long code corresponding to a certain short code will be modified then please submit the following records: XVIE D 2017-10-27 457744 N AT 1 19670404JOSEFHOFER XVIE N 2017-10-27 457744 N AT 1 19690515ANNAMOSER The status indicator "M" (modify) can only be used to change the "ValidFrom" date.
		Page 5, question 20	New question + answer about short code solution **NEW**: If we have intraday updates – i.e. we are made aware of new LEI codes for instance, are we at liberty to rerun our feed and send these deltas intraday? I ask as there is no sequence number in the filename? If there is an update during the day just sent the modified file once more and overwrites the existing one on the SFTP. We have no sequence number logic implemented, therefore the filename only consists the date. Our system can only deal with one file per day. If you upload your file on day t you can overwrite it several times until t+1 16 pm CET. Then we process the last updated file and submit the data to our NCA.
		Page 7, question 4	New question + answer about algo info file **NEW**: What shall we submit if there is no EndTime of the Algo available? You also have to provide the end time. If there is no end time yet available just enter a future date like "9999-12-31 00:00:00" The field EndTime is mandatory to fill in. Please note it should be > BeginTime; and send the real EndTime as soon as it is available.

MiFID II FAQs

A) MiFID II file structure

1. Is the file format for uploads in .DAT format rather than .CSV?
   WBAG requests .dat according to the specifications; The file extension should be **.dat** (not .txt).

2. How shall fields be separated?
   The separator-character for data-rows (these are all rows except the header and the footer row) should be the tabulator-character.
   The separator-character in the footer row (between "date and time of creation" and the "number of rows") should be a semicolon (";").
   If data is omitted (e.g. NatIDCtryCode and NatIDPrio) the same amount of separator-characters (tabulators) must be present. This means, in case the classification is "L", NatIDCtryCode and NatIDPrio can be omitted but there should still be three tabulator-characters present.

B) Short code solution

1. Can Short Code data be amended/added during the exchange maintenance window?
   Yes, of course. The SFTP file provision is independent from the trading system. Maintenance windows for the FTP service will be set outside of processing times.

2. Does the exchange notify us if there are short codes files missing? Would an acknowledgement message be sent back? If so what is the form of communication?
   Yes; you will be provided with the feedback files – I mentioned above. Feedback files include the short codes where the long code information is missed on WBAG side. Please compare with circular CI 30/2017, annex III.

3. If the Short Code Upload deadline is missed, what happens next?
   Members will have the possibility to upload the information also on t+1. Members are responsible for correctness and in time provision of these data. If t+1 is missed then WBAG will not be able to provide data to our NCA. The actions to be taken if the deadline is missed are still under discussion at WBAG and NCA and will be published to the members as soon as possible.

4. How a Member has to fill in the field NatIDPrio?
   NatIDPrio is related to RTS 22, table in annex II and table in CI 30/2017, annex I – columns 3 – 5 define the priority 1 – 3.

5. Does a Member have to provide complete Short Code data on January 3, 2018 or can Short Code data only be sent event-driven as used in the order and quote data on the respective trading day?
   Both is possible, WBAGs system just checks the short codes used in the trading system on the respective trading days and considers the short/long codes already provided via SFTP.

6. When will population of the necessary record keeping fields become mandatory?
   Correct population becomes mandatory as of January 3, 2018 when MiFID II comes into force. Please check also trading system release documentation on the filling rules.

WBAG recommends populating the fields as soon as possible with production data to be able to start testing of the file transfer for short code information as described in circular 30/2017. Members are asked to provide the first files by beginning of December to start validation with the trading system.

7. Is it correct that short code of clients as well as execution ID and investment ID can be submitted via the "Client Info Reporting File"?
   Yes, that's correct. Please compare with the detailed information given in circular 30/2017, Annex III, point 1 and point 2 (page 11, 12)

8. Is the Client Short Code unique per exchange or unique per member firm on the exchange?
   The Client Short Code shall be unique per member firm on the exchange. WBAG has to map the field with the Country Code before submitting the reporting to the NCA. Members have to ensure a unique mapping from Client Short Code to Long Code. On Client Short Code can map to more than one Long Code but one Long Code has to exactly map to one Short Code.

9. Shall the member define the short codes?
   Yes, Short codes have to be defined by Members

10. What happens to orders and quotes that will be submitted without the respective short code information? Will they be rejected?
    The ClientID is mandatory when the Account Type (Capacity) is "A"gent. There is no further validation check in the trading system. Members are responsible to provide respective short codes for the order audit trail and transaction reporting of the Trading Venue towards the NCA/ESMA and are responsible for correctness and completeness of the delivered content.

11. Can we provide client LEI short codes and natural person short codes in the same file rather than as two separate files?
    Yes, it is requested by WBAG to send it in one file (Client Info file). We only requested a separate file for "non-admitted persons that take an investment or execution decision" as described in circular 34/2017.

12. Are we able to upload the full Client info file daily rather than a delta file?
    WBAG implements delta logic and therefore, would prefer delta files. Anyhow, if you would need to send only full files then make use of the field StatusIndicator "M(modify)" for already submitted data.

13. What are the consequences if we do not upload a mapping file to you after the 4:00pm T+1 daily cut off time?
    This is still under discussion at WBAG. You will be informed about the consequences as soon as possible by a separate circular.

14. Please can you provide a full list of your MICs for the file submission?
    Please only use the WBAG MIC "XVIE"

15. Specification of Client Info Reporting File: What happens when we set field 2 (status indicator) to N (new) for a record that already exists in your system?
    You'll get an error message for field 2 in the Confirmation file. Please only submit new records with status indicator "N"

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16. Specification of Client Info Reporting File: What happens when we set field 2 (status indicator) to M (modify) for a non-existing record?

You'll get an error message for field 2 in the Confirmation File. "M" shall be used for modifications only, e.g. if you provide a new CONCAT because surname was changed

17. Specification of Client Info Reporting File: Is field 5 (classification) always "N"?

No, if you use a short code for a LEI (for institutional clients, please compare with circular 30/2017 on page 2) in the trading system please provide the LEI in the ClientLongValue (field 8) and classify it with "L" in field 5

18. Specification of Inhouse Info Reporting File: What does field 8 (InhouseLongValue) represent?

InhouseLongValue has to be provided with the Inhouse Info Reporting File. This file is relevant for non-admitted persons that may take the investment and execution decision of proprietary flow.

19. **NEW:** How shall we provide the corresponding long codes if a client's depot has more than one accounts (authorized signatories)? This means, the decision maker for one short code ID can be different persons.

The short code has to be unique per member. But if there is a joint account, please provide all corresponding long codes for one short code.
Example: if one portfolio is owned by 3 persons, that are authorized signatories, please submit the following long codes:
Short Code 1000 – Concat for Person A
Short Code 1000 – Concat for Person B
Short Code 1000 – Concat for Person C
i.e. 3 different long codes shall be sent for one short code (= 3 records in the file)
The short code has to be unique per member. But if there is a joint account, please provide all corresponding long codes for one short code.

20. **NEW:** If a long code corresponding to a certain short code will be modified then please submit the following records:

XVIE	D	2017-10-27	457744	N	AT	1	19670404JOSEFHOFER
XVIE	N	2017-10-27	457744	N	AT	1	19690515ANNAMOSER

The status indicator "M" (modify) can only be used to change the "ValidFrom" date.

21. **NEW:** If we have intraday updates – i.e. we are made aware of new LEI codes for instance, are we at liberty to rerun our feed and send these deltas intraday? I ask as there is no sequence number in the filename?

If there is an update during the day just sent the modified file once more and overwrites the existing one on the SFTP.
We have no sequence number logic implemented, therefore the filename only consists the date. Our system can only deal with one file per day.
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MiFID II FAQs

C) Algo test certification

1. Shall a Member define an AlgoID?
   Yes, a Member has to define the AlgoIDs and submit it via the trading system interfaces

2. Shall a Member register AlgoIDs at the exchange?
   No, WBAG is not responsible for registration of AlgoIDs. WBAG has to collect the proof of Members that each algorithms used in the production system was tested before (please compare circular 30/2017, item 3, page 3, 4)

3. Could you please specify what you would like to see us provide to you regarding the Algorithm Certification?
   According to MiFID II, RTS 7, trading venues have to ensure that only tested algorithms are deployed into production systems.
   Therefore we request the "Reporting file for AlgoIDs" from members in case of substantial modifications (e.g. in the course of releases) or if a new algorithm was implemented.
   We're going to compare the algoIDs used in the trading system with the algoIDs provided by the test certification file on daily basis.
   Please find more details in Circular 30/2017, item 3 (page 3) and Annex IV for specification of the file
   File mechanism and test options are described in Circular CI 39/2017

4. **NEW**: What shall we submit if there is no EndTime of the Algo available?
   You also have to provide the end time. If there is no end time yet available just enter a future date like "9999-12-31 00:00:00"
   The field EndTime is mandatory to fill in. Please note it should be > BeginTime; and send the real EndTime as soon as it is available.

D) MiFID II Tick Size regime

1. The MiFID reform (MiFID II Article 49 and RTS 11) introduces a minimum tick size for all EU shares.
   The minimum tick for each instrument will be determined in function of price and liquidity. European stock exchanges will be updating their tick size tables accordingly.
   Yes, WBAG has to follow the tick size regime, please compare with circular CI 30/2017, item 4, page 4. The new tick size regulation applies to shares, depository receipts and ETFs. To all other instruments such as bonds or other structured products, the tick size regime under MiFID II does not apply. Correspondingly, existing tick sizes for bonds, warrants and certificates will remain unchanged at Wiener Boerse with MiFID II implementation

2. Will you provide the list of instruments for which the tick size band will change? If so, when will it be published?
   It's planned to provide a first information about tick sizes per instruments but WBAG has to wait for ESMAs publishing of tick sizes announced for beginning of December. We'll come back to our members with more information via a dedicated Xetra circular as soon as possible

3. What date will you go live with the RTS 11 Tick Size changes?
   Tick sizes will be changed on 29.12.2017 effective on 2.1.2018; please see CI 30/2017, item

4. Are you planning on going live with tick sizes on the 2nd or 3rd of January?
   According to our CI 30/2017 (page 4) we will proceed as follows:
   December 29, 2017 (after trading hours):
   Update of tick sizes in the Trading Systems Xetra® T7 and Xetra® Classic by WBAG
   Please note that all open orders in Xetra® Classic and Xetra® T7 (of all asset classes) will be deleted by a bulk process => all order books will be deleted. The new tick size regime will be implemented one day prior to the effective date of the MiFID II/MiFIR regulations.
   • Orders in MiFID instruments will be deleted stating "Tick Size Change" as deletion reason.
   • Orders in non-MiFID instruments will be deleted stating "SPE" (special event) as deletion reason.

   Please note: Regardless of a potential tick size change, Wiener Boerse will delete all open orders in all instruments in the course of the Xetra® T7 and Xetra® Classic EOD processing on December 29, 2017 and will apply the new tick size regime already by January 2, 2018 – one day ahead of MiFID II start.

5. Will all your instruments be following the minimum tick size?
   in case of no further changes until 2nd January 2018, this Tick Size regime will be applied for shares, depository receipts and certain ETF's in Vienna according to the table below
   Additionally, all ETF's which are listed in Vienna will be classified in LB6. (in case of no further changes until 2nd January 2018)

Price ranges	Liquidity bands					
	$0 \leq$ Average daily number of transactions < 10	$10 \leq$ Average daily number of transactions < 80	$80 \leq$ Average daily number of transactions < 600	$600 \leq$ Average daily number of transactions < 2000	$2000 \leq$ Average daily number of transactions < 9000	$9000 \leq$ Average daily number of transactions
$0 \leq$ price < 0.1	0.0005	0.0002	0.0001	0.0001	0.0001	0.0001
$0.1 \leq$ price < 0.2	0.001	0.0005	0.0002	0.0001	0.0001	0.0001
$0.2 \leq$ price < 0.5	0.002	0.001	0.0005	0.0002	0.0001	0.0001
$0.5 \leq$ price < 1	0.005	0.002	0.001	0.0005	0.0002	0.0001
$1 \leq$ price < 2	0.01	0.005	0.002	0.001	0.0005	0.0002
$2 \leq$ price < 5	0.02	0.01	0.005	0.002	0.001	0.0005
$5 \leq$ price < 10	0.05	0.02	0.01	0.005	0.002	0.001
$10 \leq$ price < 20	0.1	0.05	0.02	0.01	0.005	0.002
$20 \leq$ price < 50	0.2	0.1	0.05	0.02	0.01	0.005
$50 \leq$ price < 100	0.5	0.2	0.1	0.05	0.02	0.01
$100 \leq$ price < 200	1	0.5	0.2	0.1	0.05	0.02
$200 \leq$ price < 500	2	1	0.5	0.2	0.1	0.05
$500 \leq$ price < 1000	5	2	1	0.5	0.2	0.1
$1000 \leq$ price < 2000	10	5	2	1	0.5	0.2
$2000 \leq$ price < 5000	20	10	5	2	1	0.5
$5000 \leq$ price < 10000	50	20	10	5	2	1
$10000 \leq$ price < 20000	100	50	20	10	5	2
$20000 \leq$ price < 50000	200	100	50	20	10	5
$50000 \leq$ price	500	200	100	50	20	10