



Q&A – reporting of transactions concluded on CFIMPR to the KDPW S.A. trade repository

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IRGiT makes every effort to ensure that the following information remains up to date and reliable. However, because this information serves as reference material only, please be advised that only pertinent IRGiT regulations, in particular the *Rules of reporting by IRGiT to the KDPW S.A. repository*, are binding.

1. Why do transactions concluded on CFIMPR have to be reported to the trade repository?

The reporting duty stems from the fact that instruments traded on CFIMPR are financial instruments that fulfill the definition of “derivative contract” laid down in *Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories* (European Market Infrastructure Regulation, “EMIR”). Article 9 of EMIR imposes an obligation on counterparties and CCPs to report detailed information on every derivative contract it has concluded and on changes in or termination of such contracts to the trade repository.

2. Who is required to report transactions concluded on CFIMPR?

In the case of transactions concluded on CFIMPR that are not centrally cleared by CCPs and that are treated, in accordance with ESMA guidelines, as OTC transactions for reporting purposes, the reporting obligation rests with the counterparties, but may be delegated to IRGiT.

3. Does the obligation to report transactions apply both to entities acting directly and those acting indirectly?

Yes, it does. The reporting obligation applies on an equal footing to direct and indirect (acting through a Brokerage House) CFIMPR participants.

4. Where does IRGiT report transactions concluded on CFIMPR?

IRGiT reports transactions concluded on CFIMPR to the KDPW S.A. trade repository.

5. How can reporting obligations be delegated to IRGiT?

The entrustment of the reporting process to IRGiT is effected by way of a representation submitted to IRGiT in accordance with the forms available on [IRGiT's website](#) in the *Rules of reporting by IRGiT to the KDPW S.A. repository* (Attachments 1 and 2). A compulsory



element of such a representation is an indication of the LEI code which must be obtained and maintained by CFIMPR participants.

6. What documents must be submitted to entrust the reporting obligation to IRGiT?

In the case of entities acting on their own account, the following documents must be submitted to IRGiT: Representation on reporting details of Clearing House Member transactions to the trade repository and a written request for IRGiT to disclose details of the other party to the transaction in the absence of a delegation to IRGiT of the obligation to provide reports to the trade repository.

In the case of entities acting on the client's account, the following documents must be submitted to IRGiT for each client: Representation by a Clearing House Member on reporting the details of the client's transactions to the trade repository with an attachment signed by the client, constituting the client's Representation on consent to disclose details of a party to the transaction and a written request for IRGiT to disclose details of the other party to the transaction in the absence of a delegation to IRGiT of the obligation to provide reports to the trade repository.

Forms of the said representations and requests are provided in the attachments to the *Rules of reporting by IRGiT to the KDPW S.A. repository*, available and published on [IRGiT's website](#).

7. Do I need to have an LEI?

Yes, you do. To be admitted to CFIMPR, participants and their clients are required to obtain and maintain an LEI. Only if the Clearing Member's client is a natural person, the Client Code assigned to him/her by the Brokerage House is specified in the report instead of the LEI.

8. How much does IRGiT's service of reporting transactions concluded on CFIMPR cost?

IRGiT will provide this service to its participants free of charge. However, IRGiT will reinvoice the participants with reporting costs incurred by it in favor of KDPW S.A., in accordance with the price list available on [KDPW S.A.'s website](#).

9. Is the entrustment of transaction reporting to IRGiT compulsory?

No, it is not. Participants may report transactions themselves or through another entity. However, in order to ensure consistency between reporting by both parties to the transaction, any entity which chooses not to entrust IRGiT with the reporting obligation must report its transactions using RTNs and UTIs generated by IRGiT.



10. Is the submission of a representation on the reporting obligation compulsory?

Yes, it is. Regardless of whether or not the entity decides to delegate the reporting obligation to IRGiT, the submission of a pertinent representation containing the entity's LEI is a condition for admission to trading on CFIMPR.

11. Can IRGiT also report transactions concluded on the clients' account?

Yes, it can. IRGiT provides reporting services both for entities acting on their own account and for entities acting on account of their clients. In the case of entities acting on account of their clients, the following document must be submitted for each client: Representation by a Clearing House Member on reporting the details of the client's transactions to the trade repository. Attached to such representation should be the client's Representation on consent to disclose details of a party to the transaction and, in the absence of a delegation to IRGiT of the obligation to provide reports to the trade repository, also a written request for IRGiT to disclose details of the other party to the transaction.

Forms of the said representations and request are provided in Attachment 2 to the *Rules of reporting by IRGiT to the KDPW S.A. repository*, available and published on [IRGiT's website](#).

12. What additional actions will the entity entrusting the transaction reporting to IRGiT have to take?

In the case of participants clearing transactions concluded for the benefit of their clients, in addition to submitting the relevant representation to IRGiT, to ensure the proper performance of the reporting obligation they are required to provide information on collateral deposited on margin accounts assigned to those clients, broken down into initial margin and variation margin. This information is provided by sending a file in .xlsx format in accordance with the [form](#) available on [IRGiT's website](#), by e-mail to repozytorium@irgit.pl by 10:00 a.m. on the next business day following the listing on the CFIMPR market.

In the case of participants and clients who are non-financial counterparties (NFCs) in accordance with sec. 6.1 and 6.2 of the *Rules of reporting by IRGiT to the KDPW S.A. repository*, it is also necessary to notify IRGiT of exceeding, if applicable, the threshold referred to in Article 10(2) of EMIR and, if the contract is objectively measurable as directly linked to the counterparty's commercial or treasury financing activity, as referred to in Article 10(3) of EMIR, then when the transaction is concluded, it should be designated as a "Hedge" in the exchange system.

Please also be advised that, apart from the obligations related to reporting itself, Article 9(2) of EMIR stipulates that "*Counterparties shall keep a record of any derivative contract they have concluded and any modification for at least five years following the termination of the contract*".



13. How does the obligation to report transactions affect the anonymity of trading on CFIMPR?

At the transaction conclusion stage, trading on CFIMPR is anonymous, however, due to the absence of authorization for IRGiT as a CCP within the meaning of EMIR for reporting purposes, such contracts are treated in accordance with ESMA guidelines, that is as bilateral contracts. This means that, in the report sent to KDPW S.A., LEIs of both parties to the transaction will be disclosed, and each of these parties, having read the information contained in the report, may find out the identity of the other party to the transaction. This method of reporting requires CFIMPR participants to submit a compulsory representation on consent for IRGiT to disclose their details as a party to the transaction and, in the absence of a delegation to IRGiT of the obligation to provide reports to the trade repository, also a written request for IRGiT to disclose details of the other party to the transaction.

Forms of the said documents are provided in the attachments to the *Rules of reporting by IRGiT to the KDPW S.A. repository*, available and published on [IRGiT's website](#).

14. What will happen if the entity chooses not to entrust IRGiT with transaction reporting?

Such an entity will be required to report to the trade repository all transactions it concludes in a manner that enables reconciliation of these reports in the trade repository with reports provided by the other parties to such transactions. To this end, the entity in question must use the following information provided by IRGiT: the UTI of the transaction and information about the other party (its LEI, country code and EMIROblgtn tag). Such information will be provided to the entity on the next business day after the date of the transaction, in the following format: TradeId of the transaction from the clearing system, UTI, LEI, country code and EMIROblgtn tag of the other party to the transaction.

15. Will IRGiT provide data in the form of reports?

IRGiT will prepare reports based on data downloaded from the clearing system and will automatically forward them to the KDPW S.A. trade repository. In the case of entities which choose not to use the reporting service, IRGiT will provide its participants with the information described in the preceding answer.

16. What reporting scheme does IRGiT use?

In accordance with ESMA guidelines contained in *Questions and Answers – Implementation of the Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR)*, for reporting purposes, transactions concluded on CFIMPR on OTF are treated as OTC transactions, therefore for transactions concluded on the participant's own account, IRGiT will use the scheme "*Bilateral, non-cleared trade (basic case)*", whereas for transactions concluded on the clients' account, IRGiT will use a reporting scheme as a chain of transactions between the client, the Brokerage House and the other party to the transaction.



17. How should hedging transactions be designated?

If a transacting entity is not a financial counterparty within the meaning of EMIR and the contract is objectively measurable as directly linked to the counterparty's commercial or treasury financing activity, as referred to in Article 10(3) of EMIR, then when the transaction is concluded, it should be designated in the exchange system as a "Hedge".

18. How will transactions be reported in the event of a breakdown of a larger volume from the order book into several smaller transactions with several counterparties?

IRGiT will report each transaction with each counterparty separately, in accordance with how they are presented in the report of concluded transactions in the clearing system. The fact of their origin from a breakdown, if any, of a larger volume from the order book will not be reflected in the reports.

19. Will IRGiT assign RTNs and UTIs itself for each transaction?

Yes, it will. IRGiT will generate RTNs and UTIs for each transaction in accordance with the principles laid down in Chapters 4 and 5 of the *Rules of reporting by IRGiT to the KDPW S.A. repository*. Even those entities that choose do not entrust IRGiT with the reporting obligation will be required to report their transactions using RTNs and UTIs generated by IRGiT.

20. Where can I find more information about reporting?

For more information, please consult the *Rules of reporting by IRGiT to the KDPW S.A. repository*. Should you have any other questions, do not hesitate to contact us at: repozytorium@irgit.pl.