



Surveillance and Market Practices:

Guidelines for market participants in
respect of Market Abuse Surveillance
requirements prescribed under the
Market Abuse Regulation (MAR)
when trading derivatives



September 2020

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These guidelines have been prepared by Norton Rose Fulbright LLP for the FIA in partnership with the FIA Compliance Committee. Chambers UK 2020 recognises the Norton Rose Fulbright LLP financial services team for its “representation of global financial institutions in high-stakes regulatory investigations and enforcement actions.” We have a proven track record working in multi-jurisdictional teams, helping clients prevent and respond to adverse market conduct events using our deep understanding of the regulators.

1 INTRODUCTION

FIA¹ has been a leading proponent of principles-based regulation in all jurisdictions in respect of market abuse. It has historically engaged with regulators² and the market³ on various topics related to market abuse.

Market abuse is a global concern and global regulators consider market participants to be the “first line of defence” in the identification and prevention of market abuse. Specifically in Europe, the Market Abuse Directive (**MAD**) was replaced with the Market Abuse Regulation (**MAR**) and the Criminal Sanctions for Market Abuse Directive (**CSMAD**) in 2016⁴. MAR introduced new prescriptive requirements for market participants and harmonised the requirements across Europe, including in respect of rules on monitoring, surveillance systems and the filing of suspicious transaction and order reports (**STORs**). MAR is now undergoing further review. The MAR review is outside of the scope of this document, but FIA continues to monitor the developments in this space.

Market abuse is a global concern and global regulators consider market participants to be the “first line of defence” in the identification and prevention of market abuse.

The objective of these guidelines (the **Guidelines**) is to assist market participants in considering how they might discharge the applicable obligations that are prescribed by MAR, in particular in respect of surveillance systems and controls that are required pursuant to Article 16 MAR⁵.

It is important to highlight that the Guidelines:

- do not constitute regulatory rules or formal regulatory guidance, but rather they have been designed to assist members with the interpretation of, and evidencing compliance with, MAR; and
- have not been endorsed by the FCA, or any other regulator or a Trading Venue, as defined below (together, a regulatory body).

1 FIA is the leading global trade organisation for the futures, options and centrally cleared derivatives markets, with offices in Brussels, London, Singapore and Washington, D.C. FIA’s membership includes clearing firms, exchanges, clearing houses, trading firms and commodities specialists from more than 48 countries as well as technology vendors, lawyers and other professionals serving the industry. FIA’s mission is to support open, transparent, and competitive markets; protect and enhance the integrity of the financial system; and promote high standards of professional conduct. As the principal members of derivatives clearing houses worldwide, FIA’s member firms play a critical role in the reduction of systemic risk in global financial markets. Further information is available at www.fia.org.

2 <https://fia.org/articles/fia-afme-bba-and-isda-respond-fca-handbook-changes-relating-mar>.

3 <https://www.fia.org/resources/spoofing-how-deal-tricky-offense-and-its-regulatory-guidelines>.

4 MAR came into effect on 3 July 2016.

5 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014R0596>.

Accordingly, compliance with such Guidelines does not preclude a regulatory body from taking investigatory or enforcement action against a market participant in the event that such regulatory body considers that there has been a breach or potential breach of its rules.

The Guidelines are not, and are not intended to be, an exhaustive or comprehensive compliance framework for market participants who are subject to requirements under MAR. Rather, it is intended that the Guidelines provide a useful implementation standard, which should be proportionate to a market participant's size, scale and strategy. The Guidelines should not be read prescriptively; a market participant could demonstrate that it is complying with the spirit of the Guidelines using alternative methods, policies or procedures. A market participant should always seek its own advice if it requires further assistance in respect of the interpretation of MAR, compliance with MAR, regulatory requirements more generally and / or the interpretation or implementation of the Guidelines.

These Guidelines have been produced in consultation with a variety of market participants who make up FIA's member base. The Guidelines do not consider either: (i) the implications of the UK leaving the European Union; or (ii) any adaptations to market abuse surveillance frameworks that may be required as part of widespread working from home arrangements, such as those used during the COVID-19 pandemic.

2 SCOPE

The Guidelines have been drafted to address market abuse systems and controls that a market participant is required to have pursuant to Article 16 MAR. These Guidelines are not directly aimed at operators of a Trading Venue, which are also subject to the requirements under Article 16 MAR. However, many of the Guidelines will be relevant to those operating a Trading Venue, as the requirements on Trading Venues and market participants are broadly aligned.

Although MAR is a requirement within the European Union, the Guidelines have been drafted to consider specifically the requirements within the United Kingdom. In particular, statements and guidance from the Financial Conduct Authority (FCA) have been considered within these Guidelines⁶. Therefore, although reference is made to MAR, a market participant that is established in, or which may operate within, jurisdictions other than the UK should review any applicable local requirements and local regulatory guidance.

⁶ The FCA regularly releases Market Watches, which outline findings from work within the market, and specifically in respect of issues in relation to market abuse.

MAR has extra-territorial impact and any market participant that is trading an instrument that is listed on an EU Regulated Market, MTF or OTF (together a **Trading Venue**) is within the scope of MAR, irrespective of its place of incorporation or place of operation. Therefore, these Guidelines should be considered by any entity that is trading a product that is listed on a UK Trading Venue.

FIA's remit is to focus on exchange-traded and cleared derivatives. As such, the focus of the Guidelines is derivative instruments, specifically those that fit within the definition of "financial instrument" as defined in Part 4 of the Guidelines. A market participant considering these Guidelines may need to consider instrument specific factors when implementing systems and controls. This means that those derivatives that are covered by the Regulation on Wholesale Energy Market Integrity and Transparency (**REMIT**)⁷ are not within the scope of these Guidelines.

MAR empowers the European Commission to adopt delegated and implementing acts to specify how competent authorities and market participants are required to comply with the obligations set out within MAR. The Guidelines consider the obligations outlined within the commission delegated regulations. A full list of the implementing and delegated acts can be found in Appendix 1 to these Guidelines.

3 REGULATORY REQUIREMENTS

The substantive regulatory requirements on which these Guidelines are based are set out below. It is worth highlighting that additional regulatory guidance, such as FCA Market Watches, has also been considered when drafting these Guidelines.

3.1 Main requirement

- The overriding requirement that applies to a market participant is set out within Article 16 MAR and is as follows:

*"any person professionally arranging or executing transactions shall establish and maintain effective arrangements, systems and procedures to detect and report suspicious orders and transactions. Where such a person has a reasonable suspicion that an order or transaction in any financial instrument, whether placed or executed on or outside a trading venue, could constitute insider dealing, market manipulation or attempted insider dealing or market manipulation, the person shall notify the competent authority...without delay."*⁸

3.2 Additional regulatory requirements

⁷ Regulation (EU) No 1227/2011 (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32011R1227>).

⁸ Article 16(2) MAR (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014R0596>).

- There are a number of Commission Delegated Regulations that sit alongside MAR and which mandate additional requirements both in respect of the monitoring systems and the filing of STORs. Specifically, Commission Delegated Regulation (EU) 2016/957⁹ (the **CDR**) mandates regulatory technical standards with which firms must comply when implementing the appropriate systems as required by Article 16 MAR.
- Additional requirements placed on firms in respect of their market abuse systems and controls stem from various other regulatory rules and guidance.¹⁰

Within these Guidelines, MAR, the CDR and the FCA Financial Crime Guide (**FCG**) are, together, referred to as the **regulatory requirements**. The FCA's Market Watches should also be taken into account by market participants.

As outlined by the FCA in 2019, compliance with MAR requires a series of situational judgements to be made.¹¹ The Guidelines cover a number of topics where such situational judgements might have to be made. Each of these topics is likely to provide useful inputs for each judgement and will inform other controls. The concept of “feedback loops” is a recurring theme within market abuse systems and controls. A market participant should refine and enhance controls continuously and “feedback loops” will assist with this process. The reason for such continual development is that external factors (such as new products, new customers, changes or refinements to any risk assessment process or new or emerging risks) may give rise to the need to enhance, develop and change market abuse systems and controls. Therefore, when reviewing the Guidelines, a market participant should consider all of the inputs that it has and the systems that it uses for both the detection and prevention of market abuse.

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9 EU 2016/957 (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.160.01.0001.01.ENG&toc=OJ:L:2016:160:TOC).

10 FCA Financial Crime Guide: A firm's guide to countering financial crime risks (FCG) (<https://www.handbook.fca.org.uk/handbook/FCG/8/1.html>), specifically 8.1 and 8.2, FCA Market Watch newsletters, and specifically Market Watch 44, 45, 47, 48, 50, 51, 56 and 58 (the full list of Market Watch Newsletters can be found here https://www.fca.org.uk/publications/search-results?p_search_term=market%20watch&np_category=policy%20and%20guidance-newsletters&start=1&sort_by=dmetaZ). and Market Conduct (MAR) Sourcebook, specifically MAR 1 (<https://www.handbook.fca.org.uk/handbook/MAR/1/1.html>).

11 <https://www.fca.org.uk/news/speeches/market-abuse-requires-dynamic-response-changing-risk-profile>.

4 Definitions

Except where expressly set out in these Guidelines, the following words and phrases shall have the definitions set out below:

- **CDR** means Commission Delegated Regulation¹²;
- **CSMAD** means the criminal sanctions for market abuse directive¹³;
- **FCA** means the Financial Conduct Authority in the UK;
- **financial instruments** has the definition set out within MiFID¹⁴;
- **Guidelines** means FIA Guidelines for market participants in respect of Market Abuse Surveillance requirements prescribed under MAR when trading derivatives set out in this document;
- **MAD** means the Market Abuse Directive¹⁵;
- **MAR** means the Market Abuse Regulation¹⁶;
- **market participant** is a person professionally arranging or executing transactions;
- **MTF** means a Multilateral Trading Facility, as defined within MiFID;
- **MiFID** means the Markets in Financial Instruments Directive¹⁷;
- **OTF** means an Organised Trading Facility, as defined within MiFID;
- **REMIT** means the Regulation on Wholesale Energy Market Integrity and Transparency¹⁸;
- **regulatory body** is the FCA, or any other regulator or a Trading Venue;
- **Regulated Market** has the definition set out within MiFID;
- **STOR** means a suspicious transaction and order report; and
- **Trading Venue** means an EU or UK Regulated Market, MTF or an OTF.

Within these Guidelines words importing the singular include the plural and vice versa, and words importing a gender include every gender.

12 2016/957 (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.160.01.0001.01.ENG&toc=OJ:L:2016:160:TOC).

13 Directive 2014/57/EU (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014L0057>).

14 Article 4(1)(15) Directive 2014/65/EU (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0065>).

15 Directive 2003/6/EC (<https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32003L0006>).

16 Regulation (EU) No 596/2014 (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014R0596>).

17 Directive 2014/65/EU (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0065>).

18 Regulation (EU) No 1227/2011 (<https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32011R1227>).

5 MARKET SURVEILLANCE GUIDELINES

Market abuse risk assessments

Commentary

Although the requirement for a market abuse risk assessment is not mandated by MAR, such assessment is a well understood aspect of the “arrangements, systems and procedures aimed at preventing and detecting insider dealing, market manipulation or attempted insider dealing or attempted market manipulation”.¹⁹ Market participants should conduct a risk assessment to understand how best to overlay surveillance and address known risks. The risk assessment is also a helpful tool in prioritising the market participant’s work programme and making improvements to the surveillance system.

Risk assessments generally are designed to take into account behaviours that the market participant is likely to encounter, and factor in the fact that some behaviours may be more difficult to monitor for and identify than others. In some circumstances, and dependent upon the specific business model of the market participant, such behaviours may be identified as higher risk within any desk risk assessment or instrument risk assessment.

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Guidelines

- 5.1 A market participant should put in place a document that comprehensively assesses the risk posed by market abuse to the market participant (**risk assessment**).

Scope of risk assessment

- 5.2 A market participant should consider a risk assessment as an essential component of the market abuse systems and controls that it should implement.
- 5.3 To the extent appropriate, a market participant should consider how its risk assessment is integrated into any wider group risk assessment process.
- 5.4 A market participant should have a systematic approach to risk assessments.

¹⁹ Article 16(2) MAR.

This is likely to include, without limitation, undertaking the following steps:

- identifying the hazards posed;
- evaluating the harm and determining the precautions;
- recording the findings; and
- reviewing and updating of any risk assessment.

Identifying the hazards posed

- 5.5 A market participant should identify the full range of hazards that are posed as a result of its activities and the instruments it or its clients and / or counterparties deal in.
- 5.6 A market participant should consider a range of abusive behaviours, which represent the hazards, and consider whether such behaviours are applicable to the activities that it conducts (the **abusive behaviours**). The relevant abusive behaviours will be highly bespoke to the market participant, the instruments and markets in which it deals and the clients and / or counterparties with which the market participant transacts. Assessment of the relevant abusive behaviours should result in an effective evaluation of the relevant harms.
- 5.7 For the purposes of meeting Guideline 5.5, a market participant should consider the behaviours within MAR²⁰ but should not treat such behaviours as exhaustive.²¹ Consequently, a market participant should consider the broadest possible definition and should utilise the indicators and behaviours in MAR as guidance and as a tool to assist it in identifying all of the behaviours and indicators that may be relevant to the market participant.
- 5.8 A market participant should utilise the knowledge and information that their front office functions have by virtue of their roles. Such individuals are closest to the risks that are posed by the activities of a market participant as well as the controls that are in place. The use of such knowledge and information is likely to assist in the effective determination of precautions.
- 5.9 Where appropriate and proportionate, the risk and control self-assessment (**RCSA**) process should be used to assess the market abuse risks to which a market participant is exposed. To the extent that such a process is used, a market participant should require individual desks within its front office

²⁰ Annex 1 of MAR and the indicators of manipulative behaviour outlined within Commission Delegated Regulation 2016/522 of 17 December 2015.

²¹ Specifically, the FCA has indicated that this is not sufficient and market participants are at risk failing to identify, and therefore failing to detect and report, other types of market manipulation, which are within scope of the wider definition of market manipulation.

trading function to identify where the risks of market abuse arise. The results of such exercise should then be aggregated and recorded in writing to create an entity wide risk assessment for market abuse.

- 5.10 Where a market participant does not use an RCSA process, it should still aim to seek the assistance of its front office functions to identify the risks posed to the market participant. The results of such identification exercise should always be appropriately assessed and challenged by the second line function acting independently. The use of this process will assist the market participant in ensuring that it has identified the full suite of market abuse risks that it faces. A market participant should ensure that it does not make any front office function the “gatekeeper” of any risk assessments. Rather, a market participant should ensure that an appropriate second line function is the “gatekeeper”, with the governing body having ultimate accountability for the market abuse risk assessment. A market participant should ensure that it has fully evaluated the applicable risks that arise from both market manipulation and insider dealing.
- 5.11 A market participant should be aware of the risks that arise both from civil market abuse and criminal market abuse and ensure that both types of risk are included within any risk assessment. Civil market abuse refers to those abusive behaviours and practices that are identified in MAR, whereas criminal market abuse refers to those behaviours that are identified in the Criminal Justice Act 1993²² and the Financial Services Act 2012²³.

Evaluating the harm

- 5.12 A market participant should determine the harm posed by each of the relevant abusive behaviours by evaluating both the likelihood of the harm occurring and the extent of the harm that would be caused, if such harm were to occur.
- 5.13 A market participant should make this determination in accordance with any existing risk management framework that it has in place and should utilise the same metrics in order to ensure consistency across the entity. Where this is not possible, any metrics that are used by the market participant should be clearly explained and distinguished.
- 5.14 A market participant should have a clear understanding of the controls, and the effectiveness of such controls, that it currently uses to reduce inherent risk in order to reflect accurately the level of the residual risk and to enable it to develop and improve systems and controls on a continual basis.

²² Part V of the Criminal Justice Act 1993.

²³ Part VII of the Financial Services Act 2012.

Recording the findings

- 5.15 A market participant should record the findings of the quantification of risk in a comprehensive document, which will represent its documented risk assessment, in line with the risk assessment process that the market participant utilises.
- 5.16 The risk assessment should set out both the nature (i.e. manual or automated) and details of the specific controls that the market participant uses to reduce the residual risk and which are mapped to specific behaviours. This exercise should enable a market participant to understand the residual risk of each product that it trades.
- 5.17 A market participant should also record those abusive behaviours that it considers are not applicable to its business model and / or which are otherwise considered to be low risk and the accompanying rationale.
- 5.18 A market participant should ensure that it reviews and updates the risk assessment on an annual basis and whenever another trigger takes place, such as a business change, or product change (including the introduction of a new product).
- 5.19 A market participant should put in place pre-determined triggers that will prompt a review and update of the risk assessment in order to demonstrate that it is continually assessing risk. A market participant should be aware that a static risk assessment is not sufficient.
- 5.20 For each iteration of the documented risk assessment, the record keeping obligations set out within MAR and the CDR are applicable. That means that each iteration should be retained for a period of five years, as detailed within the record keeping Guidelines below.

Governance of the risk assessment

- 5.21 The governing body of a market participant is expected to understand and oversee market abuse risk within the market participant. Specifically, senior management²⁴ and the governing body should understand the risks that the market participant faces and how such risks are mitigated.
- 5.22 The governing body, or appropriate delegated committee of the governing body, must review and approve any documented risk assessment. Such review and approval should take place in respect of each of the documented

²⁴ As defined within Article 4(1)(37) Directive 2014/65/EU, this means “those persons who are a natural person, who exercise executive functions in common platform firms and who are responsible and accountable to the management body for the day-to-day management of the firm, including for the implementation of the policies concerning the distribution of services and products to clients by it and its personnel”.

risk assessments and the risk assessment process and should demonstrate that those items that are high risk have been specifically accepted. In the event that it is a delegated committee that signs off the risk assessment, the governing body should be provided with a copy of the risk assessment and this should be noted and recorded in the minutes of its meeting.

- 5.23 The risk assessment should be considered as a key input to the feedback loop mechanism described above in Part 3 “Regulatory requirements” above.

New product feed-in and changes to the business

- 5.24 New product approval processes or their equivalent should consider the market abuse risk posed by each new product and such risk should then be factored into the risk assessment. Any new surveillance alerts and surveillance procedures that are required for such new product should be in place prior to conducting any business in it.
- 5.25 A market participant should update the risk assessment when new products and new business lines are integrated so that the market participant has a comprehensive view of the market abuse risks that it faces.

Surveillance system

Commentary

Under MAR, market participants are required to have a “surveillance system”, which would include both manual and automated surveillance systems, as well as those policies and procedures that assist in the monitoring and detecting of market abuse. A surveillance system may be entirely manual, a mix of manual and automated systems or fully automated, with human intervention involved only in the review of alerts. The type of system that is used will ultimately be driven by the size, scale and complexity of the market participant’s business.

Guidelines

- 5.26 A market participant should establish and maintain effective arrangements, systems and procedures to detect and report suspicious orders and transactions, which are effective and appropriate to the size and nature of the business and which comply with the regulatory requirements (the **surveillance arrangements**).
- 5.27 A market participant should, with reference to its risk assessment and any applicable regulatory requirements (including in respect of specific types of business such as the provision of Direct Electronic Access), consider the level

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of automation that may be required for the purposes of such surveillance arrangements, taking into account:

- the number of transactions and orders that need to be monitored;
- the type of financial instruments that are traded;
- the frequency and volume of order and transactions; and
- the size, complexity, risk profile and / or nature of their business, (together, the **relevant factors**).

5.28 A market participant may take a hybrid approach to its surveillance arrangements and use a combination of manual and automated testing. Alternatively, and where appropriate in the light of the relevant factors, it may use an entirely manual system.

5.29 For the purposes of automated surveillance arrangements, a market participant may use either a proprietary system or a customised vendor based system. To the extent that a customised vendor is to be used, the market participant should: take all appropriate steps to conduct an appropriate tender process; carry out appropriate due diligence on the selected vendor; and implement the appropriate governance around any internal decision making process in respect of such selection.

5.30 A market participant should implement appropriate surveillance arrangements that apply to all those financial instruments in which it trades and it should regularly reconcile the coverage of such arrangements against its risk assessment.

5.31 A market participant should satisfy itself that it has the means, through a new business / product approval process or otherwise, of identifying any new financial instruments that should be the subject of the surveillance arrangements, taking into account the relevant factors when implementing such process.

5.32 A market participant should adequately resource its surveillance arrangements and should have an appropriate budget for the same in the light of the relevant factors.

5.33 A market participant should introduce robust and clear change management

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processes for the surveillance arrangements, including, without limitation: adequate testing of changes before they are introduced into the live environment; the adequate involvement of appropriate stakeholders, including Compliance and IT; and the provision of adequate oversight from the governing body.

- 5.34 A market participant should keep under regular review the operating parameters of any automated surveillance system to confirm that they remain appropriate and should record the outcome of any such review. In particular, an automated surveillance system should generate alerts that are appropriately tailored to the activity of a market participant, rather than being ready-made or off-the-shelf in nature.
- 5.35 A market participant should confirm that its surveillance arrangements, whether automated or manual, include the ability to produce alerts that require further analysis for the purposes of detecting behaviours that are in breach of the regulatory requirements.

Surveillance individuals and surveillance team

- 5.36 Alerts that have been generated through the surveillance arrangements should be evaluated by the appropriate individuals within the market participant (the **surveillance individuals**) in a timely manner in conjunction with other applicable contextual data (such as historic near-misses and STORs as relevant) and, through discussions with traders and trading management, where appropriate and provided that doing so does not give rise to any conflicts of interest.
- 5.37 The number of surveillance individuals that are required to review the alerts should be considered by the market participant in the light of the relevant factors and they should, in any event, be of appropriate seniority and experience.
- 5.38 The surveillance individuals should be independent and, in particular:
 - should not be involved in the performance of services or activities that they monitor; and
 - the way that they are remunerated should not compromise their objectivity nor be likely to do so.
- 5.39 The surveillance individuals should be trained appropriately in respect of their responsibilities and in accordance with the training requirements below.
- 5.40 The surveillance individuals may, depending upon the application of the relevant factors, sit within Compliance. Alternatively, they may sit within a self-contained team of surveillance individuals (the **surveillance team**).

- 5.41 A surveillance team should have a clear delegation of responsibilities, whether from the governing body or a risk committee or other internal committee, as appropriate, and should have a formal written terms of reference or equivalent, as the market participant considers appropriate.
- 5.42 A surveillance team should meet regularly and it is recommended that the key discussion points of such meetings are appropriately documented and any action items are appropriately identified and tracked to completion.
- 5.43 A surveillance team or surveillance individuals, as appropriate, should put in place appropriate written procedures that set out, without limitation, the operation of the surveillance arrangements, the parameters that are in place, the process for reviewing and closing out alerts, the procedure for making a STOR, and the applicable governance requirements (the surveillance procedures).
- 5.44 A market participant should implement appropriate reporting lines for a surveillance team, or surveillance individuals, as appropriate, which are appropriately documented. Such reporting lines should be set out in terms of the individual reporting lines that are in place within the team and the team's reporting lines at the organisational level.
- 5.45 A market participant should apportion the responsibilities of the surveillance team appropriately.
- 5.46 To the extent that the surveillance arrangements comprise an automated system, the market participant should have in place appropriate detection processes to allow it to identify, with immediate effect, when the automated system has failed (including, without limitation, where a component part of such system has failed, an alert has failed or where a data feed has failed). Such failure should be notified to the surveillance team or the surveillance individuals, as appropriate, or to the appropriate IT team. To the extent that it is an IT team that is notified in the first instance, the market participant should require such team to escalate the issue immediately to the surveillance team or surveillance individuals, as appropriate, in accordance with a written process, which is reviewed and updated in line with the record keeping requirements below.

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STORs and near-misses

Commentary

STORs and near-misses are an essential regulatory tool for regulators to understand market integrity and activity within the market. STORs are also a tool that the FCA utilises to commence investigations into potential criminal activity or civil infractions. The regulatory requirements set out a number of prescriptive requirements in respect of the filing of STORs and record keeping of STORs and near-misses. However, such requirements do not prescribe the governance and internal arrangements that are required in respect of STORs and near-misses. Each of these is an evolving area for market participants who should use other aspects of the feedback loop to develop their STOR and near-miss processes more generally.

A market participant is required to have arrangements, systems and procedures that allow for the analysis, individually and comparatively, of each and every transaction executed and order placed, modified, cancelled or rejected in the systems of the Trading Venue and, in the case of persons professionally arranging or executing transactions, outside of a Trading Venue. Such arrangements should cover both the activities of the market participant, as well as the activities of any client / counterparty. The systems are also required to produce alerts indicating activities requiring further analysis for the purposes of detecting potential insider dealing or market manipulation or attempted insider dealing or market manipulation.²⁵

...a market participant must have appropriate systems and controls to ensure that the STOR can be made without delay, regardless of whether it relates to or a client / counterparty or a member of the market participant's staff.

The regulatory requirements require a market participant to submit a STOR without delay once a reasonable suspicion of actual or attempted insider dealing or market manipulation is formed. As such, a market participant must have appropriate systems and controls to ensure that the STOR can be made without delay, regardless of whether it relates to or a client / counterparty or a member of the market participant's staff.

It should be noted that there is a requirement to ensure that a market participant does not notify the subject of the STOR once it has been made, and information about the STOR filing should be kept confidential and only circulated on a "need to know basis".

²⁵ Article 3(b) CDR.

Guidelines

Alert to STOR process and governance

- 5.47 A market participant must ensure that alerts are generated from its surveillance system, whether it is manual or automated in nature, in order to ensure that it can carry out a timely review of such alerts.
- 5.48 A market participant should have an appropriate escalation framework in place that allows for the categorisation of alerts (the **STOR escalation framework**). Specifically, a market participant may consider implementing a system whereby it is able to categorise alerts according to the level of seriousness and the stage of investigation that the alert has reached at any point in time or the stage that it had reached at the point that it was closed.
- 5.49 Good practice would include the use of tiered alerts, which allow for the entire life cycle between the alert being generated and the submission of the STOR to be tracked. A tiered alerts system may also assist in the presentation of meaningful management information (**MI**) to the governing body.
- 5.50 Tiers may be segregated by the escalation level that the alert has reached. For instance, the lowest level of alert may be one that has just been raised, compared to the highest level of alert, which is one that has given rise to the submission of a STOR. A market participant should, where appropriate, identify an tier system that is appropriate to the size and the scale of the market participant.

Alert timeframes

- 5.51 The surveillance team or surveillance individuals, as appropriate, should clear alerts as a priority and, to the extent that an alert requires further investigation, such investigation should be carried out in a timely manner. A tiered escalation system may assist with the processing and/or investigation in a timely manner once an alert has been generated.
- 5.52 The surveillance team or surveillance individuals, as appropriate, should consider each alert on its merits and on an individual basis, and determine whether each alert gives rise to suspicion.
- 5.53 The surveillance team or surveillance individuals, as appropriate, should compare the alerts being generated in respect of a counterparty and / or client to identify whether activity is suspicious. Historic alerts may be re-examined in the light of new alerts and such examination, which takes into account both the historic and new alerts, may result in the threshold of reasonable suspicion being reached.
- 5.54 The surveillance team or surveillance individuals, as appropriate, should balance the need to investigate alerts properly against the requirement to report a STOR without delay. Such investigation may include a comparison

of alerts or discussions with the party who is the subject of the alert, which are carried out in accordance with Guidelines 5.58 to 5.60. However, this process should be expedited to ensure that the alert can be closed promptly.

- 5.55 A market participant is only required to establish that *a suspicion* has arisen in relation to market manipulation, attempted market manipulation, insider dealing or attempted insider dealing when making a STOR. A market participant is not required to conduct a detailed investigation to determine whether market manipulation or insider dealing, or attempted market manipulation or attempted insider dealing has, in fact, occurred.

Dialogue with clients and / or counterparties in respect of alerts

- 5.56 A market participant should have an appropriate written methodology for investigating alerts.
- 5.57 A market participant may determine that such investigation should include discussing incidents with the subject of the alert, which may include posing specific questions to the subject.
- 5.58 Any such dialogue with the subject of the alert should be carried out in a manner that is carefully controlled and Compliance should always be a key participant.
- 5.59 If the market participant wishes for a representative, other than a member of Compliance, to take part in such dialogue, then their communications should be pre-approved by Compliance and Compliance should be present during any real-time discussions. Records should be kept of all communications with clients and / or counterparties.
- 5.60 A market participant should be acutely aware of the regulatory requirement that sets out that the subject of the STOR should not be notified that a STOR has been made in respect of its activity (so called **tipping off**). A market participant should consider the risk of tipping off during any interaction with subject of the STOR, and carefully manage the interaction to mitigate against any risk of tipping off.

Closure of alerts and governance

- 5.61 A market participant should implement appropriate levels of sign off for the closure of alerts. This may be related to any tier system that is implemented. In particular, if an alert has required further investigation and dialogue with the subject of the alert, then the market participant should consider whether the analyst who conducted the initial review has sufficient authority to close the alert, or whether additional levels of more senior sign off may be required to close such an alert.
- 5.62 A market participant should establish the number of alerts that an analyst

may close at once. Specifically, a market participant should have in place appropriate procedures that outline the authority and seniority of those individuals who are able to close alerts in bulk and which set out the circumstances in which bulk closures may be appropriate.

- 5.63 A market participant should periodically carry out appropriate quality assurance checks of closed alerts on a sample basis. Such checks should be undertaken by an appropriately senior member of the surveillance team or an appropriately senior surveillance individual, to ensure that alerts are being closed appropriately, and with sufficient evidence to provide a rationale for the reason for closure.
- 5.64 When analysing an alert, information in respect of the analysis should be kept confidential and only circulated on a “need to know” basis, in order to reduce the risk that the subject or front office functions are informed that a STOR is being contemplated.

Definition of near-misses

- 5.65 A market participant should have an appropriate and adequate definition of what constitutes a near-miss within its procedures and policies. This will assist with the collation of the correct information and orderly record keeping.
- 5.66 A market participant may elect to align the definition of near-miss to the tiered escalation framework for alerts, to the extent it has in place such a framework. Where a market participant utilises a tier system, it may automatically deem that any alert that has reached a certain tier is deemed a “near-miss” (unless the alert has given rise to the submission of a STOR). This is because such an alert would have been investigated in some depth and, as such, would be considered to be a near-miss. A market participant should note the record keeping requirements set out in these Guidelines in respect of near-misses.

Sample testing

- 5.67 A market participant should regularly conduct appropriate and proportionate sample testing of alerts and escalations with a view to obtaining useful feedback in respect of the operation of its surveillance arrangements, for example, in respect of the parameters and alerts that it uses. Such sample testing may take place, for example, as part of an audit review or as part of a compliance monitoring programme or equivalent.

STOR filing

- 5.68 A market participant should appoint an individual with appropriate authority to carry out the filing of the STOR through the FCA’s Connect platform.

Accordingly, a market participant should carefully consider who has user permissions for Connect and who is able to file a STOR.

- 5.69 A market participant should implement appropriate oversight arrangements in respect of a STOR filing and Compliance, and in most instances the Head of Compliance or equivalent, should oversee the filing of the STOR.
- 5.70 Ordinarily, it would be expected that Compliance, and in most circumstances the Head of Compliance or equivalent, or an appropriate individual acting on their behalf, files the STOR. Where a delegate files a STOR, the Head of Compliance or equivalent, should be named as the relevant individual that should be contacted to discuss the STOR and who should be involved in any further dialogue with the FCA.
- 5.71 A market participant should not “bulk” report activity under a STOR, and instead a STOR should be made when it has a reasonable level of suspicion.
- 5.72 Once a market participant has filed a STOR, the fact that such a filing has been made should be kept confidential and should not be disclosed to front office functions or the subject of the STOR (if different). A market participant should note the record keeping requirements set out in these Guidelines in respect of STORs.
- 5.73 A market participant should provide appropriate information to the management body in respect of STORs.

Suspicious Activity Reports

- 5.74 Suspicious Activity Reports (**SARs**) are required to be made under money laundering legislation²⁶ where money laundering occurs. Money laundering²⁷ may be suspected where property stems from a criminal activity, and therefore is criminal property. Therefore, when a criminal market abuse offence occurs, a market participant should consider whether a SAR is needed.
- 5.75 A market participant should build in consideration of whether a SAR needs to be made into its surveillance procedures.
- 5.76 A market participant should implement appropriate processes that allow for the contents of a STOR to be shared with its Money Laundering Reporting Officer (**MLRO**), or equivalent, as appropriate, so that the MLRO or equivalent can consider whether a SAR needs to be made. Such processes should be designed to limit information flow to as few individuals as possible, so

²⁶ Specifically, the requirement to file a suspicious activity report under the Proceeds of Crime Act 2002 exists in respect of information that comes to MLRO in the course of their business if the MLRO knows, or suspects or has reasonable grounds for knowing or suspecting that a person is engaged in, or attempting, money laundering or terrorist financing.

²⁷ Money laundering as defined by s 340(11) Proceeds of Crime Act 2002.

that details about the STOR are not disseminated unnecessarily. In the event that a market participant does not have a separate MLRO or equivalent, Compliance should consider whether a SAR needs to be made.

Market observations

- 5.77 A market participant should note that market observations are a valuable information tool for the FCA and it should use market observations where appropriate.
- 5.78 A market participant should be aware that market observations are not a replacement for STORs and should not be considered as such. Therefore, if the threshold for a STOR has been met, then a STOR should be filed instead.

Audit and annual review

Commentary

The audit and annual review of the surveillance arrangements mandated by MAR does not prescribe a specific scope of form of review, and as such, a market participant retains discretion as to how to conduct the review in practice. Such audit and annual review processes are not only a requirement within MAR, but provide a helpful tool to enable a market participant to assess continually its progress in respect of its surveillance arrangements, risk assessment process and MI.

Guidelines

- 5.79 A market participant should review the surveillance arrangements and the STOR escalation framework on an annual basis (the **annual review**).
- 5.80 The annual review may be carried out by an external adviser or by Compliance, as appropriate. However, to the extent that Compliance also consists of the surveillance individuals, a market participant could use either an external adviser or its internal audit team, as applicable, for the purposes of such review.
- 5.81 The annual review should be documented in writing, by way of a formal report, and should identify appropriate actions. Each action should, without limitation, have a proposed responsible owner, a proposed accountable owner and a proposed completion date and each should be tracked to completion.
- 5.82 Such formal report should be provided to the governing body of the market participant for consideration and review. The governing body should be regularly updated on the progress in respect of the completion of the actions that have been identified.

Training

Commentary

The regulatory requirements prescribe that training must occur, but they do not prescribe the format or the frequency. As such, market participants need to make a series of situational judgements to determine the most appropriate format and frequency of training for all individuals who are engaged by the market participant. Training also enhances the ability of such individuals to identify and escalate suspected market abuse.

Guidelines

- 5.83 A market participant should put in place an appropriate annual training programme in respect of the regulatory requirements (the **market conduct training programme**).
- 5.84 The market conduct training programme should be provided on a risk-based approach, in the light of the relevant factors and should be reflective of the variety of roles carried on by the market participant’s staff. This would mean, for example, that front office functions and the surveillance team or surveillance individuals, as appropriate (together the **key training population**) should receive appropriate training in the light of the criticality of their roles.
- 5.85 A market participant should have an appropriate definition of staff for the purposes of implementing the market conduct training programme that is described in Guideline 5.84 above and should also include, without limitation, contractors, consultants and fixed term employees.
- 5.86 The market conduct training programme should be assessed at the end of each annual cycle by Compliance to confirm that it remains appropriate and to identify, where appropriate, any enhancements that can be made for the following annual cycle.
- 5.87 Training to the key training population should:
- be targeted and bespoke to the specific business line / desk and reflect the particular market abuse risks that apply in respect of such business line / desk;

The market conduct training programme should be assessed at the end of each annual cycle by Compliance to confirm that it remains appropriate and to identify, where appropriate, any enhancements that can be made for the following annual cycle.

- take a variety of forms, including face-to-face training sessions, workshops, and e-learning (with such training to be provided either internally or externally, as appropriate and in the light of the relevant factors);
- incorporate, to the extent possible, real life examples or case studies that have arisen within the market participant (with the appropriate anonymisation or redaction as appropriate); and
- include “lessons learnt” training following significant internal events (where confidentiality obligations allow) and external / market driven events.

5.88 Training to the surveillance team or surveillance individuals, as appropriate, should include, without limitation, the use of the surveillance arrangements, the documentation requirements, the approach to the setting of the parameters, the approach with respect to the evaluation of alerts and the timescales for the same, and the applicable regulatory requirements.

5.89 To the extent that a market participant uses an IT team to assist with the design, provision and implementation of the surveillance arrangements, appropriate training should also be provided to such teams, which should include, without limitation:

- information in respect of the market participant’s regulatory status (to the extent applicable);
- the importance of complying with the regulatory requirements through the implementation of effective surveillance requirements and the consequences of a failure to comply; and
- details of appropriate procedures that allow the IT team to escalate such issues as the market participant considers necessary in respect of the surveillance arrangements.

Such training for the IT team is particularly important in groups that are wholly or largely unregulated or that rely upon group shared services models.

5.90 Outside of the key training population, a market participant should provide appropriate training to its other staff, which covers the regulatory requirements in such detail as the market participant considers to be appropriate in the light of the relevant factors.

5.91 The market participant should implement an appropriate escalation and disciplinary process for failure to complete training.

Documentation

Commentary

Documentation is key in evidencing the arrangements and procedures that the market participant uses to comply with the regulatory requirements. It forms an important part of any controls framework and the market participant's approach in respect of implementing the regulatory requirements.

Guidelines

- 5.92 The market participant should implement appropriate procedures, policies, manuals, processes and such other documentation in respect of the regulatory requirements (the **relevant documentation**).
- 5.93 The relevant documentation should:
- be readily accessible, effective and understood by the intended audience;
 - interrelate effectively within a cogent document architecture;
 - be reviewed by the market participant at least annually and, in any event, whenever a change in law or regulation necessitates such review and update;
 - be reviewed regularly by an independent party (e.g. an external adviser or the market participant's internal audit team, as applicable); and
 - be subject to effective documentation control arrangements to allow for its effective review and update.

Oversight

Commentary

The Senior Managers and Certification Regime (**SMCR**) has enhanced regulatory focus on the need for appropriate oversight and accountability within authorised and regulated entities. However, even prior to the introduction of this regime, it was expected that senior management and the governing body of a market participant should have sufficient oversight of the risks of market abuse to which it is exposed, as well as the controls that are in place to mitigate such risks.

Although not all market participants are entities that are subject to SMCR, all market participants are nevertheless expected to have in place appropriate arrangements to clearly allocate responsibilities and for the governing body and senior management to demonstrate appropriate oversight. Such oversight includes the provision of effective and robust MI which allows the market participant to interrogate data meaningfully and to assess the effectiveness of the surveillance arrangements.

Guidelines

5.94 Appropriate MI should be provided by the surveillance team or the surveillance individuals, as appropriate, to the governing body in respect of the surveillance arrangements at each meeting of the governing body. Such MI should be, where possible, standardised, comprise a combination of quantitative and qualitative analysis and should include, without limitation, in respect of the relevant time period:

- progress in respect of completed compliance training in respect of the regulatory requirements;
- number of alerts generated as a total;
- number of false positives;
- number of true positives;
- number of alerts generated per parameter;
- number of alerts investigated and closed out because no action was required;
- number of open alerts;
- number of near-misses;
- significant correspondence with a regulatory body in respect of the regulatory requirements and / or surveillance arrangements;
- significant advice in respect of the regulatory requirements and / or surveillance arrangements;
- significant legal and regulatory developments in respect of the regulatory requirements and / or surveillance arrangements;
- resourcing and / or staff updates in respect of the surveillance team or surveillance individuals, as appropriate;
- number of STORs that have been reported on an anonymised basis;
- number of clients and/or counterparties that have been off-boarded;
- number of outages affecting the surveillance arrangements presented in such form as the market participant considers to be appropriate; and
- any upcoming changes, upgrades and software amendments, as applicable, that are being made to the surveillance arrangements.

- 5.95 To the extent appropriate, the MI should also include data in respect of previous relevant time periods, as applicable, and as the market participant considers appropriate, to allow the governing body to carry out appropriate trend analysis.

Client relationship management

Commentary

The regulatory requirements make specific mention of the need for a market participant to evaluate whether to terminate a client and / or counterparty relationship, in the event that a number of STORs have been filed in respect of such client and / or counterparty's activities.²⁸

Guidelines

- 5.96 A market participant should put in place appropriate arrangements for the termination of client and / or counterparty relationships. Depending on the application of the relevant factors, and the market participant's governance approach, the market participant may conclude that Compliance, and in most cases the Head of Compliance or equivalent, should ultimately make the decision as to whether a client and / or counterparty is terminated or, alternatively, that an appropriate internal committee, with delegated authority from the governing body, should do so. This determination will be dependent, without limitation, upon the level of regulatory risk that the client and / or counterparty poses to the market participant, and the nature and frequency of alerts.
- 5.97 A market participant should evidence that it has made a balanced decision in respect of the question of whether to terminate a client and / or counterparty relationship and it should ensure that any applicable commercial factors are not given undue weight.

²⁸ Financial Crime Guidelines 8.2.2 / 8.2.3.

Record keeping

Commentary

Record keeping is mandated by the regulatory requirements for a period of five years. The regulatory requirements set out that all documentation relating to the surveillance arrangements and the transmission of STORs should be kept. A number of market participants are also likely to be subject to MiFID record keeping requirements, although those requirements are not covered in depth in these Guidelines. However, a market participant should note that the MiFID record keeping requirements require firms to retain orderly records its business and internal organisation. Such orderly records are likely to include items highlighted within the Guidelines below, as well as other documentation that is not directly related to market abuse.

The regulatory requirements set out that all documentation relating to the surveillance arrangements and the transmission of STORs should be kept.

Guidelines

- 5.98 A market participant should maintain the following records, without limitation and as applicable:
- surveillance team procedures or procedures used by the surveillance individuals;
 - surveillance team terms of reference;
 - surveillance team meeting minutes;
 - documentation associated with the close out of any action items by the surveillance team or surveillance individuals;
 - files, notes and / or documentation associated with the investigation of alerts, whether closed out or that generate a STOR;
 - the risk assessment;
 - compliance documentation (e.g. compliance manual, policies, procedures, laminates, help sheets etc. that are used for specific desks in respect of the regulatory requirements);
 - escalation procedures;
 - appropriate records in respect of the surveillance arrangements including, for example, details of the systems that are used, the parameters that are in place, the review process for testing operating parameters, the approach to testing if manual and automated arrangements are used and the change management process;

- effective training records that should include, without limitation, attendance sheets in respect of each training session and copies of the presentations that were provided;
- all documentation associated with the appointment, selection and implementation of a vendor based automated system;
- organograms of Compliance and / or surveillance team and / or surveillance individuals, as appropriate and reporting lines within the organisation and within the team itself;
- the reports and working papers associated with the annual review as described in Guideline 5.79 above;
- STOR filings and near-misses;
- MI as described in Guideline 5.94 above;
- agendas and accompanying papers that have been prepared for the purposes of the meetings of the governing body to the extent that the content relates to the regulatory requirements and / or surveillance arrangements and / or any other aspect of these Guidelines; and
- minutes of the meetings of the governing body to the extent that the content relates to the regulatory requirements and / or surveillance arrangements and / or any other aspect of these Guidelines.

5.99 The market participant should put in place the appropriate internal arrangements to allow for the records set out in Guideline 5.98, and any other records, to be retained for such period as is necessary to comply with the regulatory requirements, and any applicable record keeping requirements that the market participant has in place.

5.100 A market participant's record keeping and documentation arrangements should allow it to retrieve and / or search for data promptly and efficiently and to respond to a request from a counterparty or from a regulatory body, whether as part of a regulatory investigation, regulatory review, regulatory investigation or equivalent, routine correspondence or otherwise (the **regulatory demand**).

5.101 A market participant should put in place appropriate arrangements that allow it to deal effectively with the receipt of a regulatory demand. Such arrangements should set out who is responsible for managing the regulatory demand, who has the authority to sign off the response to the regulatory demand, who are the key internal stakeholders that can help with dealing with the regulatory demand or who otherwise need to be advised and the details of any external advisers whose expertise or assistance may be required in order to respond effectively to the regulatory demand.



Surveillance and Market Practices

5.102 A market participant should ensure that front office staff have appropriate training in respect of the handling of a regulatory demand and to ensure that they do not respond to a regulatory demand without oversight and input from Compliance.

5.103 A market participant should have in place appropriate and adequate dawn raid procedures.

APPENDIX

List of Delegated Regulations, Implementing Regulations and Delegated Acts for the Market Abuse Regulation

Legal basis (individual article)	Type of act	List of acts
4(4)	RTS	Commission Delegated Regulation (EU) 2016/909 of 1 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the content of notifications to be submitted to competent authorities and the compilation, publication and maintenance of the list of notifications (Text with EEA relevance)
4(5)	ITS	Commission Implementing Regulation (EU) 2016/378 of 11 March 2016 laying down implementing technical standards with regard to the timing, format and template of the submission of notifications to competent authorities according to Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)
5(6)	RTS	Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures
6(5)	DA	Commission Delegated Regulation (EU) 2019/461 of 30 January 2019 amending Delegated Regulation (EU) 2016/522 as regards the exemption of the Bank of England and the United Kingdom Debt Management Office from the scope of Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)

DA = Delegated Act

ITS = Implementing Technical Standards

RTS = Regulatory Technical Standards

Continued

Legal basis (individual article)	Type of act	List of acts
6(5), 12(5), 17(2), 17(3), 19(3), 19(14)	DA	Commission Delegated Regulation (EU) 2016/522 of 17 December 2015 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards an exemption for certain third countries public bodies and central banks, the indicators of market manipulation, the disclosure thresholds, the competent authority for notifications of delays, the permission for trading during closed periods and types of notifiable managers' transactions (Text with EEA relevance)
11(9)	RTS	Commission Delegated Regulation (EU) 2016/960 of 17 May 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the appropriate arrangements, systems and procedures for disclosing market participants conducting market soundings (Text with EEA relevance)
11(10)	ITS	Commission Implementing Regulation (EU) 2016/959 of 17 May 2016 laying down implementing technical standards for market soundings with regard to the systems and notification templates to be used by disclosing market participants and the format of the records in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)
13(7)	RTS	Commission Delegated Regulation (EU) 2016/908 of 26 February 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council laying down regulatory technical standards on the criteria, the procedure and the requirements for establishing an accepted market practice and the requirements for maintaining it, terminating it or modifying the conditions for its acceptance (Text with EEA relevance)

DA = Delegated Act

ITS = Implementing Technical Standards

RTS = Regulatory Technical Standards

Continued

Legal basis (individual article)	Type of act	List of acts
16(5)	RTS	Commission Delegated Regulation (EU) 2016/957 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the appropriate arrangements, systems and procedures as well as notification templates to be used for preventing, detecting and reporting abusive practices or suspicious orders or transactions (Text with EEA relevance)
17(10)	ITS	Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)
18(9)	ITS	Commission Implementing Regulation (EU) 2016/347 of 10 March 2016 laying down implementing technical standards with regard to the precise format of insider lists and for updating insider lists in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)
19(15)	ITS	Commission Implementing Regulation (EU) 2016/523 of 10 March 2016 laying down implementing technical standards with regard to the format and template for notification and public disclosure of managers' transactions in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)

DA = Delegated Act

ITS = Implementing Technical Standards

RTS = Regulatory Technical Standards

Continued

Legal basis (individual article)	Type of act	List of acts
20(3)	RTS	Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest (Text with EEA relevance)
25(9)	ITS	Commission Implementing Regulation (EU) 2018/292 of 26 February 2018 laying down implementing technical standards with regard to procedures and forms for exchange of information and assistance between competent authorities according to Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (Text with EEA relevance.)
32(5)	DA	Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards reporting to competent authorities of actual or potential infringements of that Regulation
33(5)	ITS	Commission Implementing Regulation (EU) 2017/1158 of 29 June 2017 laying down implementing technical standards with regards to the procedures and forms for competent authorities exchanging information with the European Securities Market Authority as referred to in Article 33 of Regulation (EU) No 596/2014 of the European Parliament and of the Council (Text with EEA relevance)

DA = Delegated Act

ITS = Implementing Technical Standards

RTS = Regulatory Technical Standards

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