



## Participant Notice

Ref: PN19/01

Dated: 10th April 2019

From: Participant Services

**Subject: Confirmation of Conditional Amendments to the Cboe UK Rule Book and Participant Manual, Publication of Cboe EU Rule Book and Participant Manual and Statement on Transaction Reporting.**

This Notice confirms a number of amendments to the Cboe Europe Ltd. (“Cboe UK”) Rule Book and Participant Manual to become effective in the event that the United Kingdom leaves the European Union with either no implementation period (a “no-deal Brexit”) or at the end of any agreed transition period. Final versions of the Cboe Europe B.V. (“Cboe EU”) Rule Book and Participant Manual are also published.

### Transaction Reporting

Cboe encourages Participants to carefully consider implications of the respective rules for transaction reporting when trading on either Cboe Europe market from outside the relevant jurisdiction in the event that the U.K and/or the E.U. treats the other as a “third country”.

Cboe UK is required to transaction report for transactions conducted on the RIE by members who are not UK regulated, except for EEA firms operating through a branch, and who are subject to FCA transaction reporting requirements under the temporary permissions regime. Cboe EU is required to transaction report on behalf of any non-EEA members trading on its markets.

The FCA publication (01/02/2019) on FIRDS and Transaction Reporting recognises the scale and complexity this requirement brings for the industry with a very short implementation period and is thus not taking a strict liability approach in a no-deal Brexit scenario where there is evidence that firms have taken reasonable steps to prepare to meet the new obligations by exit day. However, the FCA publication makes it clear that firms, including market operators, must be able to back-report any missing, incomplete or inaccurate information.

Given the FCA statement, firms who have failed to certify for at least one of the transaction reporting solutions offered by Cboe by exit day will not have their services suspended during an initial period, albeit, firms will be considered in breach of Cboe Rule (5.3) until rectified. Furthermore, if Cboe does not see evidence that Participants are attempting to develop the capability to provide the required information, Cboe reserves the right to suspend access or take other disciplinary action. Moreover, any firm that continues to trade and is unable to comply with the regime at the time of the UK’s withdrawal from the EU in a no-deal Brexit will need to be able to back-report missing, incomplete or inaccurate transaction reports as soon as possible by certifying for one of the solutions offered by Cboe.



Cboe EU will be taking the same approach as outlined above for activity by non-EEA members on Cboe EU markets.

Cboe expects Participants to communicate if they foresee any issues with the requirement to back-report missing, incomplete or inaccurate transaction reports.

Marked up versions of the amended Cboe UK Rule Book and Participant Manual are attached to this Notice and will also be made available on the Cboe website at the following link:

<http://markets.cboe.com/europe/equities/regulation/>

Clean versions of the Cboe EU Rule Book and Participant Manual are attached to this notice and will also be made available on the Cboe website at the following link:

<http://markets.cboe.com/europe/equities/regulation/>

Any queries about the change should be addressed to Participant Services at [ParticipantServicesEurope@cboe.com](mailto:ParticipantServicesEurope@cboe.com) or +44 (0) 20 7012 8927.

A summary of the changes to the Rule Book and Participant Manual is provided in the table below.

Rule Book: summary of amendments between RIE version 13 and RIE version 14

Page	Amendment
Cover	Change of date, change of version number
Pg. 4	Additional text surrounding implementation of EU legislation into UK law following the UK's exit from the EU
Pg. 6	Amended text regarding the definition of "Competent Authority"
Pg. 11	Additional text to include the FCA under "Regulator"
Pg. 13	Additional text to include "UK regulated" Participants under eligibility criteria
Pg. 16	Additional text setting out transaction reporting requirements following the UK's departure from the EU without a deal
Pg. 26	Additional text to include the UK Listing Market



Participant Manual: summary of amendments between RIE version 37 and RIE version 38

Page	Amendment
Cover	Change of date, change of version number
Pg. 4	Additional text surrounding implementation of EU legislation into UK law following the UK's exit from the EU
Pg. 33-34	New section detailing transaction reporting for Participants that are not a UK investment firm or credit institution