



## ARM – Approved Reporting Mechanism



### Scope of the service

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The Approved Reporting Mechanism (ARM) service supports the reporting of details of transactions concluded in traded financial instruments to the competent supervisory authority in accordance with the requirements of Article 26(1) MiFIR. The reports cover transactions concluded in traded instruments or in instruments where the underlying instrument is traded (TOTV - traded on a trading venue). The trade venue is irrelevant: trades can be made on the market or over the counter.

### European passport

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KDPW acts as an intermediary for the transmission of trade details under the authorisation for the ARM service. The direct supervision of the ARM service operated by KDPW is exercised by ESMA.

Reports are submitted by the ARM to the supervisory authority with jurisdiction over the registered office of the investment firm or credit institution obliged to report. At this time, KDPW has the operational capacity to transmit reports to the following supervisory authorities:

- Commission de Surveillance du Secteur Financier (Luxembourg)
- Komisja Nadzoru Finansowego (Poland)
- Malta Financial Services Authority (Malta)
- Portuguese Securities Market Commission (Portugal)
- Cyprus Securities and Exchange Commission (Cyprus)
- Czech National Bank (Czech Republic)
- Federal Financial Supervisory Authority (Germany)
- Narodna Banka Slovenska (Slovakia)
- Financial Market Authority (Austria)
- Financial and Capital Market Commission (Latvia)
- Hellenic Capital Market Commission (Greece)

### **Tailored to clients' needs**

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KDPW offers a reporting service tailored to clients' needs and supports the transmission of complete required data or use by KDPW of transaction data from markets operated by the Warsaw Stock Exchange or BondSpot (in the case of reports for transactions concluded on these markets). This simplified trade reporting model allows participants to significantly reduce the volume of data transmitted in the process of performing their obligations under MiFIR.

KDPW's ARM system checks trade reports in accordance with the regulator's validation table, ensuring that the reports are correct before they are submitted to the regulator.

### **Guarantee and security**

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KDPW provides clients with an automated and secure communication interface and a proven model of cooperation with regulators and participants. This ensures correct and uninterrupted fulfilment of reporting obligations. As an ARM, KDPW in general assumes legal responsibility for incomplete or untimely reporting to the supervisory authority on behalf of the obliged entity. Copies of all reports submitted to the competent supervisory authority are forwarded to the reporting participants or the investment firm on whose behalf the report is submitted.

### **System availability**

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The ARM system is available 24/7. Messages can be sent to ARM 24/7. Messages are subject to validation according to the established validation rules. Status messages and notifications are transmitted via the channel indicated by the participant in the application for participation as the relevant distribution channel for outgoing messages from the ARM. The message distribution channel may be changed by the participant by providing KDPW with the [declaration of change of the electronic communication system](#).

### **Binding deadlines**

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The deadlines for the actions set out in the ARM Rules, in particular the deadlines within which messages should be sent by participants:

- in the case of reports referred to in § 10.2, KDPW transmits the report to a supervisory authority other than the PFSA on a given business day provided that messages with trade details necessary to generate reports reach KDPW by 5 p.m. on a given business day,
- in the case of reports referred to in § 9.5, KDPW generates an ARM report on the basis of transaction details received from the Warsaw Stock Exchange or BondSpot, respectively, and messages received from an ARM participant supplementing such data, transmitted to KDPW no later than 2:00 p.m. on day T+1 in relation to the date on which the transaction was concluded in the trading venue.

### **Broad scope of validation**

The ARM service deploys mechanisms which ensure the completeness and correctness of transmitted reports, including the detection of obvious errors and omissions. These mechanisms include a set of formal and content checks performed by the ARM.

- Formal checks consist in verifying the authority of the entity to submit reports to the ARM and in examining the conformity of all submitted XML files with the XSD schema of messages handled in the ARM system. All messages used in the ARM system are subject to this check.
- Content checks consist in ensuring the correctness of the submitted data.

Further details are available in the document [Content and formal checks of messages in the ARM system.](#)