



# MiFID II Transaction Reporting Reconciliation & Reporting Decision Control

AI-enabled technology and rapid access to specialist reference data assists firms to achieve complete and accurate MiFID II transaction reporting

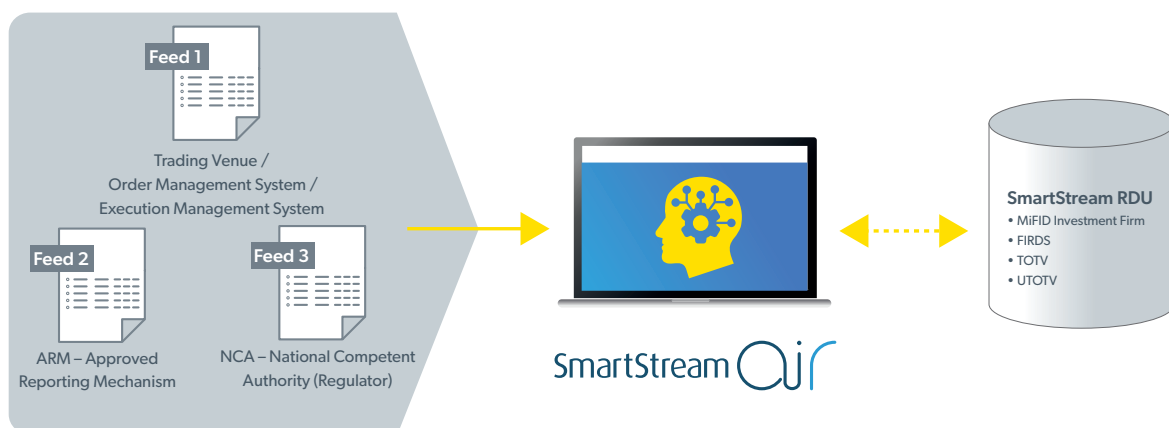
## The Business Challenge

Containing sixty-five fields, and submissible on a T+1 basis, a MiFID II transaction report requires the gathering of extensive reference data and other information. Firms must also decide whether a transaction is ToTV (Traded on a Trading Venue), and so reportable.

In addition, MiFID II RTS 22, Article 15, stipulates that firms must have in place arrangements to ensure transaction reports are complete and accurate, including testing of their reporting process and regular reconciliation of front office trading records against data samples provided by competent authorities.

To perform this type of comparison, companies must reconcile information from their own source systems with that from an Approved Reporting Mechanism (ARM) and from their regulator. A huge amount of data is involved, and where information is in multiple formats, reconciliations can prove time-consuming and difficult.

Scrutiny by authorities of firms' reporting is intensifying, with regulators increasingly willing to clamp down on failings and impose fines. As a result, pressure is growing on financial institutions to ensure their transaction reporting obligations are met fully and accurately.



## Our Solution

In response to the challenge faced by the industry, SmartStream has developed its MiFID II Transaction Reporting Reconciliation and Reporting Decision Control Framework.

At the framework's heart lies our AI-based application, SmartStream Air. SmartStream Air handles huge complexity and large volumes of information with ease. It can reconcile all of the fields firms may need to enter for MiFID II transaction reporting purposes, rapidly marrying up their source system feeds with those of the ARM involved and regulator. Offering near real-time matching, SmartStream Air handles almost any data structure, allowing it to cope with the diverse data structures typically found in financial institutions' systems. For companies looking to prove the integrity of their data, but without the effort and overheads associated with a traditional three-way reconciliation, it provides a very useful way forward.

SmartStream Air is complemented by SmartStream RDU's cloud-based data which is accessible via API and JSON file(s). The API allows firms to validate, in a straightforward manner, whether a financial instrument is ToTV, and so reportable. SmartStream RDU offers a wealth of data from regulatory and industry bodies, assisting firms to avoid either under- or over-reporting. The API is simple to access, making it easy to check for changes to an instrument's status. It also provides market participants with the necessary data to support their decision to file – or not to file – a report, should that decision be questioned by regulators.

## About SmartStream

**For more information visit:**  
**[smartstream-stp.com](http://smartstream-stp.com)**

SmartStream is a recognised leader in financial transaction management solutions that enables firms to improve operational control, reduce costs, build new revenue streams, mitigate risk and comply accurately with regulations.

By helping its customers through their transformative digital strategies, SmartStream provides a range of solutions for the transaction lifecycle with artificial intelligence and machine learning technologies embedded – which can also be deployed in the cloud or as managed services.

As a result, more than 2,000 clients – including 70 of the world's top 100 banks, rely on SmartStream Transaction Lifecycle Management (TLM<sup>®</sup>) solutions to deliver greater efficiency to their operations.