SWXess Maintenance Release 8.1 (SMR8.1) Participant Readiness

30 September 2019 (Version 3.00)

EXCHANGE
SERVICES

Table of Content

1 Introduction

1.1 Purpose and Scope

This document provides all business related information for the SWXess Maintenance Release 8.1 (SMR8.1), including functional and technical changes, regulatory changes, the rollout plan as well as migration details and testing activities.

1.2 Changes Since Last Version

Version, Date	Description
3.00, 30.09.2019	Updated version of the document published with SIX Swiss Exchange message 51/2019
	- 3.1.1 Extended Availability of Reconciliation Reports - 3.1.1.2 File Processing (CH Style) - 3.3.5.1 File Processing (EU Style) - 3.3.6 Extended Availability of Reconciliation Reports - 5 Regulatory Changes - 6.2.4 Other Migrations Impacts

1.3 Definitions and Abbreviations

Term/Abbreviation	Explanation
BRI	Billing Report File Interface
CFI	Classification of Financial Instruments
CLOB	Central Limit Order Book – Market Model
EBBO	European best bid and offer
ESMA	European Securities and Markets Authority
FDC	Sponsored Access – FIX Drop Copy Interface
FIRDS	Financial Instruments Reference Data System of the European Union
FIX	Financial Information eXchange Protocol
FMIA	Financial Market Infrastructure Act
FMIO	Financial Market Infrastructure Ordinance
FTPS	FIX Transactions (orders) per Second (STI)
IMI	ITCH Market Data Interface
ISO	International Organization for Standardization
ISV	Independent Software Vendor
LEI	Legal Entity Identifier
MDDX	Multi Dimensional Data fluX™ interface
MIC	Market Identifier Code
MiFID	Markets in Financial Instrument Directive
MiFIR	Markets in Financial Instruments Regulation
MMT	Market Model Typology
MPOB	Mid-Point Order Book of SwissAtMid
MTF	Multilateral Trading Facility
OBM	On Book Matcher

Term/Abbreviation	Explanation
OHS	Organized Trading Facility as defined by FMIA
ORR	Order Reconciliation Report
OTI	OUCH Trading Interface
OTPS	OUCH Transactions (orders) per Second (OTI)
QDM	Quote Driven Market
QPS	Quotes per Second (QTI)
QTI	Quote Trading Interface
RDI	Reference Data Interface
RTS	Regulatory Technical Standard
SCAP	SIX Common Access Portal
SEB	Swiss EBBO
SFI	Sponsored Access File Interface
SFTP	Secure File Transfer Protocol
SMP	Self-Match Prevention
SMR	SWXess Maintenance Release
STI	Standard Trading Interface
SwissAtMid	SIX Swiss Exchange at Midpoint
SWXess	Name of the SIX trading platform
TRI	Transaction Reporting Interface
TRR	Trade Reconciliation Report
TXR	Transaction Reconciliation Report
XBTR	Bilateral Trading Platform for Structured Products
XOFF	Market Identifier Code for Off Exchange Transactions – Listed Instruments
XQMH	Market Identifier Code for SIX Swiss Exchange AG – Structured Products
XSEB	Market Identifier Code for SIX Swiss Exchange AG – Swiss EBBO
XSWM	Market Identifier Code for SIX Swiss Exchange AG – SwissAtMid
XSWX	Market Identifier Code for SIX Swiss Exchange AG
XVTX	Market Identifier Code for SIX Swiss Exchange AG – Blue Chip Shares

1.4   References

Document	Link
SIX Swiss Exchange messages	https://www.six-group.com/exchanges/news/sse_messages/2019_en.html
Trading Rules	https://www.six-group.com/exchanges/participants/regulation/rules_regs_en.html
Directives	https://www.six-group.com/exchanges/participants/regulation/directives_en.html
Guidelines	https://www.six-group.com/exchanges/participants/regulation/guidelines_en.html
Guides	https://www.six-group.com/exchanges/participants/regulation/trading_guides_en.html
Forms	https://www.six-group.com/exchanges/participants/participation/forms_en.html
SMR Releases	https://www.six-group.com/exchanges/participants/participation/smr_en.html
MSC Messages	https://secure.six-swiss-exchange.com/member_section/it/messages.html

Interface Specifications, Manuals and Guides	https://secure.six-swiss-exchange.com/member_section/it/manuals.html
Release Documents	https://secure.six-swiss-exchange.com/member_section/it/release_docs.html

1.5   Contacts

Market Operations

If you have business related questions, please do not hesitate to contact Market Operations:

Topic	Team	Phone	E-Mail
Participant Configuration Reporting Clearing & Settlement Billing	Member Services	+41 58 399 2473	member.services@six-group.com
Mistrades and Cancellations Emergency Deletions Suspensions	Exchange Operations	+41 58 399 2475	helpdesk.exc@six-group.com
Instrument Reference Data	Static Data Operations	+41 58 399 2490	Zulassung@six-group.com

Local Support Centers

If you have technical questions, please do not hesitate to contact your Local Support Center:

Location	Phone	Fax	E-Mail
Geneva	+41 58 399 5642	+41 58 499 5643	lsg@six-group.com
London	+44 20 7864 4364	+44 20 864 4333	lsl@six-group.com
Zürich	+41 58 399 2400	+44 58 499 2400	lsz@six-group.com

Account Management

Location	Name	Phone	E-Mail
Continental Europe and Scandinavia	Martin Schönenberger	+41 58 399 2591	martin.schönenberger@six-group.com
	Paul Tschirky	+41 58 399 4195	paul.tschirky@six-group.com
UK & Ireland	Tony Shaw	+44 20 864 4335	tony.shaw@six-group.com
	Jennifer Hlad	+44 20 864 4338	jennifer.hlad@six-group.com

Find further contact information on the Contact & Support page of the SIX website.

2 Summary and Overview

SIX will introduce a new maintenance release of its SWXess trading platform. The SWXess Maintenance Release 8.1 (SMR8.1) is an optional release for SWXess participants but contains **mandatory changes in the Transaction Reporting Interface in the Swiss format.**

SMR8.1 will introduce the following changes:

Mandatory:

- Improvement of the Transaction Reporting Interface (TRI - CH Style) to ensure an improved report quality. In particular, attributes in the interface are removed, new attributes are added and more stringent validations are introduced. The interface for transaction reports in RTS22 Transaction Reporting (TRI - EU Style) is not impacted.

> **!** Please note that SIX will offer its participants a **parallel phase** from **28 October 2019** to **31 January 2020**. During this parallel phase, participants can migrate to the improved Transaction Reporting Interface (TRI - CH Style) on a date of their own choosing, latest 31 January 2020. For the parallel phase, certain restrictions apply. For more information on these restrictions, see section [Migration](#).

- Because of the more stringent validations on the part of the beneficial owner, SIX can no longer generate automatic transaction reports for a one-sided trade report upon request of the participant.

Optional:

- Download of Order (ORR), Trade (TRR) and Transaction (TXR) Reconciliation Reports extended to public holidays
- Upload and download functionality for Transaction Reports (CH Style nd EU Style) extended to public holidays
- Additional transmission path via Secure File Transfer Protocol (SFTP) for Transaction Report files in the Swiss format (CH Style)
- Annulment of validation of the minimum denomination in bonds for one-sided and two-sided trade reports (Off Exchange). The minimum denomination is still being validated for Delivery Reports.
- Enhancements in the billing area
- Bug fixing

SMR8.1 has been introduced in the **Membertest environment on 16 September 2019**. The live date in the **Production environment is scheduled for 28 October 2019**. The contingency date for the live date in the Production environment has been set to 9 December 2019.

3 Functional Changes

3.1 On Book Trading, Trading Without Pre-Trade transparency and Hybrid Trading

On book trading, trading without pre-trade transparency and hybrid trading are not affected by SMR8.1.

3.1.1 Extended Availability of Reconciliation Reports

SIX extends the availability of the Participant Order Reconciliation Report (ORR) and the Participant Trade Reconciliation Report (TRR) to public holidays. The extension only applies to the Production environment and the file download is possible via Curl only (not via Reporting GUI). A complete list of public holidays with extended service availablilty is published in the Member Section under the following link: https://secure.six-swiss-exchange.com/member_section/download/dam/availability_download_interfaces_public_holidays.pdf

Please find additional information which URLs are supported to upload and download files on non business days in the Release Notes for SMR8.1 in the Member Section.

📖 **Further Reading**

Participant Order Reconciliation Report (ORR) (valid for SMR8.1)

Participant Trade Reconciliation Report (TRR) (valid for SMR8.1)

3.2 Trade Reporting

Since SMR6 the minimum denomination in bonds for trades reported off order book to the Exchange or off exchange to the Reporting Office was validated. This measure was implemented to ensure correct instruction of clearing and settlement of trades.

With SMR8.1 the validation for the minimum denomination in bonds for one-sided and two-sided Trade Reports flagged as off exchange to the Reporting Office will be cancelled. The minimum denomination will continue to be validated for Delivery Reports.

The removed validation will apply to trades reported via Standard Trading Interface (STI) as well as via the Reporting Application (GUI).

RDI Attribute	Current Handling	New Handling
SmallestDenomination Defines the step size, in which the order quantity can be incremented (nominal amount)	Validated for On and Off Exchange	Validated for On and Off Exchange
minOrderQty	Validated for On and Off Exchange	Validated for On Exchange (on- and off order book) and Delivery Reports (Off Exchange)

📖 **Further Reading**

Standard Trading Interface (STI) Specification – Trade Reporting (valid for SMR8.1)

3.3 Transaction Reporting

3.3.1 Transaction Reporting Interface (TRI – CH Style)

3.3.1.1 Secure File Transfer Protocol (SFTP)

In addition to the transmission of transaction report files via HTTPS POST request, it is now possible to transmit the files via Secure File Transfer Protocol (SFTP). This only applies to Transaction Report files in the Swiss format (CH Style).

Participants will have the possibility to choose either to remain on the existing HTTPS POST upload/download or to migrate to the new Secure File Transfer Protocol (SFTP). The two ways for uploading/downloading data can co-exist. The configuration can be adjusted by the respective master user of the Member Section Account.

Participants who are newly interested in using the Secure File Transfer Protocol (SFTP) are kindly invited to contact their Local Support Center.

Please find further information related to the new transmission funcionality in the Release Notes for SMR8.1 which can be downloaded via Member Section of SIX.

> **Further Reading**
>
> Release Notes for SMR8.1
>
> Transaction Reporting Interface Specification (TRI – CH Style) (valid for SMR8.1)

3.3.1.2 File Processing (CH Style)

SIX extends the ability of automated upload and download of Transaction Reporting files via Curl to public holidays.

Please note that the extended service will only be available in the Production environment.

Find below an overview of the different file processing facilities:

Path	Availability
Manual uploads and downloads via the reporting interface	During business hours
Automated uploads and downloads via Curl	Any weekday during extended business hours. The processing only applies during business hours.

A complete list of public holidays with extended service availablilty is published in the Member Section under the following link:

https://secure.six-swiss-exchange.com/member_section/download/dam/availability_download_interfaces_public_holidays.pdf

3.3.1.3 Changes to Fields

In order to improve the quality of Transaction Reports in the Swiss format (CH Style) in accordance with FINMA Circular 2018/2 "Duty to report securities transactions" and to increase the compatibility with the RTS22 format (EU Style), the interface (TRI – CH Style) will be optimized with the introduction of SMR8.1.

3.3.1.3.1 Additional Fields

Find below an overview of additional fields introduced in the Swiss format:

Field	Further Information
Aggregated Order	- Denotes an aggregated order - Mandatory for new reports and ignored for cancellations
Contra Firm Subtype Code	- Denotes the datatype of a counterparty - Mandatory for new reports and ignored for cancellations

Field	Further Information
Expiration Date	- Indicates the date of the reported instrument's expiration - Replaces the information of the fields "Expiration Year" and "Expiration Month" (see Removed fields) - Valid for all financial instruments (incl. derivatives) not admitted to trading on SIX Swiss Exchange AG (no change of behaviour)
Order Transmission	- Denotes an order transmission - Mandatory for new reports and ignored for cancellations - In the event a securities dealer subject to the reporting obligation is transmitting an order to another securities dealer for execution, the securities dealer transmitting the order shall set the OrderTransmission flag «Y» (true).
Strike Price Type	- Indicates the nature of the strike price - Field must be provided whenever field Strike Price is set; and ignored for cancellations - Valid for all financial instruments (incl. derivatives) not admitted to trading on SIX Swiss Exchange AG (no change of behaviour)
Venue Code	- Indicates the segment MIC of the venue on which the transaction was executed (MIC - ISO 10383 standard) - Mandatory if TrdMatchID is populated; ignored for cancellations - Further information may be found in section 3.3.1.8 of this Participant Readiness brochure

3.3.1.3.2   Removed Fields

Find below an overview of removed fields from the Swiss format:

Field	Further information
Beneficial Owner Description	- Integrated in value Beneficial Owner - Find further information in section 3.3.1.7 of this Participant Readiness brochure
Beneficial Owner Type	- Integrated in value Beneficial Owner - Find further information in section 3.3.1.7 of this Participant Readiness brochure
Exercise Price	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure
Expiration Month	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure
Expiration Year	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure
Series Class Code	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure
Series Version Number	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure
Underlying Symbol	- Due to discontinuation of the operation of the trading venue EUREX Zürich - Find further information in section 3.3.4 of this Participant Readiness brochure

3.3.1.3.3   Changed Fields

Find below an overview of changed fields in the Swiss format:

New Field Name	Old Field Name	Change
Option Type	Series Class Code	Introduction of additional type "O" (Other). Other can be used if a bank cannot determine whether an option is a call or put.
Strike Price	Exercise Price	Type of the field changed from "Decimal-10-5"

New Field Name	Old Field Name	Change
		to "Decimal"
		Validation amended to: Must be provided whenever the field Strike Price Type is set

3.3.1.4 Validations

Find below an overview of added/changed validation rules in the Transaction Reporting Swiss format:

Field	Further information
Trade Match ID	- Mandatory for new reports if the field Venue Code contains a SIX MIC Code; otherwise optional
Venue Code	- Mandatory for new reports if TrdMatchID is populated
CFI Code	- Must conform to ISO 10962:2015 and the FIRDS CFI validations - Valid for financial instruments not admitted to trading on SIX Swiss Exchange
Underlying Isin	- The existing condition was removed
Entering Firm Person	- If the field contains any numerals, it may only consist of numerals and be five or six digits long
Contra Firm Party ID	- Find further details under 3.3.1.8.3
Beneficial Owner	- Find further details under 3.3.1.7
CHF Amount	- The field must be provided for new reports if Price Type field is either 6 (Spread) or 9 (Yield). - It must also be provided for prices in units and percentage if the Currency field does not contain a value in the SIX Trading and Currency Holiday Calendar referred to http://www.six-swiss-exchange.com/shares/trading/trading_calendar/trading_and_settlement_calendar_en.html

3.3.1.5 Error Code Handling

With SMR8.1, SIX provides a new error code concept for the Transaction Reporting interface (TRI – CH Style) which allows further automation of the replies from the SIX Reporting Office.

The error code is shown in the format: CCCSSS-eeefff

Content	Significance
CCC	SIX Component Abbreviation (in this case PTP)
SSS	SIX Sub-component Abbreviation (in this case TRX)
-	Hyphen to separate component from Error code
eee	Error code
fff	Relevant Field Number from the Transaction Reporting Specification

Example:
PTPTRX-010014

Content	Significance
PTP	SIX Component Post Trade Platform
TRX	SIX Component Transaction Reporting Interface
010	Error Code 10 out of Transaction Reporting Error Code Concept Document with Description "The Field Data Is Not A Valid Enumeration Value"

Content	Significance
014	Field Number 14 out of Transaction Reporting Interface Specification (TRI – CH Style) indicating the value "Price Type"

A new specification called Transaction Reporting Interface (TRI – CH) Validation Concept and Error Codes describing this validation code scheme in more detail can be downloaded from the Member Section.

📖 **Further Reading**

Transaction Reporting Interface (TRI – CH) Validation Concept and Error Codes (valid for SMR8.1)

3.3.1.6 New Underlying File Upload

The duty to report trades and order transmissions in derivatives with one or several underlying instruments applies only if at least one underlying instrument is subject to reporting obligations and has a weighting of more than 25% in the financial instrument traded. If it is desired to report more than the statutory three, weighted underlyings to a transaction, it is now possible to submit unweighted derivatives in a separate file which contains some information to link them to the corresponding transaction to which they refer. Thus, the underlying file is only to be used for securities dealers that are unable to perform a weighting of the underlyings or if there is no underlying with a weighting of more than 25%.

For more details on this please refer to the following sections of the Transaction Reporting Interface Specification (TRI - CH Style):

- 3.4 Format for Underlying Reports
- 3.6 Format for Underlying Report Replies

Due to the new underlying file upload functionality in addition to the transaction report upload there are two file naming formats:

File Naming Formats	
Field	**Further Information**
Transaction Reporting	<partyId>_TRANSACTIONS_<date>_<submissionNumber>.txt
Underlying Reporting	<partyId>_UNDERLYINGS_<date>_<submissionNumber>.txt

Find a list of examples for the correct usage of the new Underlying File below for derivatives not admitted to trading on SIX Swiss Exchange:

Underlying of the product (weighting)	Underlying Information in the Transaction Report File itself	Underlying File
Nestlé AG (100%)	CH0038863350	Empty
Nestlé AG (50%) Zurich Insurance Group AG (50%)	CH0038863350 CH0011075394	Empty
Nestlé AG (20%) Zurich Insurance Group AG (30%) Novartis AG (30%) ABB Ltd (20%)	CH0011075394 CH0012005267	Empty
Nestlé AG (20%) Zurich Insurance Group AG (20%) Novartis AG (20%) ABB Ltd (20%) UBS Group AG (20%)	No underlying information	All Underlyings shall be reported via the new Underlying File (no reporting duty – overreporting)
Unweighted underlyings	No underlying information	All Underlyings shall be reported via the new Underlying File

📖 **Further Reading**

https://secure.six-swiss-exchange.com/member_section/it/release_docs.htmlTransaction Reporting Interface Specification (TRI – CH Style) (valid for SMR8.1)

3.3.1.7 Beneficial Owner

With SMR8.1 the beneficial owner information is newly combined into 1 value out of 3 existing values.

The beneficial owner information is a concatenation of maximum four values which have to be separated by a hyphen "-" (dec045):

Data field	Explanation
Value 1	BOTC • For natural persons: PRSN • For juridical persons: Relevant BOTC (see BOTC table below)
Value 2	Country code Validated against ISO 3166-1
Value 3	• For natural persons: Date of birth (date format: YYYYMMDD) • For juridical person: given Identifier information, for example MEMB: SIX participant ID
Value 4	• For natural persons: bank internal identifier of the beneficiary • For juridical persons: emtpy

The table below shows the different juridical beneficial owner type codes (BOTC):

Literal	Value	Description
Legal Entity Identifier	LEI	A global business identifier Validate against ISO 17442:2019
Business Identification Code	BIC	A global identifier for financial institutions
Exchange Participant	MEMB	SIX Swiss Exchange participant ID
Commercial Registry Number	CRN	A company Registration Number
Unternehmens-Idenfikationsnummer	UID	Swiss business Identification number

Example of a valid beneficial owner entry:

- For a natural person: PRSN-CH-19760509-125
- For a juridical person: MEMB-CH-7153

In the event of multiple beneficial owners each record is to be separated by a caret "^" (dec094).

With SMR8.1 the beneficial owner becomes mandatory in all cases:

Condition for Beneficial Owner	Old	New
Beneficial Owner	The field is mandatory for new reports if the Entering Firm Order Capacity equals R	The field is mandatory for new reports and ignored for cancellations

⚠️ Companies which are **not** operating legal entities, foundations or collective investment scheme in the sense of FINMA Circular 2018/2 shall also report the Beneficial Owner using the standardised international identification system for financial market participants, the Legal Entity Identifier (LEI). Alternatively, the Business Identifier Code (BIC), the Commercial Registry Number (CRN) or the UID may be reported.

3.3.1.8 Contra Firm

Since SMR7 the field "Contra Firm Sub Type" has consisted of a combination of counterparties and venues. With SMR8.1 the new field "Venue" will be introduced for dedicated information on which venue the trade was executed. This results in a considerable change in the handling of the contra firm information.

3.3.1.8.1 Contra Firm Subtype

The table below shows the possible values for the field "Contra Firm Subtype":

Literal	Value	Description
Customer	CUST	The counterparty is a customer
Exchange Participant	MEMB	SIX Swiss Exchange participant ID
Other Securities Dealer	EFFH	The counterparty is a Securities Dealer not subject to reporting obligations in Switzerland
Central Counterparty	CCP	The relevant clearing house, in case of post-trade anonymity and the field "Venue Code" is populated with a trading venue

The following two values will not be accepted anymore (and must be sent as "Venue" information):

Literal	Value	Description
Exchange	EXCH	The transaction was executed on a FINMA recognized Exchange
Unrecognized Venue	XOFF	The transaction was not executed on an Exchange recognized by FINMA

3.3.1.8.2 Contra Firm Subtype Code

With SMR8.1 a new field "Contra Firm Subtype Code" will be introduced to distinguish the different types of counterparty. The field is mandatory for new reports and ignored for cancellations.

The table below shows the possible values for the field "Contra Firm Subtype Codes":

Literal	Value	Description
Legal Entity Identifier	LEI	A global business identifier
Business Identification Code	BIC	A global identifier for financial institutions
Securites Dealer National Identifier	NID	The registered name or identifier of the securities dealer as given by a national authorisation body
Exchange Participant	MEMB	SIX Swiss Exchange participant ID
Other	OTH	None of the above

3.3.1.8.3 Validations for Contra Firm Party ID

With the changed values for the field "Contra Firm Subtype" and the newly introduced field "Contra Firm Subtype Codes" there are new validations for the field "Contra Firm Party ID".

Validation Contra Firm Party ID	
Contra Firm Subtype	**Contra Firm Party ID**
CUST	Optional Must not contain the description of an entity subject to the Swiss reporting duty
MEMB	Mandatory Must consist of a SIX participant ID
EFFH	Mandatory In the format of a LEI, BIC or NID (for NID position 1 and 2 must fit to a valid Country Code) Must not be a SIX participant ID

Validation Contra Firm Party ID	
CCP	Mandatory
	In the format of a LEI

3.3.1.8.4   Venue Code (replacing Designated Exchange Code List)

With SMR8.1, a transaction executed on a trading venue must be reported as follows.

Instead of treating it like a type of counterparty, a transaction will be assigned a dedicated field in which any valid Market Identifier Code (MIC) may be entered. The current distinction between whether a transaction was executed on a FINMA-recognized exchange will be discontinued as a criterion for choosing how to report the data. It is merely required that what is reported is present in the current ISO 10383 standard.

Release	Contra Firm Subtype	Contra Firm Party ID	Venue Code
SMR8	EXCH	Designated Exchange Code according to this list: Designated Exchange Code List	-
SMR8.1	-	-	MIC according to ISO 10383 standard

📖   **Further Reading**

https://secure.six-swiss-exchange.com/member_section/it/release_docs.htmlTransaction Reporting Interface Specification (TRI – CH Style) (valid for SMR8.1)

3.3.2   Generation of Automatic Transaction Reports

Because of the more stringent validations, SIX can no longer generate automatic transaction reports for one-sided trade reports upon request of the participant.

The automatically derived Transation Reports from trades upon request of the participant changes as follows:

Trade Type		Capacity	Method
On Exchange – on order book	-	Principal	Configuration on Party level in Reference Data of the Exchange on request of participant
On Exchange – without pre-trade transparency	-		
On Exchange – hybrid trading	-		
On Exchange – off order book	One-sided Trade Report		*Not possible anymore*
	Two-sided Trade Report		TransReport (FIX Tag 5055) flag on the Trade Report
Off Exchange	One-sided Trade Report		*Not possible anymore*
	Two-sided Trade Report		TransReport (FIX Tag 5055) flag on the Trade Report

Further information about the automatic generation of transaction reports is available in the Participant Readiness brochure for SMR7.

This change has an impact on the Reportig GUI. In the **Reporting GUI**, on the menu **Trade Reporting** > **Submit Trade Report** > **One-Sided**, the field **TransReport** will be decommissioned.

3.3.3 Extended deadline for Transaction Report corrections

In order to correct a Transaction Report, the Transaction Report must be deleted and resubmitted corrected by the Participant. Up to date the correction was only possible on the following business day (T+1).

With SMR8.1 the period to correct Transaction Reports in the Swiss format has been extended to five business days following the submission of the Transaction Report.

Please note that if Participants need to add an underlying file to a transaction, this has to be done before the five business days following the submission of the Transaction Report has been finalized.

3.3.4 Transaction Reporting in EUREX Securities

In October 2018, SIX has notified the participants about the discontinuation of the operation of the trading venue EUREX Zürich and the possibilities of complying with the reporting requirements in Eurex instruments via the Transaction Reporting interfaces.

Since 1 January 2019, the Eurex options and Eurex futures related reference data is no longer displayed in the Member Section. With SMR8, SIX decommissioned any remaining Eurex related functionality from the SIX Reporting Application provided via the Member Section of SIX.

As a last step with the introduction of SMR8.1 the values will be removed from the Transaction Reporting interface (CH Style). Find a list of removed values in section 3.3.1.3.2 of this Participant Readiness brochure.

> **Further Reading**
>
> https://secure.six-swiss-exchange.com/member_section/it/release_docs.htmlTransaction Reporting Interface Specification (TRI – CH Style) (valid for SMR8.1)

3.3.5 Transaction Reporting Interface (TRI – EU Style)

With the introduction of SMR8.1 the RTS22 format (EU Style) is not affected.

3.3.5.1 File Processing (EU Style)

SIX extends the ability of automated upload and download of Transaction Reporting files via Curl to public holidays.

Please note that the extended service will only be available in the Production environment.

Find below an overview of the different file processing facilities:

File Processing Facilities	
Path	**Availability**
Automated upload and downloads via Curl	Any weekday during extended business hours. The processing only applies during business hours.

A complete list of public holidays with extended service availablilty is published in the Member Section under the following link:

https://secure.six-swiss-exchange.com/member_section/download/dam/availability_download_interfaces_public_holidays.pdf

3.3.6 Extended Availability of Reconciliation Reports

SIX extends the availability of the Participant Transaction Reconciliation Report (TXR) to public holidays. The extension only applies in the Production environment and the file download is possible via Curl only (not via Reporting GUI). A complete list of public holidays with extended service availablilty is published in the Member Section under the following link:

https://secure.six-swiss-exchange.com/member_section/download/dam/availability_download_interfaces_public_holidays.pdf

📖 **Further Reading**

Participant Transaction Reconciliation Report (TXR) (valid for SMR8.1)

3.4 Market- and Reference Data

3.4.1 Market Data

The SIX Multi-Dimensional Data fluX™ Interface (SIX MDDX) for trading participants is not affected by SMR8.1.

3.4.2 Reference Data Interface (RDI)

The following change has been done to the Reference Data Interface (RDI) relevant for trading:

3.4.2.1 Traded Instrument

The description for the following attribute has been changed:

RDI File Description	Attribute	Old	New
Traded Instrument	secondLineType	Öffentliches Kaufangebot (Public Tender Offer)	Public Tender Offer
		Aktienrückkäufe (Share Buy-back)	Share Buy-back
		Unterschiedliche Rechte (Different rights)	Different Rights
		Kapitalumstrukturierungen (Capital Restructuring)	Capital Restructuring
		Umtauschangebot (Exchange Offer)	Exchange Offer
		Fusionen (Mergers)	Mergers

📖 **Further Reading**

Reference Data Interface (RDI) Specification (valid for SMR8.1)

3.5 Billing

3.5.1 Participant Annual Fee

The participant annual fee as per "List of Charges under the Trading Rules" is currently charged on a yearly basis in June. As of 1 January 2020, this fee will be charged on a monthly basis and included on the Capacity invoice. The fee for 2019 has already been offset in the June 2019 invoice.

📖 **Further Reading**

List of Charges under the Trading Rules (update will be provided one month before go-live of SMR8.1)

3.5.2 Pre & Post Trade Drop Copy Fee

SIX offers the "Pre and Post Trade Drop Copy Service" which provides a fav drop copy file created at the end of each trading day and is made available at the beginning of the next trading day in the Participant's dedicated area of the Member Section. The service fee of CHF 2'500 is payable in monthly instalments and has been billed separately up till now. With SMR8.1 the service fee will be included in the exististing monthly Capacity Invoice.

📖 **Further Reading**

List of Charges under the Trading Rules (update will be provided one month before go-live of SMR8.1)

3.5.3 Increase in Free Capacity for Bonds

To further promote execution quality and to achieve a general expansion in available liquidity in bonds, SIX Swiss Exchange AG changes the free QPS allocation in bonds as follows:

Segment		Old	New
Bonds – CHF	Free QPS	10	60
	Additional free QPS by fulfilling liquidity requirements	Up to 50 additional QPS if liquidity criteria met: - max. spread 1% - min. volume of CHF 100,000 on bid & ask prices - min. presence in order book of 90% during the trading day	-
Bonds – Non-CHF	Free QPS	10	60
	Additional free QPS by fulfilling liquidity requirements	Up to 250 additional QPS if liquidity criteria met: - max. spread 1% - min. volume of USD 100,000 on bid & ask prices - min. presence in order book of 90% during the trading day	-

Additional QPS may be purchased by paying a monthly fee (find further information in Annex I and Annex J in the List of Charges under the Trading Rules).

Participants who are interested in changing either the free QPS allocation or purchasing additional QPS are kindly invited to request the reallocation of capacity by submitting the Reallocation of Capacity Form to Member & CRM Serivces (member.services@six-group.com).

> **Further Reading**
>
> List of Charges under the Trading Rules (update will be provided one month before go-live of SMR8.1)

3.5.4 Other Services

3.5.4.1 Sponsored Access

The SIX Sponsored Access Service is not affected by SMR8.1.

3.5.4.2 Bilateral Trading Platform for Structured Products (XBTR)

The Bilateral Trading Platform for Structured Products operated by SIX Exchange Services is not affected by SMR8.1.
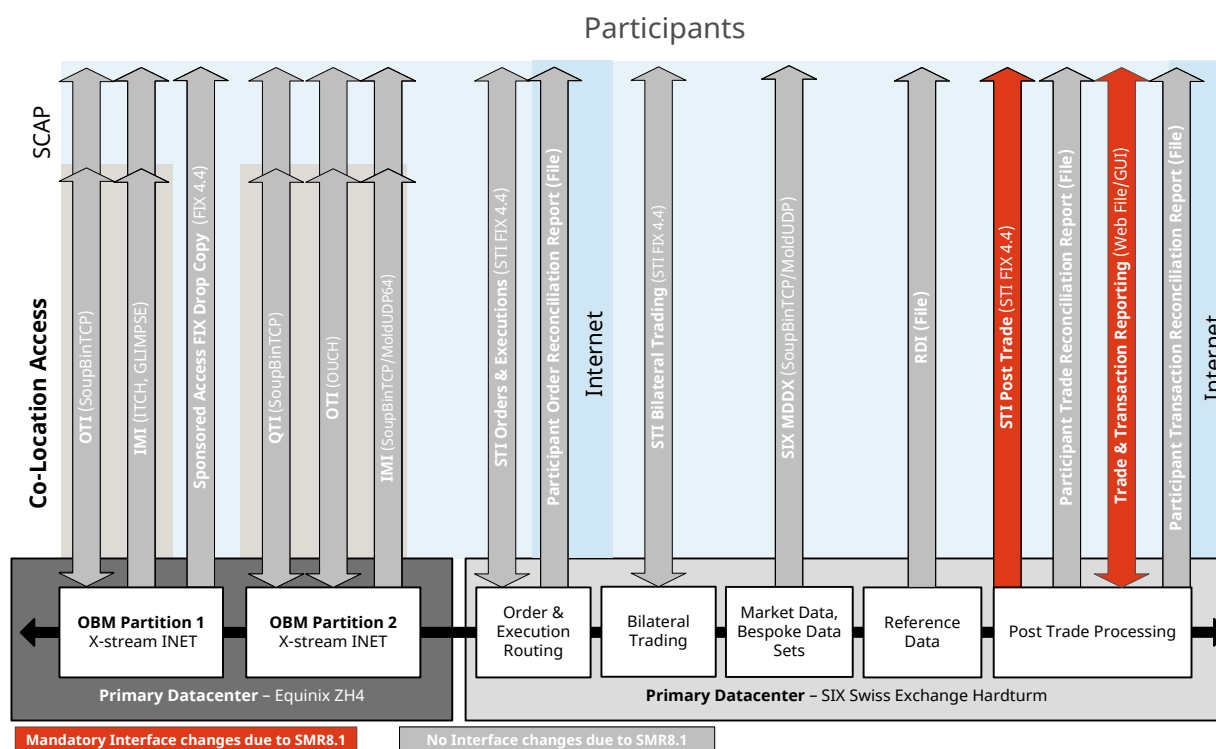
4 Technical Changes

The functional changes introduced with SWXess Maintenance Release 8.1 (SMR8.1) include optional but also mandatory changes for the SWXess interfaces and might require adjustments to Participants' own applications, interfaces and processes.

- For all Trading and Trade Reporting Interfaces, SMR8.1 is an optional Release.
- For the Transaction Reporting (TRI - CH Style) Interface, SMR8.1 is mandatory according to FINMA Circular 2018/2. The Regulatory Technical Standard (RTS22) Transaction Reporting (TRI - EU Style) is not impacted.

4.1 Overview of SMR8.1 Interfaces Changes

Please find below a graphical overview of the technically-affected SWXess interfaces:

4.2 Technical Documents and Artefacts

Please find all relevant technical information related to SWXess Maintenance Release 8.1, including required documents and artefacts, configuration changes, migration plan as well as testing activities in the Release Notes for SMR8.1 published in the Member Section of SIX.

📖 **Further Reading**

Release Notes for SMR8.1

All relevant SWXess Specifications, Manuals and other artefacts can be downloaded from the Member Section of SIX. Please refer to the revision history and the marked-up versions for what has changed since their last publication:

Document	Link
MSC Messages	https://secure.six-swiss-exchange.com/member_section/it/messages.html
Manuals	https://secure.six-swiss-exchange.com/member_section/it/release_docs.html
Configuration	https://secure.six-swiss-exchange.com/member_section/swxess_public/normal.html

5 Regulatory Changes

5.1 Overview

The functional changes introduced with SMR8.1 also necessitate changes to the rules and regulations. The following Rules, Guidelines and Guides are affected in this respect and have been amended accordingly:

- Rules of SIX Swiss Exchange AG
    - Reporting Office Rules
- Guidelines of SIX Swiss Exchange AG
    - List of Charges under the Trading Rules
- Guides of SIX Swiss Exchange AG
    - Trading Guides
    - Reporting Guide

5.2 Trading Regulation

The amended trading regulations for SMR8.1 enter into force on **28 October 2019** respectively on **1 November 2019** and are now published under the following links on the Exchange Services pages of the SIX website:

Document	Link	Entry into force date
Rules	https://www.six-group.com/exchanges/participants/regulation/rules_regs_en.html	28 October 2019
Guidelines	https://www.six-group.com/exchanges/participants/regulation/guidelines_en.html	1 November 2019

The following table contains a detailed overview of the amendments to the Rules and Guidelines as of 28 October 2019/1 November 2019:

Document	Type of change	Reference	Title
Reporting Office Rules	Change	Clause 2.7.1 para. 2	Correction
	Change	Clause 2.7.2 para. 1	Cancellation
Guideline List of Charges under the Trading Rules	New	Clause 3.7	Drop copy service fee
	Change	Clause 3.3	Participant annual fee
	Change	Annex I Clause 3.1.1	Capacity free of charge
	Change	Annex I Clause 3.1.2	Capacity for which fees are charged
	Change	Annex J Clause 3.1.1	Capacity free of charge
	Change	Annex J Clause 3.1.2	Capacity for which fees are charged

The detailed list of the adjustments to the trading regulations can also be found under the following links on the Exchange Services pages of the SIX website:
https://www.six-group.com/exchanges/participants/regulation/revisions/rule_book_en.html

5.3 Trading Guides

The Trading Guides have also been revised in connection with the introduction of SMR8.1.

The versions effective 28 October 2019 are now available under the following link on the Exchange Services pages of the SIX website:

Document	Link
Guides	https://www.six-group.com/exchanges/participants/regulation/trading_guides_en.html

6   Migration

The central SWXess infrastructure and all associated interfaces will be upgraded to SMR8.1 over a single migration weekend. The SMR8.1 changes become active on the Monday after the migration weekend.

The upgrade to SWXess Maintenance Release 8.1 (SMR8.1) requires the migration of transactional as well as participant and instrument reference data. In addition the migration to SMR8.1 requires configuration changes. SIX will ensure that the technical and business upgrade and migration impact on Participants, ISVs and ASPs is as minimal as possible.

6.1   Parallel phase for Transaction Reporting Interface (TRI - CH Style)

In order to provide participants a smooth migration period to implement the mandatory changes described in section 3.3.1, SIX will offer its participants a **parallel phase for this part of the release** from **28 October 2019** to **31 January 2020**. During this parallel phase, participants can migrate to the improved Transaction Reporting Interface (TRI - CH Style) version 4.4.0 on a date of their own choosing, latest 31 January 2020.

6.1.1   Restrictions

The following restrictions apply:

Restriction	Date Membertest	Date Production	Section in Readiness Guide
Irrespective of the Transaction Reporting Interface Specification (TRI - CH Style) used, SIX no longer offers automatic generation of transaction reports for one-sided trade reports.	as of 16.09.2019	as of 28.10.2019	3.3.2
Automatically derived transation Reports from trades upon request of the participant for Capacity "Principal" will only be generated according to the Transaction Reporting Interface Specification (TRI - CH Style) version 4.4.0.	as of 16.09.2019	as of 28.10.2019	3.3.2
SFTP upload and download for TRX CH Style is only supported when using the Transaction Reporting Interface Specification (TRI - CH Style) version 4.4.0	as of 16.09.2019	as of 28.10.2019	3.3.1.1
Transaction reports can only be canceled or modified in the same format they were originally uploaded.	as of 16.09.2019	as of 28.10.2019	-

ⓘ   Please also note the following:

-    Correction of transaction reports using the new Transaction Reporting Interface is now possible within five days after the trade (T+5) instead of T+1.
-    During the parallel phase, the Reconciliation Report for Transaction Reports includes all transactions submitted in both the CH Style (version 3.16.0 **and** 4.4.0) as well as in EU Style.

!   During a parallel phase in Membertest and Production environment both Transaction Reporting Interface (TRI – CH Syle) Specification versions (3.16.0 and 4.4.0) will be supported as shown below.

Membertest Environment

	Current TRI - CH Style Specification (V3.16.0)	New TRI - CH Style Specification (V4.4.0)
16.09.2019 – 31.01.2020 (parallel phase)	☑ supported	☑ supported
After 31.01.2020	☒ not supported	☑ supported

Production Environment

	Current TRI - CH Style Specification (V3.16.0)	New TRI - CH Style Specification (V4.4.0)
28.10.2019 - 31.01.2020 (parallel phase)	☑ supported	☑ supported
After 31.01.2020	☒ not supported	☑ supported

6.2   Business Migration

6.2.1   Transactional Data

6.2.1.1   Orders

All order books will be migrated to SMR8.1 by SIX Swiss Exchange. No active orders will be deleted from the order books as a result of the migration and Participants do not have to take any actions in this regard.

6.2.1.2   On- and Off Order Book Trades

The on order book and off order book trades will be migrated to SMR8.1 and therefore no post-trade processing restrictions apply. On Monday after the migration it is possible to correct and cancel on- and off order book trades which were executed or reported on Friday before the migration.

Unmatched two-sided trade reports from before the migration will match against two-sided trade report legs entered after the migration. The same behaviour applies to Delivery Reports.

6.2.1.3   Delayed Publication of Off Order Book Trades and Off Exchange Trades

Off order book and off exchange trades which have been reported before the migration and are subject to delayed publication according to Annex C: Delayed Publication of Directive 3: Trading will be published via Market Data Interfaces as normal after the migration to SMR8.1 if applicable.

6.2.1.4   Transaction Reports

The Transaction Reports will be migrated to SMR8.1 and therefore no post-trade processing restrictions apply. Automatic generation of Transaction Reports due to cancellation or counter trade of one-sided trade reports which were reported on Friday before the migration will not be supported.

6.2.2   Instrument and Segment Reference Data

Any configuration changes of instrument and segment reference data are transparent to the participants and will be transmitted via Reference Data Interface (RDI) and is available via the Member Section of SIX under the following link: https://secure.six-swiss-exchange.com/member_section/swxess_rdi.html

6.2.2.1   Instrument Data

No instrument reference data modification related to SMR8.1 will take place during the migrations in the Membertest- and Production environments.

6.2.2.2 Segment Data

No segment data modification related to SMR8.1 will take place during the migrations in the Membertest- and Production environments.

6.2.3 Participant Reference Data

No participant reference data modification related to SMR8.1 will take place during the migrations in the Membertest- and Production environments.

6.2.4 Other Migration Aspects

6.2.4.1 New Secure File Transfer Protocol (SFTP)

Participants who are newly interested in using the Secure File Transfer Protocol (SFTP) are kindly invited to contact their Local Support Center or check the Release Notes for SMR8.1 published in the Member Section of SIX.

6.2.4.2 QPS Adjustement for Bonds

Participants who are interested in changing either the free QPS allocation or purchasing additional QPS are kindly invited to request the reallocation of capacity by submitting the Reallocation of Capacity Form to Member & CRM Serivces (member.services@six-group.com).

6.3 Technical Migration

Please find further details about the technical migration schedule, activities and configuration of SMR8.1 in the Release Notes for SMR8.1 published in the Member Section of SIX.

7 Key Dates

The following table shows the key dates of SMR8.1 as scheduled at this stage.

Date	Mbtst	Prod	Activity
Early Sep	☑	☑	Publication of updated SMR8.1 – Participant Readiness brochure
13/14 Sep 2019	☑		SMR8.1 Membertest Migration weekend
15 Sep 2019	☑		Contingency Day Membertest Migration
16 Sep 2019	☑		SMR8.1 Membertest live date and first trading day
25 Sep 2019	☑		Intraday Recovery Test – OBM partition 1 down
30 Sep 2019	☑	☑	Publication of updated Rules, Directives and Guidelines for SMR8.1
02 Oct 2019	☑		Intraday Recovery Test – OBM partitions 1 and 2 down
05 Oct 2019	☑		Performance Load Test
09 Oct 2019	☑		Intraday Recovery Test – OBM partition 2 down
16 Oct 2019	☑		Intraday Recovery Test – FIX Infrastructure down
26/27 Oct 2019		☑	**SMR8.1 Production Migration weekend**
28 Oct 2019		☑	**SMR8.1 Production live date and first trading day**
07/08 Dec 2019		☑	Contingency date - SMR8.1 Production Migration weekend
09 Dec 2019		☑	Contingency date - Production live date and first trading day
31 Jan 2020		☑	End parallel phase Transaction Reporting Interface (TRI - CH Style)

Further relevant information for the rollout of SMR8.1 as well as details about the Recovery- and Performance Test scenarios are available in the Release Notes for SMR8.1 published in the Member Section of SIX.

An overview of the SWXess Release Timetable is available under the following link:

https://secure.six-swiss-exchange.com/member_section/download/dam/SWXessReleaseTimetable.pdf

8   Testing

Before the introduction of SMR8.1 in the Production environment, Participants and third parties will have the possibility to test the new and changed functionality in the Membertest environment for approximately 6 weeks.

8.1   Scope of Membertest

SIX recommends that all Trading Participants, Independent Software Vendors (ISVs) and Application Service Providers (ASPs) test their own applications and interfaces as well as business processes and back office workflows during the Membertest phase. The main focus of the Membertest phase is to verify the changes to the configuration and business functionality.

Suggested mandatory tests:

- Transaction Report in the Swiss format (CH Style)
- Participation in scheduled tests organized by SIX
    - Performance Tests
    - OBM Intraday Recovery Tests

You are kindly invited to contact Member Services (member.services@six-group.com / +41 58 399 2473) if you require assistance with testing in the Membertest environment.

8.2   Clearing and Settlement during Membertest Phase

The SIX SIS link for Clearing and Settlement is available during the Membertest phase except during Performance Tests and Background Load Tests. We recommend running full loop tests as soon as possible with your MOAs (Member Own Applications) and back office system.

8.3   Trading Hours and Availability

The trading hours and the availability of the Membertest environment remain unchanged for the SMR8.1 Membertest phase. Please refer to the following links for details:

Document	Link
Environment Calendar	https://www.six-group.com/exchanges/participants/participation/environment_calendar_en.html
Trading Hours	https://www.six-group.com/exchanges/download/participants/participation/calendar/Trading_Hours_Membertest.pdf

Information about automated testing services provided by SIX in the Membertest environment is available on the SWXess Testing Services page in the Member Section.

Further details about testing activities and scenarios during the Membertest phase such as Performance tests and intraday recovery tests, are available in the Release Notes for SMR8.1 published in the Member Section of SIX.

SIX
Pfingstweidstrasse 110
8005 Zurich
Switzerland

T +41 58 399 2111