



TRANSFER TO GTR WITH EASE

**EU/UK SFTR INBOUND PORTING
FREQUENTLY ASKED QUESTIONS (FAQs)**

DTCC

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In early August, UnaVista announced it will discontinue its trade repository (TR) services for Securities Financing Transactions Regulation (SFTR), effective January 30, 2022. We are working closely with UnaVista to ensure a smooth transition for firms who opt to leverage DTCC's EU or UK trade repository [DTCC Data Repository (Ireland) Plc (DDRIE) and DTCC Derivatives Repository Plc (DDRL), respectively] for their SFTR reporting needs. We understand the challenges firms face when going through the process of porting trade repository (TR) data to a new service provider and we want you to know that we are committed to supporting you every step of the way. This FAQ document is designed to help provide you with answers to frequently asked questions.

| QUESTION | ANSWER |
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| 1. How is a request to port positions to or from DDRIE/DDRL made? | Porting requests for DDRIE/DDRL should be sent to the GTR-onboarding@dtcc.com email address. |
| 2. Is a firm able to confirm a porting date of their choice? | Porting dates must be agreed by all parties involved so the requested porting weekend can not be guaranteed. This would include both TRs and the responsible party of the data. |
| 3. Does DDRIE/DDRL have a porting fee? | Currently there are no fees charged for both inbound or outbound portability. |
| 4. Are there mandatory expectations regarding the positions that will be ported to a new TR? | Positions must meet the latest validation standards set out by European Securities and Markets Authority (ESMA) for portability. Once the positions are ported out, reporting to the old TR for those positions must cease. |
| 5. DTCC has imposed validations on the Technical Record ID field that are in addition to ESMA's requirements. How will DTCC treat imported trades that do not adhere to the DTCC TRI requirements? | These bespoke validations will be bypassed and will not impact the records that are being ported. |

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| 6. Are there porting capabilities during the week? | At the moment, all TRs have agreed to port positions on weekends only. |
| 7. How soon can a firm start reporting to the new TR? | Inbound porting activities normally take place over a weekend. Upon successful porting, clients can report to the new TR on the following Monday. This coordination needs to take place between the counterparty, old TR and new TR. |
| 8. Who should be informed about the porting event? | Both TRs and the counterparties impacted should be informed. |
| 9. How long does it take to prepare the data for a confirmed porting date? | It is recommended to reserve two weeks for data preparation and finalized documentation. Please take into consideration that the old TR will incur most of the work involved to ensure the data is compliant prior to porting. Clients must fix non-compliant positions and signatories for the parties involved are required on the shared applicable TR Portability Form. |
| 10. Is DTCC able to port both derivatives contracts and SFT transactions for multiple jurisdictions within one porting weekend? | Yes. Both DDRIE (EU EMIR and SFTR) and DDRL (UK EMIR and SFTR) are able to port positions on the same weekend for both Inbound and Outbound but are dependent on the other TR's capability and availability. |

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| 11. Is DDRL/DDRIE able to port specified positions? | Yes, however the capability of the other TR must be considered. |
| 12. If the Reporting counterparty is onboarded at DDRIE/DDRL are they able to report for their counterparty if their counterparty is registered with another TR? | Yes. However, the counterparty should not report the same positions to the other TR, otherwise duplications will occur and negatively impact the Inter-TR-Reconciliation process. |
| 13. How does Portability impact Inter-TR-Reconciliation? | Any firms that are porting to DTCC where their counterparty reports to DTCC should expect an increase in their pairing and matching rates due to the reduction in Inter-TR specific challenges. Other than that, the impact to Inter-TR-Reconciliation is negligible as the TRs have processes in place to ensure data is properly represented from a pairing and matching perspective. |
| 14. What will happen if lifecycle events are reported for positions which have not yet been ported? | Firms must wait to report the lifecycle events until after the trade has been ported to DTCC. These lifecycle events would result in rejections if the original submission(s) have not yet been ported. Similarly, if any NEWTs are reported for trades that have already been ported will result in rejections as the action type sequencing will have been maintained from TR to TR. |
| 15. If there is a TR limitation preventing positions to be ported to another TR, can the positions be exited and re-reported to the new TR? | This is not something a TR can control nor recommend. ESMA suggested that clients could/should reach out to their National Competent Authority (NCA) to discuss any concerns. |

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| <p>16. What documents are required in order to port positions to or from DDRIE/DDRL?</p> | <p>The portability squad within the GTR Onboarding Team will confirm the required documentation according to your scenario and you will be directed to the DTCC Learning Center to retrieve the necessary forms.</p> |
| <p>17. Is onboarding required in order to port positions into DDRIE/DDRL?</p> | <p>In order to report and view positions ported to the DDRL/DDRIE, onboarding is required. Any firms that wish to delegate their reporting must be explicitly permissioned to do so and can use the online Manage Services tool at any time (post onboarding) to add/remove permissions.</p> |
| <p>18. Will Historical Data also be ported with the live positions?</p> | <p>Historical Data will only be ported under a 'Withdrawal' circumstance. This is when a TR is no longer offering the service required. For Voluntary Porting only live positions will be ported.</p> |
| <p>19. Will DDRIE/DDRL provide confirmation and details of positions ported into the TR if the firm is not onboarded?</p> | <p>DTCC will confirm successful receipt of the population/volumes expected. However a client that is not onboarded will need to confirm details with the onboarded counterparty or responsible party who will be reporting on their behalf.</p> |

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| <p>20. Will DDRIE/DDRL communicate the porting to counterparties who are onboarded?</p> | <p>DDRIE/DDRL would not communicate with clients outside of the porting agreement. However, impacted clients who are onboarded will be able to see the ported positions on the Trade State Reports. The porting entity should make their counterparties aware of the population and scheduled weekend of the positions being ported.</p> |
| <p>21. Will DDRIE/DDRL communicate the porting to the Regulators?</p> | <p>Notification of porting events will be carried out in accordance with the regulations and applicable guidance. If DDRIE/DDRL notifies the regulators of a porting event in advance, the success or rescheduling of that porting will also be communicated.</p> |
| <p>22. If an entity is involved in a corporate merger event where all positions must be updated prior to being ported to the New TR, can DDRIE/DDRL accommodate both the merger and portability request?</p> | <p>Yes. If the merger date occurs prior to the portability date and the documentation required is in good order, DDRIE/DDRL can initially update the existing positions to reflect the NEW LEI (Surviving LEI). Thereafter, upon an agreed porting date by all parties involved, DDRIE/DDRL will make arrangements to port those merged positions to the Other TR as requested.</p> |
| <p>23. Is it possible to test the porting process prior to Production?</p> | <p>No</p> |
| <p>24. Is it possible to change porting date?</p> | <p>Yes, but is likely to incur a significant delay due to the relative availability of all impacted parties.</p> |

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| <p>25. As of 26AUG2021, ESMA has not yet published official porting guidance for SFTR. Will this prevent the porting process?</p> | <p>No, DTCC will follow the standard porting process already used for EMIR.</p> |
| <p>26. How can we verify that porting was completed successfully?</p> | <p>The first Trade State Report (TSR) produced after the porting will show all the ported open positions e.g. positions ported on Saturday will appear on the TSR for Tuesday.</p> |
| <p>27. What will happen if my positions are not successfully ported?</p> | <p>DTCC will work with porting TR to fully understand the reasons behind the rejections and will closely coordinate any remediation with them.</p> |

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