



Counterparty Manager: Electronic Trading Compliance

Counterparty Manager Electronic Trading Compliance is a regulatory tool enabling customers to easily and efficiently exchange information for electronic trading due diligence and algorithmic trading regulations. The tool supports multiple regulatory regimes and allows for customization of due diligence questionnaires to support local requirements, including the ability to distribute and track algorithm training material receipt.

Counterparty Manager provides an electronic questionnaire, training review and sign-off capability designed by a number of industry associations, including AFME/TIA, AIMA, ASIFMA, ATF, FPL HKIFA and AFME DEA to help buy-side firms and brokers gather and exchange the information necessary to meet their due diligence requirements.

The Hong Kong Securities and Futures Commission's electronic trading rules under the Code of Conduct (Paragraph 18 and Schedule 7) require Hong Kong-licensed brokers to attest that their electronic trading systems are properly supervised, tested and risk managed. Their buy-side customers must acknowledge that they understand algorithms and other technologies used by their brokers. The Equities Order Handling Questionnaire created by AFME and The Investment Association is also available to support the European Economic Area best practices for broker due diligence. Users can add customized questions or create an entirely new questionnaire to easily upload and distribute to trading partners through the platform.

Through this tool, broker-dealers can centrally manage the distribution of their electronic trading material including ability to track and manage training status. Buy-side firms have a centralized platform to manage all their electronic trading needs with the ability to offer training status of individual traders. Real-time acknowledgement and full audit trail helps provide efficient fulfillment on compliance requirements.

The Electronic Trading Compliance modules are distributed via Outreach360, which allows users to send the modules to all of their clients, and provides a centralized solution for reporting, tracking and auditing.

Simplify Due Diligence providing

a streamlined regulatory and compliance onboarding ecosystem for uploading and disseminating counterparty documentation

Enhance Efficiency

Securely exchange confidential documentation through a single web-based portal which provides full visibility into client interactions and responses

Address Regulatory Compliance

Support increased due diligence obligations as outlined by MiFID II, CFTC guidelines, and Hong Kong SFC electronic trading rules

Increased Transparency

Access real-time status and a full audit trail providing responsible officers with instant view of compliance status

Views of the Counterparty Manager module for electronic trading regulations

Highlighted annual changes for efficient review and acknowledgement history

| Question | Response | Reported with Document | Status | Action | Mark N/A | Compare Answers | Clarification |
|---|---|------------------------|--------|-------------|-------------------------------------|--------------------------|--|
| A.1 P18.3 Licensed or registered person who is responsible for the settlement and financial obligations of orders sent to the market, and for implementing policies procedures and controls | who is responsible for the settlement and financial obligations of orders sent to the market, and for implementing policies procedures and controls | | | Acknowledge | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="button" value="Add Request"/> |
| B. Management and Supervision | | | | Acknowledge | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="button" value="Add Request"/> |
| B.1 P18.4 Effectively manage and adequately supervise electronic trading system(s) used | The firm has a formal governance process regarding the design and development of algorithmic trading algorithms as detailed in 1.1.1.18 below. The firm also has a Software Change Management Policy which governs all of its software development activity, in order to ensure the integrity and availability of the firm's systems and to mitigate potential risk due to software changes. | | | Acknowledge | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="button" value="Add Request"/> |
| B.2 P18.4.51.1.1.1 Is Responsible officer for the overall management and supervision | The ABC Group, Inc. is a global investment banking, securities and investment management firm that provides a wide range of financial services worldwide to a substantial and diversified client base. The ABC Group, Inc. is a global investment banking, securities and investment management firm that provides a wide range of financial services worldwide to a substantial and diversified client base. | | | Acknowledge | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="button" value="Add Request"/> |

Manage your clarifications with clients

View Clarification Requests/Add Response
✕

REQUEST / RESPONSE HISTORY

| Role | Request/Response | Attachment | User | Date |
|----------|--|------------|-----------------|-------------|
| Receiver | Please provide details surround testing policy | | ming@byside.com | 24-Apr-2019 |

⏪ < 1 of 1 > ⏩

ADD RESPONSE

Please provide detailed structure regarding Algo testing

Cancel
Close Request
Submit Clarification Response

Centralize electronic trading due diligence with industry templates

5 Selected ✕

RESPONSE STATUS: All

GUID

Search for Content Type ✕

- Custom Combination
- LEI Request + Custom RFI Questions
- Standard - AFME 2.0 Disclosure
- Standard - AFME Disclosure
- Standard - AFME RFI
- Standard - ASIFMA RFI
- Standard - BHC QFC Recordkeeping RFI
- Standard - FIA DEA RFI
- Standard - LEI Request RFI

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