

Bricknode helps brokers and asset managers become MiFID II compliant

The implementation of MiFID II is getting closer day by day and financial institutions are scrambling to stay compliant and understand what they need to do. As usual regulatory changes is creating confusion among the involved parties and Bricknode are launching initiatives to help.



At [Bricknode](#) the goal is to make the transition to MiFID II as easy as possible by automated solutions for customers that use [Bricknode Broker](#).

How does the investor protection regulations change?

An important change with MiFID II is the ban on receiving and keeping rebates from third parties in conjunction with delivering the investment services portfolio management and so called independent investment advisory. It is ok as long as the rebates are forwarded on to the customer which can be accomplished with the add-on apps in the [Bricknode Marketplace](#).

The investor protection regulations are also updated to cover so called structured deposits. The investment service “execution of orders” is changed to include the conclusion of agreements to sell financial instruments issued by the securities firm itself, that is with regards to its own issues.

Financial instruments

The definition of financial instruments has been changed to include emissions allowances among other things.

How is the transaction reporting expanded?

TRS-reporting is expanded to include information regarding customer id and the person or algorithm at the securities firm that made the investment decision. In [Bricknode Broker](#) this will mean that we will add more properties that can be defined for an order event with the possibility to configure default information and also access these through our [API](#).

The reporting should also include information with regards to short selling and what is called [LEI-numbers](#) for companies. LEI-number is the new type of international company numbers and is already available as a property for companies in [Bricknode Broker](#).

[ESMA](#) has developed guidelines with regards to TRS-reporting which includes the following:

More transaction types that should be reported.

- Subscriptions made in the primary market
- Gifts and heritage
- Transfers to other institutions
- Certain corporate actions

More information is to be reported

- The owner/owners of the account where the transaction happened
- Who made the decision
- Who made the decision within the firm
- Shorting
- Etc.

Declarations of goods by using KIDs

By using so called Packaged Retail and Insurance-based Investment Products (PRIIPs) numerous types of financial instruments has to be accompanied by standardized declarations called Key Information Document (KID). In [Bricknode Broker](#) we have links already to KIDs which in some cases are populated automatically by the supplier or trading route like for example [MFEX](#).

Seminar about MiFID II with Bricknode and Gernandt & Danielsson

During September [Bricknode](#) will host a seminar with [Gernandt & Danielsson](#) in Stockholm for Bricknode customers where details regarding the changes will be relayed. The invite will be sent well in time for the seminar so keep an eye out in your inbox if you are a Bricknode customer.

Bricknode

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The financial industry is currently going through the most significant change since mutual funds were introduced. Financial Technology (FinTech) innovations are adding services that focus on usability and value.

Bricknode wants to put the Fun in finance and has established a FinTech Ecosystem where the participants in the financial industry can meet and create value for each other and their customers.