



Subject: **White Paper: Analysis of FFastFill Compliance to ESMA Guidelines**

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1. Document Purpose

This white paper has been produced by FFastFill in response to the European Securities and Markets Authority (ESMA), *“Guidelines on systems and controls in an automated trading environment for trading platforms, investment firms and competent authorities – Final report”*, dated 21st December 2011. This document outlines FFastFill’s conformance to the guidelines contained in this report and details the specific reasons that FFastFill believe itself to be complaint in Appendix 1.

FFastFill notes the following clauses from the ESMA guidelines having an impact on the answers provided herein:

- The guidelines will also have implications for firms not authorised as market operators or investment firms under MiFID. These include firms who sell electronic trading systems to market operators or investment firms, or act as the outsourced providers of such systems, or provide connectivity services to investment firms when accessing trading platforms. Such firms will be affected by trading platform’s and investment firms; obligations in relation to their electronic trading systems.
- These guidelines are not restricted to the trading of shares but cover trading in an automated environment of any financial instrument (as defined in MiFID).
- For both trading platforms and investment firms, the systems and controls employed in complying with these guidelines should take into account the nature, scale and complexity of their business.

2. Conformance to guidelines

FFastFill believes that it not required to conform to the items in:

- Guideline 1. Organisational requirements for regulated markets’ and multilateral trading facilities’ electronic trading systems.
- Guideline 3. Organisational requirements for regulated markets and multilateral trading facilities to promote fair and orderly trading in an automated trading environment.
- Guideline 5. Organisational requirements for regulated markets and multilateral trading facilities to prevent market abuse (in particular market manipulation) in an automated trading environment.

- Guideline 6. Organisational requirements for investment firms to prevent market abuse (in particular market manipulation) in an automated trading environment.
- Guideline 7. Organisational requirements for regulated markets and multilateral trading facilities whose members/participants and users provide direct market access/sponsored access.

FFastFill believes it is required to conform to the bulk of the items in:

- Guideline 8. Organisational requirements for investment firms that provide direct market access and/or sponsored access.

FFastFill believes it is required to conform entirely to the items in:

- Guideline 2. Organisational requirements for investment firms' electronic trading systems (including trading algorithms).
- Guideline 4. Organisational requirements for investment firms to promote fair and orderly trading in an automated trading environment.

3. Summary of conformance

Of the 39 items FFastFill believes it has an obligation to conform to, FFastFill believes it conforms to 39. Therefore, no changes to either software or process are deemed to be required to satisfy these guidelines.

4. Additional documentation

This white paper contains reference to a number of internal FFastFill documents. Authorised customers can be provided with these documents on request and should in the first instance contact their Customer Project Manager.

Appendix 1

Section	Item Reference	Detail of guideline	FFastFill Response	FFastFill Level of Compliance
Guideline 1. Organisational requirements for regulated markets' and multilateral trading facilities' electronic trading systems				
General guideline	1	A regulated market's or multilateral trading facility's electronic trading system (or systems) shall ensure that it complies with applicable obligations under MiFID and other relevant Union and national law taking into account technological advancements and trends in the use of technology by its members/participants or users. In particular, the system (or systems) should be well adapted to the business which takes place through it (or them) and is (or are) robust enough to ensure continuity and regularity in the performance of the automated market (or markets) operated by the market operator or investment firm.		Not applicable
Detailed guidelines/ Governance	2a	The governance process is central to compliance with regulatory obligations. Trading platforms should, within their overall governance and decision-making framework, develop, procure (including outsourcing) and monitor their electronic trading systems through a clear and formalised governance process. The governance process must ensure that all of the relevant considerations including commercial, technical, risk and compliance that ought to be brought to bear in making the key decisions are given due weight. In particular, it must embed compliance and risk management principles. The governance process must also have clear lines of accountability, including procedures for the sign-off for development, initial deployment, subsequent updates and resolution of problems identified through monitoring. There should also be appropriate procedures for the communication of information.		Not applicable
		In the governance process compliance staff should be responsible for providing clarity about the market operator or firm's regulatory obligations and the policies and procedures that seek to ensure the use of the trading systems comply with the market operator or firm's obligations and that any failures to comply are detected. This requires compliance staff to have an understanding of the way in which the trading systems operate but not knowledge of the technical properties of the trading systems.		Not applicable
Detailed guidelines/ Capacity and	2a	Regulated markets' and multilateral trading facilities' electronic trading systems should have sufficient capacity to accommodate reasonably foreseeable volumes of messaging and that are scalable to allow for capacity to be increased in order to respond to rising		Not applicable

resilience		message flow and emergency conditions that might threaten their proper operation.		
Detailed guidelines/ Business Continuity	2b	Trading platforms should have effective business continuity arrangements in relation to their electronic trading systems to address disruptive incidents, including but not limited to system failures. The business continuity arrangements should ensure a timely resumption of trading, including but not limited to system failures. The arrangements should cover, as appropriate, matters such as: a. Governance for the development and deployment of the arrangements; b. Consideration of an adequate range of possible scenarios related to the operation of their electronic trading systems which require specific continuity arrangements; c. The backing up of business (including compliance) critical data that flows through their electronic trading systems; d. The procedures for moving to and operating the electronic trading system from a back-up site; e. Staff training on the operation of the arrangements and individuals' roles within them; and f. An on-going programme for the testing, evaluation and review of the arrangements including procedures for modification of the arrangements in light of the results of that programme.		Not applicable
Detailed guidelines/ Testing	2d	Trading platforms should prior to deploying an electronic trading system, and prior to deploying updates, make use of clearly delineated development and testing methodologies. The use of these methodologies should seek to ensure that, amongst other things, the operation of the electronic trading system is compatible with the regulated market's and multilateral trading facility's obligations under MiFID and other relevant Union or national law, that compliance and risk management controls embedded in the systems work as intended (including generating error reports automatically) and that the electronic trading system can continue to work effectively in stressed market conditions.		Not applicable
Detailed guidelines/ Monitoring and review	2e	Trading platforms should monitor in real time their electronic trading systems. They should deal adequately with problems identified as soon as reasonably possible in order of priority and be able when necessary to adjust, wind down, or shut down the electronic trading system. Decisions on action to deal with problems with electronic trading systems should take due account of the need, as far as possible, for those operating trading platforms to act in an orderly manner.		Not applicable
		In order to ensure that trading platforms remain continually effective, the operators of these trading platforms should periodically review and evaluate their electronic trading systems, and associated process for governance, accountability and sign-off and associated business continuity arrangements. They should act on the basis of these reviews and evaluations to remedy deficiencies. The review and evaluation process should have some degree of independence which can be achieved, for example, by the involvement of internal audit or third		Not applicable

		parties.		
Detailed guidelines/ Security	2f	Trading platforms should have procedures and arrangements for physical and electronic security designed to protect their electronic trading systems from misuse or unauthorised access and to ensure the integrity of the data that is part of or passes through the systems.		Not applicable
Detailed guidelines/ Staffing	2g	Trading platforms should have procedures and arrangements, including recruitment and training, to determine their staffing requirements and then to ensure they employ sufficient number of staff with the necessary skills and expertise to manage their electronic trading systems. This will include employing staff with knowledge of relevant electronic trading systems, the monitoring and testing of such systems and the sort of trading that will be undertaken by members/participants of the regulated market or users of the multilateral trading facility and of the regulated markets' or multilateral trading systems' regulatory obligations.		Not applicable
Detailed guidelines/ Record keeping and cooperation	2h	Trading platforms should keep records in relation to their electronic trading systems covering at least the matters referred to in points a) to g) above. That will include information about key decisions, system properties, testing methodologies, test results and periodic reviews. The records should be sufficiently detailed to enable competent authorities to monitor compliance with relevant obligations of the trading platform. Market operators and investment firms operating multilateral trading facilities should keep the records for at least 5 years. Market operators operating regulated markets should keep them for at least as long as required by their home competent authority.		Not applicable
		Trading platforms should inform competent authorities, in line with the supervisory arrangements that exist in their Member State, about any significant risks that may affect the sound management of the technical operations of the system and major incidents where those risks crystallise.		Not applicable
Guideline 2. Organisational requirements for investment firms' electronic trading systems (including trading algorithms)				
General guideline	1	An investment firm's electronic trading system (or systems), including trading algorithms, shall ensure that the firm complies with applicable obligations under MiFID and other relevant Union and national laws as well as the rules of the trading platforms to which it sends orders. In particular, the system (or systems) should be well adapted to the business which takes place through it (or them) and is (or are) robust enough to ensure continuity and regularity in the performance of its investment services and activities in an automated trading environment.	The FFastFill SaaS platform has been closely aligned to the Financial Service Industry best practice standards. FFastFill has no direct obligations under MiFID however provides the following to allow member firms to be able to manage their obligations. Client facing tests and test reports can be organised with FFastFill to fulfil the client's internal compliance and FSA/MiFID requirements. Undertaking these tests allows the client to show they are taking reasonable steps to ensure that the outsourcing service they are taking from FFastFill does not cause undue Operational Risk, as specified in Chapter 8 of the FSA's Senior Management Arrangements, Systems and Controls (SYSC) sourcebook and the MiFID connect Outsourcing Guidelines. The FFastFill SaaS platform has been engineered with a key understanding of the importance on reporting in the Financial Services outsourcing space and the implications this has with respect of compliance for both Sarbanes-Oxley and MiFID regulatory approaches.	Full compliance

			The ability of the client to show, internally, to their respective Compliance departments, that the appropriate checks and review processes are fully in place are full supported by the SaaS platform offered by FFastFill. All FFastFill's SaaS clients within the front and middle office business areas get the FFastFill reporting service as part of the overall solution which ensures they receive monthly reports that details key dynamics about their service performance, utilisation and throughput. These reports serve to ensure that the client can show they are taking reasonable steps to ensure that the outsourcing service they are taking from FFastFill does not cause undue Operational Risk, as specified in Chapter 8 of the FSA's Senior Management Arrangements, Systems and Controls (SYSC) sourcebook and the MiFID connect Outsourcing Guidelines. Datacentre Infrastructure - Is fully in line with FSA and MiFID guidelines on outsourcing. Datacentre Security - All access is verifiable, auditable and controlled in line with ISO27001 and is therefore in line with FSA and MiFID guidelines on outsourcing. The FFastFill SaaS platform provides the ability for the client to have full audit and paper trail to fulfil all relevant compliance criteria as specified in the MiFID directive and the FSA SYSC handbook.	
Detailed guidelines/ Governance	2a	The governance process is central to compliance with regulatory obligations. Investment firms should, within their overall governance and decision-making framework, develop, procure (including outsourcing) and monitor their electronic trading systems, including trading algorithms, through a clear and formalised governance process. This governance process must ensure that all of the relevant considerations including commercial, technical, risk and compliance that ought to be brought to bear in making the key decisions are given due weight. In particular, it must embed compliance and risk management principles. The governance process must also have clear lines of accountability, including procedures for the sign-off for development, initial deployment, subsequent updates and resolution of problems identified through monitoring. There should also be appropriate procedures for the communication of information.	FFastFill has undertaken a SAS 70 Type II audit of all internal processes. SAS 70 is the authoritative guidance that allows service organizations to disclose their control activities and processes to their customers and their customers' auditors in a uniform reporting format. The issuance of a service auditor's report prepared in accordance with SAS 70 signifies that a service organization has had its control objectives and control activities examined by an independent accounting and auditing firm. The service auditor's report, which includes the service auditor's opinion, is issued to the service organization at the conclusion of a SAS 70 examination. SAS 70 is to be replaced by SSAE 16 for which FFastFill is currently undertaking the required audit. SSAE 16 was drafted with the intention and purpose of updating the US service organization reporting standard so that it mirrors and complies with the new international service organization reporting standard.	Full compliance
		In the governance process compliance staff should be responsible for providing clarity about the firm's regulatory obligations and the policies and procedures that seek to ensure the use of the trading systems and algorithms comply with the firm's obligations and that any failures to comply are detected. This means compliance staff need to understand the way in which trading systems and algorithms operate, but not knowledge of the technical properties of the trading systems or algorithms.	FFastFill offer a range of support mechanisms for compliance departments which include real-time trade monitoring tools, real-time and post trade risk management tools, management information reporting, highly granular security, a documented new user/user amendment process and a full audited technology platform.	Full compliance
Detailed guidelines/ Capacity and resilience	2b	Investment firm's electronic trading systems should have sufficient capacity to accommodate reasonably foreseeable volumes of messaging. Capacity should be scalable and able to respond to rising message flow and emergency conditions that might threaten the system's proper operation.	FFastFill has a SAS 70 audited capacity management process. T:\Processes\Capacity Management\Capacity Management.v1.1.pdf	Full compliance
Detailed guidelines/ Business	2c	Investment firms should have adequate, reasonable and effective business continuity arrangements in relation to their electronic trading systems to cover disruptive incidents (which, as necessary, can ensure	FFastFill has SAS 70 audited business continuity process for both the service platform and service delivery. T:\Processes\Business Continuity Plan\2. Business Continuity Plan - FFastFill Operations.v1.5.pdf T:\Processes\Business Continuity Plan - Service Platform\13. Business	Full compliance

continuity		a timely resumption of trading) including but not limited to system failures, as the arrangements should cover, as appropriate, matters such as: a. Governance for the development and deployment of the arrangements; b. Consideration of an adequate range of possible scenarios related to the operation of their electronic trading systems which require specific continuity arrangements; c. The backing up of business (including compliance) critical data that flows through their electronic trading systems; d. The procedures for moving to and operating the electronic trading system from a back-up site; e. Staff training on the operation of the arrangements and individuals' roles within them; and f. An on-going programme for the testing, evaluation and review of the arrangements including procedures for modification of the arrangements in light of the results of that programme.	Continuity Plan - Service Platform v5.pdf	
Detailed guidelines/ Testing	2d	Investment firms should prior to deploying an electronic trading system or a trading algorithm and prior to deploying updates, make use of clearly delineated development and testing methodologies. For algorithms these might include performance simulations/back testing or offline testing within a trading platform testing environment (where market operators make testing available). The use of these methodologies should seek to ensure that, amongst other things, the operation of the electronic trading system or trading algorithm is compatible with the investment firm's obligations under MiFID and other relevant Union and national laws as well as the rules of the trading platforms they use, that compliance and risk management controls embedded in the system or algorithm work as intended (including generating error reports automatically) and that the electronic trading system or algorithm can continue to work effectively in stressed market conditions. Working effectively in stressed market conditions may imply (but not necessarily) that the system or algorithm switches off under those conditions.	FFastFill has an internally defined software development process. T:\Processes\Software Development Process.pdf FFastFill has an internally defined Test Case process. Tests are defined and monitored within the Test Track application. Test Track can be made available externally if required. FFastFill provide access to Operation Acceptance Testing systems to allow participants to be able to define and execute their own testing. FFastFill adheres to the conformance requirements of all electronic trading venues prior to these venues being made available to trading participants.	Full compliance
		Investment firms should adapt trading algorithm tests (including tests outside live trading environments) to the strategy the firm will use the algorithm for (including the markets to which it will send orders and their structure). The investment firm should also ensure these tests are commensurate with the risks that this strategy may pose to itself and to the fair and orderly functioning of the markets operated by the trading platforms the firm intends the algorithm to send orders to. Investment firms should undertake further testing if the markets in which the algorithm is to be used changes from those originally intended.	FFastFill has an internally defined Test Case process which provides detailed test cases for exchange supported algorithms and those algorithms supported synthetically by FFastFill. Tests are defined and monitored within the Test Track application. Test Track can be made available externally if required. These tests are repeated on a regular basis as defined within FFastFill testing schedule or as required by the trading venue.	Full compliance
		Investment firms should roll out the deployment of trading algorithms in a live environment in a controlled and cautious fashion by, for example, limits being placed on the number of financial instruments being traded, the value and number of orders, and the number of markets to which orders are sent to enable the firm to check that an	FFastFill provides a full pre- and post-trade risk management system known as Orbit Risk. Orbit Risk is the comprehensive real-time risk management solution covering the entire trade lifecycle from order to settlement. Orbit Risk offers best-of-breed functionality in the areas of real-time prices, market access control, order blocking, 3rd party integration, margin analysis and P&L analysis. It is unique in its ability to integrate the multitude of disparate trading,	Full compliance

		algorithm performs as expected in a live environment and to make changes if it does not.	clearing and back-office data across the firm's in-house and 3rd party technology systems to provide an accurate and detailed view of risk. Orbit Risk's functional highlights include: <ul style="list-style-type: none"> - Real-time cross-asset credit and market risk monitoring and management - Intraday position and transaction risk-based margining (SPAN, TIMS, etc.) - Configurable hierarchical limits for pre and post-trade risk parameters - Pro-active audio, visual and message based alerting - Detailed audit trail of user actions, system messages and alerts - ISV platform independent and open architecture - Interfaces to 3rd party order routing, clearing and back office applications 	
Detailed guidelines/ Monitoring and review	2e	Investment firms should monitor in real time their electronic trading systems, including trading algorithms. They should deal adequately with problems identified as soon as reasonably possible in order of priority and be able when necessary to adjust, wind down, or immediately shut down their electronic trading system or trading algorithm. Investment firms, when taking action to deal with problems with their electronic trading systems should, as far as possible, take due account of the need, as far as possible, for members/participants and users of regulated markets to act in an orderly manner.	The FFastFill SaaS Service Monitoring is built around Microsoft Service Centre Operation Manager 2007 (SCOM). SCOM monitors all of the server components within the infrastructure from the operating system up through to the application stack. SCOM allows FFastFill enormous flexibility to script automated checks that replicate user interaction tailored to the specific user's platform usage. Therefore in the event of unexpected platform behaviour the FFastFill Service Desk are alerted with a corresponding alarm and, where applicable, resolution steps. SCOM and its predecessor technology have been in use by FFastFill for many years to monitor mission critical infrastructure 24/7/365. FFastFill has dedicated Service Management Engineers working globally who administer and manage the SCOM infrastructure. The monitoring infrastructure serves to achieve the following directives: Performance Monitoring Error Alerting Proactive Verification Performance monitoring is broken in to two aspects, specifically alerting to the threshold breaches of key performance metrics such as, at the most basic level, CPU and disk usage. These are monitoring in real time and should any node be exhibiting utilization above levels specified by the FFastFill engineering and development teams then the monitoring infrastructure will notify the global service desk. Additionally all service platforms are reviewed by the engineering team on a monthly basis to review and appraise the performance with view to identifying any unusual behaviour and/or recommending changes or upgrades that may be required. Errors generated in the system as a result of failing components and/or services are immediately picked up by SCOM and then notifications are sent to the global service desk. Where possible, if new errors messages are identified then bespoke checks are developed by the Service Management Engineers that regularly query the service platforms. By adopting this approach FFastFill have been able to leverage the SCOM infrastructure to provide a monitoring infrastructure that quickly and dynamically adapts to changing service needs ensuring the maximum visibility of platform state. FFastFill strives to apply automated and intelligent proactive monitoring wherever possible to increase visibility of all aspects of the system. This can involve developing checks that mimic user activities that can be undertaken many times a day providing assurance to the client that their system is performing as expected, if the system does not respond as expected then an alert is sent to the Global Service Desk. The principle driver behind the FFastFill SaaS monitoring infrastructure is for all issues to be identified, incident managed and then problem managed with zero service disruption to the end clients.	Full compliance
		Investment firms should periodically review and evaluate their electronic trading systems and trading algorithms, and the associated governance, accountability and sign-off framework and associated business continuity arrangements. They should act on the basis of these reviews and evaluations to remedy deficiencies identified. The	All processes are continually reviewed based on SAS 70/SSAE 16 requirements and as stipulated by the FFastFill Security Policy. T:\Processes\Security Management\Security Policy-v11.4.pdf	Full compliance

		review and evaluation process should have some degree of independence which can be achieved, for example, by the involvement of internal audit or third parties. Reviews of the performance of trading algorithms should include an assessment of the impact on market integrity and resilience as well as profit and loss of the strategies the algorithm is deployed for.		
Detailed guidelines/ Security	2f	Investment firms should have procedures and arrangements for physical and electronic security designed to protect electronic trading systems and trading algorithms from misuse or unauthorised access and to ensure the integrity of the data that is part of or passes through the systems and algorithms.	FFastFill as a company has a wealth of experience within the security area. The FFastFill SaaS platform adheres to the FFastFill Security Policy. The service platform itself is further verified for industry best practice through regular testing by not only leading third party security industry specialists (NCC group), but also by the FFastFill engineers themselves. All changes to the FFastFill SaaS platform or FFastFill working methodologies are considered for their security implications before being signed off as production ready. To ensure the highest standards of security at all levels of the service platform FFastFill has a two phase security review procedure, firstly changes to the service or the way FFastFill works as a company are considered by the FFastFill Security Implementation Group (SIG) which comprises the leading subject matter experts from within the FFastFill group. Any suggested changes, or request for approval, are then raised to the FFastFill Security Management Forum which has attendance up to CEO, COO and CTO level – changes to the FFastFill Security Policy can only be approved within this forum. Security is understood by all FFastFill employees of being of absolute paramount importance and the deployment and design of the SaaS platform and peripheral service support infrastructure further shows the commitment of FFastFill in this area.	Full compliance
Detailed guidelines/ Staffing	2g	Investment firms should have procedures and arrangements, including training and recruitment, to determine their staffing requirements and to employ sufficient number of staff with the necessary skills and expertise to manage their electronic trading systems and trading algorithms. This will include employing staff that have knowledge of relevant electronic trading systems and algorithms, the monitoring and testing of such systems and algorithms, and of the sort of trading strategies that the firm deploys through its trading systems and algorithms and of firms' regulatory obligations.	FFastFill has a documented Starters Policy which includes ID and background checks. This is applicable to all staff regardless of position. FFastFill has a documented appraisal procedure to ensure that staff are provided with the skills, knowledge and training required to do their job.	Full compliance
Detailed guidelines/ Record keeping and co-operation	2h	Investment firms should keep, for at least five years, records of their electronic trading systems (and trading algorithms) in relation to the matters covered in points a) to g) above, including information about key decisions, the trading strategy or strategies that each algorithm is deployed to execute, system properties, testing methodologies, test results and periodic reviews. The records should be sufficiently detailed to enable competent authorities to monitor firms' compliance with their relevant obligations.	All processes are continually reviewed based on SAS 70/SSAE 16 requirements and as stipulated by the FFastFill Security Policy. T:\Processes\Security Management\Security Policy-v11.4.pdf It is the interpretation of FFastFill that all data pertaining to FFastFill SaaS platforms and services should be stored, in accordance with FSA regulations or the regulations any applicable competent authority (as defined in the FSA handbook), by FFastFill period of no less than 7 years. In reality FFastFill, as per the SaaS approach, will retain all data for the duration of the contracted service.	Full compliance
		Investment firms should inform competent authorities, in line with supervisory arrangements in that exist in their home Member State, about any significant risks that may affect the sound management of the technical operations of their electronic trading systems and algorithms and major incidents where those risks crystallise.	FFastFill offers the client a monthly service report as part of the SaaS solution which covers key aspects of the service that review the performance of the Service being provided by FFastFill. The following data points are provided as standard in the FFastFill SaaS Monthly report. FFastFill SaaS Reporting List of all tickets raised in the past month with short status Ticket analysis by type i.e. static data, overnight batch Statistical analysis of all open and closed tickets for the past year from start of taking the reporting service List of configured user accounts Summary of code released to Live and DR platforms Utilisation graphs for key	Full compliance

			performance metrics covering the past 1 month, 3 months and 1 year for the client Server hardware Utilisation graphs for link utilisation covering the past 1 month, 3 months and 1 year for the client leased line connectivity (where applicable). Enhanced FFastFill SaaS Reporting may be supplied on request List of configured user and permission related settings List of batch run times for the past month List of changes to batch schedule Total number of lots/trades Total number of lot/trades by exchange (where applicable) List of all unique products traded with delta comparison to previous months Analysis of top 10 traded products and position in overall business done globally	
Guideline 3. Organisational requirements for regulated markets and multilateral trading facilities to promote fair and orderly trading in an automated trading environment				
General guideline	1	Regulated markets' and multilateral trading facilities' rules and procedures for fair and orderly trading on their electronic markets should be appropriate to the nature and scale of trading on those markets, including the types of members, participants and users and their trading strategies.		Not applicable
Detailed guidelines/ Requirements for members or participants who are not credit institutions or investment firms	2a	Trading platforms should perform adequate due diligence on applications to become a member/ participant or user from persons who are not credit institutions or investment firms under EU law.		Not applicable
		Trading platforms should have organisational requirements for members or participants who are not credit institutions or investment firms (taking account as necessary of the controls imposed on firms authorised outside the EEA), including requirements on the monitoring of trading against the rules of the platform and the management of risk. Trading platforms' rules should require members/participants and users who are not investment firms to follow the guidelines laid down in this paper for investment firms.		Not applicable
Detailed guidelines/ IT compatibility	2b	Trading platforms should have standardised conformance testing to ensure that the systems that members and participants are using to access the platform have a minimum level of functionality that is compatible with the trading platforms' electronic trading system and will not pose a threat to fair and orderly trading on the platform.		Not applicable
Detailed guidelines/ Pre- and	2c	To ensure that there is orderly trading on the platform, trading platforms should have minimum requirements for members'/participants' and users' pre- and post-trade controls on		Not applicable

post-trade controls		their trading activities (including controls to ensure that there is no unauthorised access to trading systems). In particular, there should be controls on filtering order price and quantity (this requirement is without prejudice to the responsibility of members/participants or users to implement their own pre- and post-trade controls).		
Detailed guidelines/ Trader access and knowledge	2d	Trading platforms should have standards covering the knowledge of persons within members/ participants and users who will be using order entry systems.		Not applicable
Detailed guidelines/ Limits to access and intervention on transactions	2d	Trading platforms should have the ability to prevent in whole or in part the access of a member or participant to their markets and to cancel, amend or correct a transaction. The rules and procedures for cancelling, amending or correcting trades should be transparent to members/ participants and users of the regulated market or multilateral trading facility.		Not applicable
Detailed guidelines/ Measures to cope with excessive flooding of the order book.	2e	Trading platforms should have arrangements to prevent the excessive flooding of the order book at any one moment in time, notably through limits per participant on order entry capacity.		Not applicable
Detailed guidelines/ Prevention of capacity limits from being breached.	2f	Trading platforms should have arrangements (such as throttling) to prevent capacity limits on messaging from being breached. At a minimum, the framework of those arrangements should be made available to members/participants and users.		Not applicable
Detailed guidelines/ Measures to constrain or halt trading.	2g	Trading platforms should have arrangements (for example, volatility interruptions or automatic rejection of orders which are outside of certain set volume and price thresholds) to constrain trading or to halt trading in individual or multiple financial instruments when necessary, to maintain an orderly market. At a minimum the framework of those arrangements should be made available to members/participants and users.		Not applicable
Detailed guidelines/ Obtaining information	2h	Trading platforms should have the ability to obtain information from a member/participant or user to facilitate monitoring of compliance with the rules and procedures of the regulated market or multilateral trading facility relating to organisational requirements and trading		Not applicable

n from members/ participants and users		controls.		
Detailed guidelines/ Monitoring	2j	Trading platforms should, whenever the trading platform is in operation, monitor their markets as close to real time as possible for possible signs of disorderly trading. This monitoring should be conducted by staff who understands the functioning of the market. Those staff should be accessible to the platform's home competent authority and should have the authority to take remedial action, when necessary, to protect fair and orderly trading.		Not applicable
Detailed guidelines/ Record keeping and co-operation	2ki	Trading platforms should keep records of the matters covered by points a) to j) above, including of issues which emerge in relation to the policies and procedures mentioned. The records should be sufficiently detailed to enable a competent authority to monitor compliance with relevant obligations of trading platforms. Market operators and investment firms operating multilateral trading facilities should keep the records for at least 5 years. Market operators operating regulated markets should keep them for at least as long as required by their home competent authority.		Not applicable
	2kii	Trading platforms should inform competent authorities, in line with the supervisory arrangements that exist in their Member State, about significant risks that may affect fair and orderly trading and major incidents where those risks crystallise.		Not applicable
Guideline 4. Organisational requirements for investment firms to promote fair and orderly trading in an automated trading environment				
General guideline	1	Investment firms must have policies and procedures to ensure that their automated trading activities, including where they are providing DMA or SA, on trading platforms comply with their regulatory requirements under MiFID and other relevant Union and national laws and, in particular, and that they manage the risks relating to those trading activities.	FFastFill provides all firms with access to the Orbit Risk user interface which is designed to provide users with immediate access to critical risk information. The key features of the user interface include: Flexible interface with ability to drill-down to specific data points User-defined graphical representation of current status On demand snapshot of all Trader/Client Positions Top Ten Indicators for quick visibility Detailed views for working orders, trades and positions View live market gateway status and active trader status Other Key Features Quick search for clients and traders Grouping views for company, traders and clients	Full compliance
Detailed guidelines/ Price or size parameters	2a	Investment firms should be able to automatically block or cancel orders that do not meet set price or size parameters (differentiated as necessary for different financial instruments), either or both on an order-by-order basis or over a specified period of time.	On an order-by-order basis investment firms may define: <ul style="list-style-type: none"> - Max clip size. Maximum number of lots the trader / client can buy / sell in one order - Min clip size. Minimum number of lots the trader / client can buy / sell in one order. Over a period of time, either one trading day or for the full life of the system, investment firms may define: <ul style="list-style-type: none"> - Max Long Position. The maximum total aggregate position of the trader being the sum of all long positions. - Max Short Position. The maximum total aggregate position of the trader being the sum of all short positions. 	Full compliance

Detailed guidelines/ Permission to trade	2b	Investment firms should be able to automatically block or cancel orders from a trader if they are aware for a financial instrument that a trader does not have permission to trade.	The investment firm must actively permission a trader to have the ability to trade a product or instrument. An investment firm may remove a trader's ability to trade a product or instrument by deleting the Clip Size or Position value defined or by adjusting this to zero.	Full compliance
Detailed guidelines/ Risk management	2c	Investment firms should be able to automatically block or cancel orders where they risk compromising the firm's own risk management thresholds. Controls should be applied as necessary and appropriate to exposures to individual clients or financial instruments or groups of clients or financial instruments, exposures of individual traders, trading desks or the investment firm as a whole.	FFastFill provides the functionality for the investment firm to be able to block or cancel orders across the system as a whole using the Clip Size and Position method at the top level of the company tree hierarchy, known as the client root area. In addition, Orbit Risk calculates initial margin requirements for both working orders and traded positions and can be managed at a company-wide level. The risk service employs an optimized margin algorithm for each based on the order-trade lifecycle. The initial margin requirement for working orders is based on a simple margin calculation for outright and explicitly entered spread orders. The margin calculation optimizes pre-trade liquidity checks and prevents end-users from manipulating initial margin requirements using working orders away from the market. Initial margin for traded positions employs a risk-based margin algorithm. The latest clearinghouse SPAN (or SPAN equivalent) risk arrays are used in the calculation to incorporate appropriate spread and cross product margin offsets. Post-trade initial margin requirements can be configured for gross or net margining as well as account type. Margin limits are colour coded so as to view the trader/client margin requirement percentage in two ways. Amber percentages are set at a lower level which flag the level of margin requirement used by the trader/client at any one time. Red percentages are set at a level which will block the trader/client from entering further orders so as not to use the entire cash/credit balance for the requirement percentage. This is set in the Margin Limit % column.	Full compliance
Detailed guidelines/ Consistency with the regulatory and legal framework	2d	The electronic systems of investment firms, and the orders these generate, should be consistent with the firm's obligations under MiFID, or other relevant Union or national legislation, or under the rules of the RM or MTF to which the order is to be sent (including rules relating to fair and orderly trading).	FFastFill believes that the electronic trading system and the orders generated from the trading system as consistent with the obligations of an investment firm under MiFID, or other relevant Union or national legislation, or under the rules of the RM or MTF to which the order is to be sent (including rules relating to fair and orderly trading). FFastFill undertakes conformance tests with trading venues to ensure that this is the case.	Full compliance
Detailed guidelines/ Reporting obligations to supervisory arrangements	2e	Investment firms should inform competent authorities, in line with the supervisory arrangements that exist in their Member State, about significant risks that may affect fair and orderly trading and major incidents where those risks crystallise.	FFastFill offers the client a monthly service report as part of the SaaS solution which covers key aspects of the service that review the performance of the Service being provided by FFastFill. The following data points are provided as standard in the FFastFill SaaS Monthly report. FFastFill SaaS Reporting List of all tickets raised in the past month with short status Ticket analysis by type i.e. static data, overnight batch Statistical analysis of all open and closed tickets for the past year from start of taking the reporting service List of configured user accounts Summary of code released to Live and DR platforms Utilisation graphs for key performance metrics covering the past 1 month, 3 months and 1 year for the client Server hardware Utilisation graphs for link utilisation covering the past 1 month, 3 months and 1 year for the client leased line connectivity (where applicable). Enhanced FFastFill SaaS Reporting may be supplied on request List of configured user and permission related settings List of batch run times for the past month List of changes to batch schedule Total number of lots/trades Total number of lot/trades by exchange (where applicable) List of all unique products traded with delta comparison to previous months Analysis of top 10 traded products and position in overall business done globally	Full compliance
Detailed	2f	Investment firms should have procedures and arrangements for	The Orbit Risk tool is made available to authorised personnel at the investment firm only.	Full compliance

guidelines/ Overriding of pre- trade controls		dealing with orders which have been automatically blocked by the firm's pre-trade controls but which the investment firm wishes to submit. These procedures and arrangements should make compliance and risk management staff aware of when controls are being overridden and require their approval for the overriding of these controls.	FFastFill's procedures ensure that only registered administrators can authorise applications to be assigned to users. Authorised Orbit Risk users are able to amend the risk pre-trade risk controls subject to having the correct security permissions. Users must confirm their intention to make a change prior to it being submitted. All risk changes are stored within the audit trail along with the name of the person auctioning the change. In addition, it is possible to configure the system to email a notification of any risk level changes to any email address.	
Detailed guidelines/ Training on order entry procedures	2g	Investment firms should ensure that employees involved in order entry have adequate training on order entry procedures, for example through on-the-job training with experienced traders or classroom-based training, including complying with requirements imposed by trading platforms, before they are allowed to use order entry systems.	FFastFill provides access to a Trainer system which can be offered to users prior to allowing them access to the live market. FFastFill provides user training as required. Full user guides are available from within the application.	Full compliance
Detailed guidelines/ Monitoring and accessibility of knowledge able and mandated staff	2h	Investment firms should, during the hours they are sending orders to trading platforms, monitor their orders in as close to real time as possible, including from a cross-market perspective, for potential signs of disorderly trading. This monitoring should be conducted by staff who understand the firm's trading flow. These staff members should be accessible to the firm's home competent authority and to the trading platforms on which the firm is active and should have the authority to take remedial action, when necessary.	FFastFill provides all firms with access to the Orbit Risk user interface which is designed to provide users with immediate access to critical risk information. The key features of the user interface include: Flexible interface with ability to drill-down to specific data points User-defined graphical representation of current status On demand snapshot of all Trader/Client Positions Top Ten Indicators for quick visibility Detailed views for working orders, trades and positions View live market gateway status and active trader status Other Key Features Quick search for clients and traders Grouping views for company, traders and clients Orbit Risk users have the ability to block a trader or group of traders from submitting any additional orders. They also have the ability to pull one or all orders active across all venues at that time. Users may be permission to submit risk reducing orders only.	Full compliance
Detailed guidelines/ Close scrutiny by compliance staff	2i	Investment firms should ensure that compliance staff are able to follow closely the firm's electronic trading activity so that they can quickly respond to and correct any failures or regulatory infractions that may take place.	FFastFill provides all firms with access to the Orbit Risk user interface which is designed to provide users with immediate access to critical risk information. The key features of the user interface include: Flexible interface with ability to drill-down to specific data points User-defined graphical representation of current status On demand snapshot of all Trader/Client Positions Top Ten Indicators for quick visibility Detailed views for working orders, trades and positions View live market gateway status and active trader status Other Key Features Quick search for clients and traders Grouping views for company, traders and clients	Full compliance
Detailed guidelines/ Control of messaging traffic	2j	Investment firms should ensure that they have control of messaging traffic to individual trading platforms.	FFastFill uses Nagios, Cacti & Syslog as its basic components from which the service statistics are generated, reports produced and escalation processes are implemented for automatic fault notification. All components of the core platform are monitored and managed by this facility, and are polled on a regular basis.	Full compliance
Detailed guidelines/ Management of operational risk	2k	Investment firms should manage the operational risks in electronic trading through appropriate and proportionate governance arrangements, internal controls and internal reporting systems taking account, as appropriate, of CEBS' Guidelines on the Management of Operational Risk in Market- Related Activities ¹ .	Operational Risk is managed by the multitude of access controls and limits configurable within the system. Risk managers have the ability to restrict market access, trading limits and position limits at any level in the company's business data hierarchy.	Full compliance
Detailed guidelines/ IT compatibility	2l	Investment firms should ensure that the systems that they use to access a trading platform have a minimum level of functionality that is compatible with the trading platform's electronic trading systems and will not pose a threat to fair and orderly trading on that platform.	Investment firms are provided with access to the FFastFill System Manager application which provides the ability to assign functionality on a per user basis. This allows the system to be restricted for new users if required.	Full compliance
Detailed	2mi	Investment firms should keep records, for at least five years, of the	It is the interpretation of FFastFill that all data pertaining to FFastFill SaaS platforms and	Full compliance

guidelines/ Record keeping and co- operation		matters covered by points a) to l) above. The records should be sufficiently detailed to enable competent authorities to monitor firms' compliance with their relevant obligations.	services should be stored, in accordance with FSA regulations or the regulations any applicable competent authority (as defined in the FSA handbook), by FFastFill period of no less than 7 years. In reality FFastFill, as per the SaaS approach, will retain all data for the duration of the contracted service.	
	2mii	Investment firms should inform competent authorities, in line with the supervisory arrangements that exist in their Member State, about significant risks that may affect fair and orderly trading and major incidents where those risks crystallise.	FFastFill offers the client a monthly service report as part of the SaaS solution which covers key aspects of the service that review the performance of the Service being provided by FFastFill. The following data points are provided as standard in the FFastFill SaaS Monthly report. FFastFill SaaS Reporting List of all tickets raised in the past month with short status Ticket analysis by type i.e. static data, overnight batch Statistical analysis of all open and closed tickets for the past year from start of taking the reporting service List of configured user accounts Summary of code released to Live and DR platforms Utilisation graphs for key performance metrics covering the past 1 month, 3 months and 1 year for the client Server hardware Utilisation graphs for link utilisation covering the past 1 month, 3 months and 1 year for the client leased line connectivity (where applicable). Enhanced FFastFill SaaS Reporting may be supplied on request List of configured user and permission related settings List of batch run times for the past month List of changes to batch schedule Total number of lots/trades Total number of lot/trades by exchange (where applicable) List of all unique products traded with delta comparison to previous months Analysis of top 10 traded products and position in overall business done globally	Full compliance
Guideline 5. Organisational requirements for regulated markets and multilateral trading facilities to prevent market abuse (in particular market manipulation) in an automated trading environment				
General guideline	1	Trading platforms should have effective arrangements and procedures, taking account of the specific supervisory arrangements/regulation in their Member State, which enable them to identify conduct by their members/participants and users that may involve market abuse (in particular market manipulation) in an automated trading environment.		Not applicable
General guideline	2	Potential cases of market manipulation that could be of particular concern in an automated trading environment include: Ping orders – entering small orders in order to ascertain the level of hidden orders and particularly used to assess what is resting on a dark platform.		Not applicable
		Quote stuffing- entering large numbers of orders and/or cancellations/updates to orders so as to create uncertainty for other participants, slowing down their process and to camouflage their own strategy.		Not applicable
		Momentum ignition- entry of orders or a series of orders intended to start or exacerbate a trend, and to encourage other participants to accelerate or extend the trend in order to create an opportunity to unwind/open a position at a favourable price.		Not applicable
		Layering and Spoofing- submitting multiple orders often away from the touch on one side of the order book with the intention of executing a trade on the other side of the order book. Once that trade has taken place, the manipulative orders will be removed.		Not applicable
Detailed	3a	Trading platforms should have sufficient staff with an understanding of		Not applicable

guidelines/ Staffing		regulation and trading activity and the skill to monitor trading activity in an automated trading environment and identify behaviour giving rise to suspicions of market abuse (in particular market manipulation) in case monitoring market abuse falls under their responsibility.		
Detailed guidelines/ Monitoring	3b	Trading platforms should at least have systems (including automated alert systems on transactions and orders) with sufficient capacity to accommodate high frequency generation of orders and transactions and low latency transmission, in order to monitor, using a sufficient level of time granularity, orders entered and transactions undertaken by members/participants and users and any behaviour which may involve market abuse (in particular market manipulation, including, where the trading platform has sight of this, cross-market behaviour) and with the ability to trace backwards transactions undertaken by members/participants and users as well as orders entered/ cancelled which may involve market manipulation.		Not applicable
Detailed guidelines/ Arrangements for the identification and reporting of suspicious transactions and orders	3c	Trading platforms should have in place arrangements to identify transactions, and it is also recommended that these arrangements also cover orders ² , that require an STR to competent authorities in relation to market abuse (in particular market manipulation) and to make those reports without delay (if initial enquiries are undertaken, a report should be made as soon as possible if those enquiries fail to find a satisfactory explanation for the observed behaviour).		Not applicable
Detailed guidelines/ Reviews	3d	Trading platforms should conduct periodic reviews and internal audits of procedures and arrangements to prevent and identify instances of conduct that may involve market abuse.		Not applicable
Detailed guidelines/ Record keeping	3e	Trading platforms should keep records of the matters covered by points a) to d) above, including effective audit trails regarding how each alert of possible suspicious behaviour is dealt with whether or not a report is made to the relevant competent authorities. The records should be sufficiently detailed to enable competent authorities to monitor compliance with their relevant obligations of trading platforms. Market operators and investment firms operating multilateral trading facilities should keep the records for at least 5 years. Market operators operating regulated markets should keep them for at least as long as required by their home competent authority.		Not applicable
Guideline 6. Organisational requirements for investment firms to prevent market abuse (in particular market manipulation) in an automated trading environment				
General	1	Investment firms should have policies and procedures in place to	FFastFill believe this guideline to be beyond the scope of the electronic trading solution and as	Not applicable

guideline		minimise the risk that their automated trading activity gives rise to market abuse (in particular market manipulation).	such is not applicable.	
General guideline	2	The sorts of market manipulation that might be of particular concern in a highly automated trading environment were described in guideline 5 (paragraph 2 under General guideline).		Not applicable
Detailed guidelines	3	In following the general guideline the policies and procedures of investment firms engaging in automated trading activities should at least include:		Not applicable
Detailed guidelines/ Understanding, skill and authority of compliance staff	3a	Investment firms should have procedures to seek to ensure that staff exercising the compliance function has sufficient understanding (of both regulation and trading activity), skill and authority to challenge staff responsible for trading when the trading activity gives rise to suspicions of market abuse (in particular market manipulation).		Not applicable
Detailed guidelines/ Training in market abuse	3b	Investment firms should provide initial and regular refresher training on what constitutes market abuse (in particular market manipulation) for all individuals involved in executing orders on behalf of clients and dealing on own account.		Not applicable
Detailed guidelines/ Monitoring activity	3c	Investment firms should monitor the activities of individuals/algorithms trading on behalf of the firm and the trading activities of clients, taking account of orders submitted, modified and cancelled as well as transactions executed. This should involve having adequate systems in place (including automated alert systems), using a sufficient level of time granularity, to flag any behaviour likely to give rise to suspicions of market abuse (in particular market manipulation), including (where the firm has sight of this) cross-market behaviour.		Not applicable
Detailed guidelines/ Arrangements for the identification and reporting of suspicious transactions and orders	3d	Investment firms should have arrangements to identify transactions, and it is recommended that these arrangements also cover orders, that require a STR to competent authorities in relation to market abuse (in particular market manipulation) and to make those reports without delay (if initial enquiries are undertaken, a report should be made as soon as possible if those enquiries fail to find a satisfactory explanation for the observed behaviour).		Not applicable
Detailed guidelines/ Periodic	3e	Investment firms should conduct periodic reviews and internal audits of procedures and arrangements to prevent and identify instances of conduct that may involve market abuse.		Not applicable

reviews and internal audits of compliance arrangements and procedures				
Detailed guidelines/ Frequently reviewed arrangements governing the access of staff to trading systems	3f	Investment firms should keep, for at least 5 years, records of the arrangements and procedures to identify conduct that may involve market abuse covering the matters set out in points a) to e) above, including an effective audit regarding how each alert of possible suspicious behaviour is dealt with whether or not a report is made to the relevant competent authorities. These records should be sufficiently detailed to enable competent authorities to monitor firms' compliance with their relevant obligations.		Not applicable
Guideline 7. Organisational requirements for regulated markets and multilateral trading facilities whose members/participants and users provide direct market access/sponsored access				
General guideline	1	Trading platforms should have rules and procedures which seek to ensure that, where they allow members/participants or users to provide direct market access/sponsored access (DMA/SA), the provision of DMA/SA is compatible with fair and orderly trading. It is important that trading platforms and their members/participants retain control of and closely monitor their systems to minimise any potential disruption caused by these third parties to avoid that trading platforms are vulnerable to either the potential misconduct or market abuse of DMA/SA clients or to their inadequate/erroneous systems.		Not applicable
Detailed guidelines	2	In following the general guideline, trading platforms should set out whether or not it is permissible for their members/participants or users to offer DMA and/or SA. Where they allow members or participants to offer DMA and/or SA, their rules and procedures should at least take account of the following:		Not applicable
Detailed guidelines/ Ultimate responsibility for messages, including orders,	2a	Trading platforms should make clear that the member/participant or user is solely responsible for all messages, including orders entered under its trading codes and therefore may be subject to interventions (including cutting the access of the member/participant or user to the trading platform) and sanctions for any breaches of the rules or procedures in respect of those orders.		Not applicable

and eventual interventions and sanctions				
Detailed guidelines/ Subsidiary responsibility when providing DMA/SA	2b	DMA/SA arrangements between trading platforms and a DMA/SA provider firm should stress that the direct market access/sponsored access provider firm remains responsible to the trading platform for all trades using their market participant ID code or any other identification.		Not applicable
Detailed guidelines/ Requirements for members/ participants to provide DMA/SA	2c	As per guideline 3, trading platforms should require members/participants or users to have adequate systems and effective controls, including pre- and post-trade controls, to ensure that the provision of DMA/SA does not adversely affect compliance with the rules of the regulated market or multilateral trading facility, lead to disorderly trading or facilitate conduct that may involve market abuse. This applies equally where a member/participant or user provides DMA/SA.		Not applicable
Detailed guidelines/ Due diligence prior to provision of DMA/SA	2d	Trading platforms should require members/participants or users to conduct due diligence on clients to which they provide DMA/SA.		Not applicable
Detailed guidelines/ Rights of access	2e	Trading platforms should be able to refuse a request from a member/participant or user to allow a client to be provided with SA where the regulated market or multilateral trading facility is not satisfied that this would be consistent with its rules and procedures for fair and orderly trading. In relation to naked SA please refer to guideline 8.		Not applicable
Detailed guidelines/ Monitoring of orders	2f	Trading platforms should, as part of their obligations to monitor their markets under guideline 3, monitor orders sent to their systems by a member/participants' SA clients.		Not applicable
Detailed guidelines/ Potential interventions over SA	2gi	Trading platforms should be able to suspend or withdraw the SA after it has been granted where the regulated market or multilateral trading facility is not satisfied that continued access would be consistent with its rules and procedures for fair and orderly trading.		Not applicable
	2gii	Trading platforms should have the ability to stop orders from a person trading through SA separately from the orders of the member or		Not applicable

		participant sponsoring that person's access by assigning unique customer IDs to clients that are accessing the market via SA.		
	2giii	Trading platforms should be able to carry out, where necessary, a review of a member/ participant or users' internal risk control systems in relation to their sponsored access or direct market access clients.		Not applicable
Detailed guidelines/ Record keeping	2i	Trading platforms should keep records of their policies and procedures relating to DMA/SA and any significant incidents relating to SA trading. The records should be sufficiently detailed to enable competent authorities to monitor compliance with relevant obligations of trading platforms. Market operators and investment firms operating multilateral trading facilities should keep the records for at least 5 years. Market operators operating regulated markets should keep them for at least as long as required by their home competent authority.		Not applicable
Guideline 8. Organisational requirements for investment firms that provide direct market access and/or sponsored access				
General guidelines	1	Investment firms offering DMA/SA to clients ('DMA/SA clients') are responsible for the trading of those clients. They must establish policies and procedures to ensure the trading of those clients complies with the rules and procedures of the relevant trading platforms to which the orders of such clients are submitted and enables the investment firm to meet its obligations under MiFID and other relevant Union and national law.	FFastFill requires all DMA/SA clients of investment firms to undergo formal conformance before access to the production electronic trading environment is permitted.	Full compliance
Detailed guidelines/ Due diligence on direct market access/sponsored access clients	2a	Investment firms must conduct due diligence on prospective DMA/SA clients, as appropriate to the risks posed by the nature of the clients, the scale and complexity of their prospective trading activities and the service being provided. Due diligence might, as appropriate, cover matters such as the training and competency of individuals entering orders, access controls over order entry, 48 allocation of responsibility for dealing with actions and errors, the historical trading pattern/behaviour of the client (when available), and the ability of clients to meet their financial obligations to the firm. In the process of due diligence investment firms can take into account whether the prospective client is regulated under a directive, the national law of a Member State or under the law of a third country and their disciplinary history with competent authorities and trading platforms. The due diligence assessment should be periodically reviewed.		Not applicable
Detailed guidelines/ Pre-trade controls	2bi	Pre-trade controls on the orders of DMA/SA clients of the sort covered in paragraph 2 of Guideline 4 on organisational requirements for investment firms to promote fair and orderly trading in an automated trading environment, including in-built and automatic rejection of orders outside of certain parameters.	On an order-by-order basis investment firms may define: <ul style="list-style-type: none"> - Max clip size. Maximum number of lots the DMA/SA client can buy / sell in one order - Min clip size. Minimum number of lots the DMA/SA client can buy / sell in one order. Over a period of time, either one trading day or for the full life of the system, investment firms may define:	Full compliance

			<p>- Max Long Position. The maximum total aggregate position of the DMA/SA client being the sum of all long positions.</p> <p>Max Short Position. The maximum total aggregate position of the DMA/SA client being the sum of all short positions.</p> <p>The investment firm must actively permission a DMA/SA client to have the ability to trade a product or instrument. An investment firm may remove a DMA/SA client's ability to trade a product or instrument by deleting the Clip Size or Position value defined or by adjusting this to zero.</p> <p>In addition, Orbit Risk calculates initial margin requirements for both working orders and traded positions and can be managed at a DMA/SA client level. The risk service employs an optimized margin algorithm for each based on the order-trade lifecycle. The initial margin requirement for working orders is based on a simple margin calculation for outright and explicitly entered spread orders. The margin calculation optimizes pre-trade liquidity checks and prevents end-users from manipulating initial margin requirements using working orders away from the market. Initial margin for traded positions employs a risk-based margin algorithm. The latest clearinghouse SPAN (or SPAN equivalent) risk arrays are used in the calculation to incorporate appropriate spread and cross product margin offsets. Post-trade initial margin requirements can be configured for gross or net margining as well as account type. Margin limits are colour coded so as to view the trader/client margin requirement percentage in two ways. Amber percentages are set at a lower level which flag the level of margin requirement used by the trader/client at any one time. Red percentages are set at a level which will block the trader/client from entering further orders so as not to use the entire cash/credit balance for the requirement percentage. This is set in the Margin Limit % column.</p>	
	2bii	There should be absolute clarity that the investment firm should solely be entitled to modify the parameters of the pre-trade controls (i.e. the DMA/SA client should not be able to do so).	The ability to manage the pre-trade control parameters is managed entirely by the investment firm. FFastFill shall under no circumstances make any changes to the pre-trade controls. It is considered a breach of company policy and a disciplinary offence to do so.	Full compliance
	2biii	Investment firms offering DMA/SA can use pre- and post-trade controls which are proprietary controls of the investment firm, controls bought in from a vendor, controls provided by an outsourcer or controls offered by the platform itself (i.e. they should not be the controls of the direct market access/sponsored access client). However, in each of these circumstances the investment firm remains responsible for the effectiveness of the controls and has to be solely responsible for setting the key parameters.	The ability to manage the pre-trade control parameters is managed entirely by the investment firm. FFastFill shall under no circumstances make any changes to the pre-trade controls. It is considered a breach of company policy and a disciplinary offence to do so.	Full compliance
Detailed guidelines/ 'Naked' or 'unfiltered' market access	2c	'Naked' or 'unfiltered' access to a regulated market or MTF, where a client's orders do not pass through pre-trade controls before being sent to a regulated market or MTF, is prohibited under MiFID. Therefore, an SA client should never be able to send an order to a trading platform without the order passing through pre-trade controls of the investment firm.	FFastFill will, under no circumstances, conform or give production access to an SA client who does not have a relationship to send orders to a trading platform via an investment firm.	Full compliance
Detailed guidelines/ Monitoring	2di	The monitoring of orders (including on a cross-market basis) that investment firms are required to carry out under guideline 4 should apply to all order flow including that from DMA/SA clients, and	All order monitoring outlined in guideline 4 applies equally to DMA/SA clients.	Full compliance

		likewise the systems that investment firms are required to have under guideline 6 for identifying possible instances of market abuse (in particular market manipulation) should apply to orders from and transactions by DMA/SA clients.		
	2dii	To comply with these obligations investment firms will need to be able to separately identify orders and transactions of DMA/SA clients from other orders and transactions of the firm.	The FFastFill Orbit Risk system provides granular risk management levels allowing the investment firm to distinguish between orders and transactions originating from a trader or a DMA/SA client.	Full compliance
	2diii	Investment firms should also have the ability to immediately halt trading by individual direct market access/sponsored access clients.	FFastFill Orbit Risk has the ability to automatically halt trading should the pre-define risk parameters be breached or manually by a risk manager who is able to block direct market access/sponsored access clients from further trading.	Full compliance
Detailed guidelines/ Rights and obligations of the parties	2e	Investment firms should establish clarity about the rights and obligations of both parties in relation to the DMA/SA service.	FFastFill shall provide the trading technology access for a DMA/SA client as authorised by the investment firm. FFastFill shall in no way be involved in risk managing the user or in the provision of credit.	Full compliance
Detailed guidelines/ Record keeping	2f	Investment firms should keep, for at least five years, records of the matters covered in points a) to e) above that are sufficiently detailed for competent authorities to monitor firms' compliance with their relevant obligations. This should include at least the results of due diligence carried out on potential direct market access/sponsored access clients and subsequent reviews, and the rights and obligations of both parties in relation to the direct market access/sponsored access service.	It is the interpretation of FFastFill that all data pertaining to FFastFill SaaS platforms and services should be stored, in accordance with FSA regulations or the regulations any applicable competent authority (as defined in the FSA handbook), by FFastFill period of no less than 7 years. In reality FFastFill, as per the SaaS approach, will retain all data for the duration of the contracted service.	Full compliance