

# Satisfying the MiFID II trading obligation

Note exemptions for: non-financial counterparties below the clearing threshold; pension funds (on a transitional basis); intra-group transactions; and certain public authorities

Are the *counterparties* subject to the clearing obligation?

YES

NO

Is it a *clearing eligible contract*?

Is the *contract* available to trade on an OTF or MTF

YES

YES

Is it a sufficiently liquid *contract*?

NO

NO

Do the *counterparties* wish to trade on a multilateral platform?

NO

YES

Must be traded on an OTF, MTF or regulated market\*

Counterparties can trade on an SI or pure OTC

May be traded on an OTF, MTF or regulated market\*

## PRE-TRADE TRANSPARENCY

Continuous pre-trade quoting for OTFs, MTFs, and regulated markets. For SIs, a responses to an RFQ in a clearing eligible product must be made “available” to all clients on a firm basis (up to a standard size to be defined by ESMA). Pre-trade transparency waivers to be defined by ESMA

## POST-TRADE TRANSPARENCY

Applies to any contracts reported to a trade repository. Covers all venues. Reporting delays and volume masking provisions to be defined by ESMA

\* It is very unlikely that contracts currently viewed as OTC would be traded on a regulated market, given the associated listing rules