

	<b>Number:</b> C-EX-GEN-07/2018 <b>Segment:</b> General <b>Date:</b> 26 July 2018 <b>Effective Date:</b> 27 July 2018
<b>Subject</b>	Adaptation to the European Data Protection Regulation.
<b>Summary</b>	Application of the general data protection regulation to compliance with provisions concerning record keeping In connection with the trades executed on contracts listed in the market.

In relation to financial markets, the provisions of Directive 2014/65/EU of the European Parliament and of the Council, of May 15, 2014, on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (hereinafter, "MIFID II") as well as the provisions of Regulation (EU) No 600/2014 of the European Parliament and of the Council, of 15 May 2014, on markets in financial instruments and amending Regulation (EU) No 648/2012 (hereinafter 'MIFIR'), generally stipulate the obligation to execute trades on organized and fully transparent markets, which must ensure that the investor's order are trader in a sound and orderly manner, and which must protect the general integrity and efficiency of the financial system.

For the purposes of specifying the abovementioned regulations, the European Commission approved several Delegated Regulation setting out different regulatory technical standards. Among them, Commission Delegated Regulation (EU) 2017/580 of 24 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council, establishes the regulatory technical standards for the maintenance of relevant data relating to orders in financial instruments. According to said Delegated Regulation, operators of trading venues are free to determine the manner in which they keep records of relevant data relating to all orders in financial instruments, however, the regulation aims at defining the uniform standards and formats the such operators of trading venues must use in order to enable effective and efficient collation, comparison and analysis of the data, as well as made available to the financial markets supervisory competent authorities.

Pursuant to this regulation, financial instruments markets receive information from their members and keep the information concerning all the orders that such members introduce in the trading systems alongside all the trades executed therein, both on own account and on the account of their clients. Such information needs to be recorded in order to preserve clarity and legal certainty and need to be kept available to financial markets supervisory competent authorities.

On 25 May 2018 Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (hereinafter, the "GDPR") became applicable, replacing previous regulations concerning this issue.

The GDPR establishes rules for the protection of natural persons with regard to the processing of their personal data and rules concerning the free circulation of these data, and is applicable to total or partial automated processing of data, and non-automated processing of personal data in or to be added to a file, when this processing is carried out

within the context of the activities of an establishment of the data controller or the data processor within the European Union.

Pursuant to the GDPR, and specifically the provisions of Article 28 of same, this Governing Entity is using this Circular to stipulate the terms in which the obligations laid down in MIFID II, MIFIR and Delegated Regulation (UE) 2017/580 shall be met pursuant to the provisions of the GDPR and national legislative, regulatory or administrative provisions concerning the protection of natural persons in the processing of their personal data.

To this end, at a meeting on 25 July 2018, the Board of Directors of MEFF Sociedad Rectora del Mercado de Productos Derivados, S.A.U. (hereinafter "MEFF") approved this Circular setting out the terms and conditions in which the GDPR and its implementing rules shall be applied with regards to compliance with the obligations to keep the records of the trades executed on financial instruments traded in the Exchange.

### **One. Communication of personal data**

Pursuant to the regulatory provisions referred to in the recitals of this Circular, this Exchange receives information from its members related to the trades executed by them. Specifically, the information which members must supply to the Exchange includes, among others, the identification of the clients on which behalf they have sent the corresponding trading orders.

This identification of clients is information which is owned by the Exchange members, and they are responsible for managing files containing this information if the information constitutes personal data. The communication of these data to this Governing Entity and their processing by the latter are carried out in its capacity as the Governing Entity of the regulated market MEFF and in compliance with the provisions referred to above.

### **Two. Purpose of the information**

This Governing Entity shall process the personal data supplied by the Exchange members, upon execution of trades on financial instruments, for the sole purpose of furnishing the data to the competent authorities for the supervision of the financial instruments markets.

### **Three. Transfer of the information**

For the purposes of managing the clearing and settlement of transactions traded in the Exchange, this Governing Entity shall transfer information concerning these transactions to the infrastructures tasked with clearing and settlement of the contracts admitted to trading in MEFF.

### **Four. Storage of the information**

Pursuant to the regulatory provisions referred to in the recitals of this Circular, this Governing Entity must register the information it receives from its members, in the format and detail stipulated in such provisions, and keep this at the disposal of the competent authorities for at least five years for the purposes of supervision of financial instruments markets.

### **Five. Date of application and effectiveness**

This Circular shall be applicable on the day following its publication.