THE TA FORUM
MiFID II Working Group

MIFID II Roles and Responsibilities
Client Monies & Assets

1. Introduction

The new requirement under MiFID II requires Investment firms that hold client financial instruments or client funds to increase the minimum frequency of providing statements of client financial instruments or client money from an annual basis to a quarterly basis for MiFID business. For non-MiFID business the existing frequency remains.

These are not the only periodic reporting obligations. Firms also have to report "at least annually" on matters such as costs and charges, including costs levied by the firm, paid by 3rd parties, paid to other parties (IAC/OAC/AMC), and underlying product costs (TER/OCF, but also items such as transaction costs).

2. Scope

a) Quarterly Client Money Reporting

Ensure that for MIFID entities existing processes for client money reporting are updated to ensure that reports are sent quarterly not annually.

b) Client Asset Statements

Ensure systems and processes are in place for MIFID entities to enable the generation of Client Assets Statements for investors and IFA's linked to these investors on a quarterly basis.

c) Distribute Additional Disclosure Narratives

Ensure that Client Asset and ad-hoc statements for incorporate the additional Disclosure narratives required under MiFID II regulations.

3. Conclusion and requirements

For MIFID II firms or products the Transfer Agent should agree the additional disclosure narratives with the relevant firm for quarterly reporting in relation to:

- How and when money will be held
- Execution venue, execution policy and dealing time
- Which instruments are MIFID / Non-MIFID