

To
Director General, Norwegian Financial Services Authority
Director General, Swedish Financial Services Authority
Director General, Finnish Financial Services Authority
Director General, Danish Financial Services Authority
Director General, Icelandic Financial Services Authority

Regarding transaction reporting under MiFID

The signatories of this letter, who represent all 5 Nordic exchanges and 5 Nordic securities dealers associations (SDAs) hereby urge the Nordic FSAs to agree on requiring the same level of information for transaction reporting required by MiFID art. 25 (3) and also to work for a fully harmonised implementation in the national legislation.

Implementing measures by the Commission will – inter alia – define the content of these reports. As the drafting of these measures stand now, cf. Working Document ESC/7/2005 – rev. 4, it seems like Member States will be given the possibility to require information additional to that specified in Annex A of the document.

Ultimately, it would of course be optimal, if all EU Members States could agree on the same content of information.

However, absent such agreement, the Nordic exchanges and the Nordic SDAs believe that it will be of the utmost importance that the content is fully harmonised in the Nordic countries. In extreme situations, a client wanting to avoid publicity could easily exploit different levels of transaction reporting requirements within the Nordic region by selecting a member firm located in another Nordic country with lower transaction reporting requirements.

As is known, the Nordic exchanges together form the NOREX Alliance. One important feature in this Alliance is that all exchanges share the same trading system – SAXESS. Acknowledging that members will have their own choice as to how they report transactions to their local FSA, having different requirements for transaction reporting would make it technically more difficult and economically more costly for those members that wish to use SAXESS for transaction reporting to streamline their transaction reporting.

We also take this opportunity to argue that demanding a client identifier included in the transaction reporting is neither necessary nor does it add any significant value for the competent authorities. Also, the utmost attention should be given when deciding how many “legs” of a transaction should be included in TRS. Requiring end client ID and all “legs” of transactions included in the transaction reporting would involve very considerable development costs for both members and exchanges.

Also, it should be borne in mind, that the Nordic stock exchanges are characterized by a high number of remote members operating from other European countries. As a consequence only part of the trading in the markets will be covered by any additional requirements directed at members subject to the requirements of the Nordic FSAs. To the extent these foreign members are not required to give the same information in their home countries, Nordic members and exchanges would be exposed to higher costs than those competitors.

We kindly ask the Nordic FSAs to consider this request seriously, as it is of great importance for the successful building of a harmonised and strong financial market in the Nordic area and would show the stakeholders strong commitment to reach that goal.

We will of course be prepared to expand and explain in more detail at a meeting if so wished.

We have copied this letter to the Finnish, Norwegian and Swedish ministries of finance and to the Icelandic Ministry of Industry & Commerce and the Danish Ministry of Economic & Business Affairs.

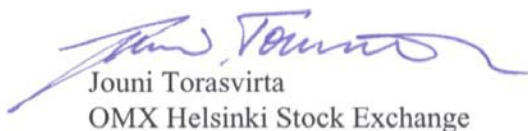
Sincerely yours



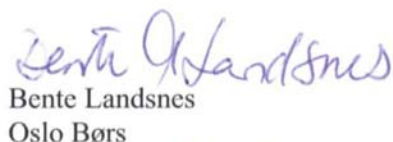
Jukka Ruuska, President & CEO
OMX Stockholmsbörsen




Hans-Ole Jochumsen
OMX Copenhagen Stock Exchange



Jouni Torasvirta
OMX Helsinki Stock Exchange



Bente Landsnes
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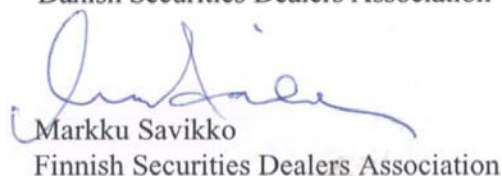
Thordur Fridjonsson
Iceland Stock Exchange



Per-Ola Jansson
Swedish Securities Dealers Association



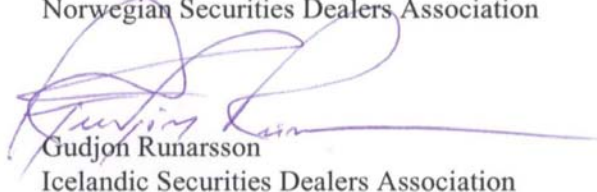
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