

The following FAQs provide further explanation of the recommendations found within the UTI Technical Guidance. This document does not supersede the regulatory reporting obligations set forth by individual jurisdictions, nor does this document modify those jurisdiction-specific requirements. The UTI Technical Guidance is not a set of rules to be followed directly by market participants. Market participants should follow any rules for the UTI of the applicable reporting regime.

UTI generators established in other jurisdictions

Question 1

In some scenarios the UTI Technical Guidance (“UTI TG”) may assign the UTI generation responsibility to an entity located in a different jurisdiction than the reporting counterparty, for example a foreign CCP, clearing member, venue or a confirmation platform. Is it necessary that such entities have a regulatory authorisation or recognition in the jurisdiction of the reporting counterparty for them to generate the UTI?

Answer 1

No, in order to generate the UTI it is not necessary that such entities have a regulatory authorisation or recognition in the jurisdiction of the reporting entity. One principle that the UTI TG recognizes is the ‘first-touch’ principle under which the responsibility for UTI generation is assigned to the first entity in the transaction life cycle that could reasonably be in a position to do so.¹ For this concept to work, there is a necessity for a broad acceptance of the capacity of CCPs, clearing members, venues and confirmation platforms to act as UTI generators, meaning that reporting counterparties from any jurisdiction may rely on such entities from other jurisdictions to be UTI generators. If such entities are unable or unwilling to generate the UTI, the reporting counterparty should proceed to the next step in the UTI generation logic.

Alphanumeric sorting

Question 2

Step 13 of the UTI TG sets out the solution of last resort to determine the UTI generator. Under this solution the UTI generator should be “the counterparty whose LEI with the characters reversed (reversed LEI) would appear first if the reversed LEIs of the counterparties were sorted in alphanumeric order, or the only counterparty with an LEI.” What type of alphanumeric sorting should be applied in this case?

Answer 2

LEI codes are alphanumeric strings composed of capital letters and digits. Counterparties should apply the alphanumeric sorting, meaning that:

¹ See principle 6, page 11 of the TG [Harmonisation of the Unique Transaction Identifier - Technical Guidance \(lei.org\)](https://www.lei.org/technical-guidance). Other relevant principles include, among others, principle 5, which provides for the delegation of the actual generation of a UTI by the responsible entity, and principle 10, which provides that the responsibility for generating a UTI should be assigned to regulated entities. See principles 5 and 10, UTI TG at 11.

- a digit will always precede a letter,
- a smaller digit will precede a larger digit,
- the letters are placed in alphabetical order.

Example 1: Let's consider following two LEIs: 1234ABCDEFGHijkl2345 and 1234ABCDEFGHijkl12345. The reversed LEIs would be 5432lkjihgfedcba4321 and 54321kjihgfedcba4321. LEI 1234ABCDEFGHijkl2345 would precede in the sorting because a digit (1) precedes a letter (L).

Example 2: Let's consider following two LEIs: 1234ABCDEFGHijkl2345 and 1234ABCDEFGHijkl6789. The reversed LEIs would be 54321kjihgfedcba4321 and 9876lkjihgfedcba4321. LEI 1234ABCDEFGHijkl2345 would precede in the sorting because $5 < 9$.

Sooner reporting deadline

Question 3

Step 10 of the UTI TG specifies that for cross-jurisdictional transactions (i.e. where the two counterparties are subject to more than one jurisdiction's reporting rules), the UTI generation rules of the jurisdiction with the sooner reporting deadline should be followed.² How should the jurisdiction with the sooner reporting deadline be determined in practice for the purpose of determination of the UTI generator? Should it be calculated on a transaction-by-transaction basis, taking into consideration the execution timestamp, the time zones, and the regulatory deadlines?

Answer 3

In order to facilitate the determination of reporting deadlines, the Regulatory Oversight Committee ("ROC"), made up of representatives from the listed authorities, has provided the following common order of jurisdictions for the purpose of applying this step of the UTI TG. Any potential future changes to the applicable order will be reflected in this FAQ.

The list generally takes into account the reporting deadline that applies to the most common types of transactions that are reportable in a jurisdiction. The list should be read as applying to all transactions reportable in a jurisdiction, notwithstanding that, for example for a particular type of transaction, a jurisdiction could have a later reporting deadline.

As specified in the UTI TG, entities generating UTIs should share the UTIs with other entities that require them in a timely manner, in particular to enable those entities to report to a TR prior to the reporting deadline.

Order of UTI Regulatory Reporting Deadlines by Jurisdiction

As Soon as Technologically Practicable ("ASATP") and T+0

² See principle 4, page 11 of the TG [Harmonisation of the Unique Transaction Identifier - Technical Guidance \(lei.org\)](https://www.lei.org/Harmonisation%20of%20the%20Unique%20Transaction%20Identifier%20-%20Technical%20Guidance)

- Mexico³
- US⁴
- Canada⁵
- India⁶

T+1

-
- EU
- UK
-
-

T+2

- ...
- Australia
- Japan
- Singapore / Hongkong

Nexus reporting

Question 4

In the determination of the sooner reporting deadline, which reporting rules should be taken into account? Do counterparties need to consider e.g. branches involved in the transaction?

Answer 4

In order to ensure that UTIs can be timely generated and shared, each counterparty should consider only the reporting rules applicable to legal jurisdictions of the counterparties to the transaction (legal entities), legal jurisdiction being determined by the legal address of the entity.

³ Mexican regulation ([Circular 4/2012](#) and [19/2022](#)) requires the UTI to be generated at the moment of execution of the derivative transaction or when the confirmation of the transaction is generated. In addition, the UTI must be reported to the Central Bank in the form and terms established by Banco de México through the reporting rules, which require to report the derivative transaction, including its UTI, on the same day of trade (T), before 5:30 p.m., local time. (See instruction: “Fecha y horario de entrega de información” [Futuros y Forwards \(OFF\)](#))

⁴ In general, swap transactions are required to be reported as soon as technologically practicable. See 17 CFR 43.3 available at <https://www.ecfr.gov/current/title-17/chapter-I/part-43>; See also 17 CFR 45.5, available at <https://www.ecfr.gov/current/title-17/chapter-I/part-45>.

⁵ Canadian trade reporting rules require reporting counterparties to report creation data immediately following a transaction, but reporting counterparties may report no later than T+1 if it is not technologically practicable for them to report earlier. Amendments published in July 2024 would permit end-users to report creation data no later than T+2.

⁶ In India, the reporting of transactions is mandated within 30 minutes in most cases (Interest Rate Derivatives, Inter-bank foreign exchange derivative contracts involving INR, Credit Default Swaps) and at the latest by 12 noon on the subsequent business day in specific cases (Foreign Exchange Derivative contracts and Foreign Currency Interest Rate Derivative contracts executed with clients, Foreign Currency Settled - Overnight Indexed Swap transactions undertaken by market makers in India through their branches in India or through their foreign branches).