

# MiFID II Regulatory Update

September 2019



## MiFID II Regulatory Update – Ex-Post Disclosure Requirements

BNY Mellon is required to comply with MiFID II<sup>1</sup> for in-scope products and services offered to clients. This includes the requirement for in-scope entities to disclose costs and charges associated with these products and services to impacted clients on at least an annual basis. Clients impacted by this requirement will receive their annual disclosure via an Ex-Post Disclosure Statement (EPDS) or will be able to review their cost and charge detail via existing invoices and/or reports.

The table below outlines the method in which in-scope entities will meet the EPDS disclosure requirements for each product offering<sup>2</sup>. There are no MiFID II disclosure requirements for clients contracted to a non-MiFID II legal entity or utilising non-MiFID products and services. Further, there are no disclosure requirements for clients who utilise products and services that have no relevant costs and/or charges associated for that year.

If you have further questions regarding the EPDS requirements under MiFID II, please contact your BNY Mellon representative.

### Disclosure Method by BNY Mellon In-Scope Product/Service

<i>BNY Mellon Business Segment</i>	<i>In-Scope Product/Service</i>	<i>EPDS Disclosure Method</i>
<b>Asset Servicing/Alternatives</b>	<ul style="list-style-type: none"> <li>▪ Global Custody (including Prime Custody)</li> <li>▪ Fund Order Processing</li> </ul>	Costs and charges provided via existing invoices/reports
<b>Clearance &amp; Collateral Management</b>	<ul style="list-style-type: none"> <li>• DTC Institutional Clearing</li> <li>• Global Clearing</li> <li>▪ Mutual Fund Order Processing</li> <li>▪ Global Collateral Management</li> </ul>	Costs and charges provided via existing invoices/reports
<b>Corporate Trust</b>	<ul style="list-style-type: none"> <li>▪ Account Bank with Money Market Funds</li> <li>▪ Custodian</li> <li>▪ Escrow Agent with Money Market Funds</li> <li>▪ Share Delivery Agent</li> <li>▪ Liquidation Agent</li> <li>▪ Luxembourg Fiduciary</li> <li>▪ Settlement Agent</li> </ul>	Costs and charges provided via existing invoices/reports
	<ul style="list-style-type: none"> <li>▪ Common Depository/ Common Safekeeper/ Common Service Provider</li> <li>▪ Subscription Agent</li> </ul>	Not applicable (no relevant costs and charges)
<b>Markets</b>	<ul style="list-style-type: none"> <li>▪ Capital Markets</li> <li>▪ Foreign Exchange</li> <li>▪ Liquidity Services</li> <li>▪ Segregation</li> <li>▪ Money Market Fund Services</li> <li>▪ Securities Finance</li> </ul>	Contact your BNY Mellon Markets representative for details
<b>Wealth Management</b>	<ul style="list-style-type: none"> <li>▪ Fund Order Processing &amp; Custody</li> </ul>	Costs and charges provided via existing invoices/reports

<sup>1</sup>Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

<sup>2</sup>Method of disclosure for each product or service is subject to change at the discretion of BNY Mellon.