



Commodity Futures Trading Commission

Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
www.cftc.gov

Swap Data Repositories (SDRs) FAQs

How do I become a SDR?

Applicants must file electronically an application for registration on new Form SDR, which elicits documents and supporting information necessary to the Commission's determination that the applicant is able to demonstrate compliance with the core principles, statutory duties and regulations promulgated by the Commission.

The Commission has not finalized all of its rules to implement provisions of the Dodd-Frank Act; can I still apply to become registered as an SDR?

Yes. Registration is voluntary prior to the adoption of the "swap" definition.

While §§ 49.12(d) and 49.15 will become effective 60 days from the date of publication in the Federal Register, compliance will not be required until such time as the part 43 (real-time public reporting) and part 45 (data recordkeeping and reporting) rules become effective.

Until such rules become effective, an applicant may provide a certification on Form SDR that it intends to comply with the applicable provisions.

Will the Commission accept applications before the effective date of the part 49 rules?

The part 49 rules regarding the registration and regulation of SDR will become effective 60 days after publication in the Federal Register (October 31, 2011). Applicants should not to apply until after the effective date. The Commission will need adequate time to make the necessary preparations and allocate resources in order to review applications.

Are draft applications accepted for review and feedback?

No. The CFTC staff will not review or provide feedback regarding a draft application. Applicants should provide the information required on Form SDR and provide the supporting information as directed in the manner specified. Applicants completing Form SDR will find that the criteria listed and required is clear and straightforward. Applicants should contact staff if there are any questions at submissions@cftc.gov.

SDRs do not have core principles for emergency authority procedures and system safeguards as other registered entities do; do I have to demonstrate or provide anything?

Yes. Sections 49.23 and 49.24 of the Commission's regulations require SDRs to establish rules and procedures to address both emergency procedures and system safeguards.

For additional guidance on how the Commission historically has evaluated compliance with system test procedures, and contingency or disaster recovery plans, applicants may refer to the information requested of DCMs and SEFs in the [Operational Capability Technology Questionnaire](#).

How long does it take to complete staff review of the application?

Staff will review an application for registration as an SDR within 180 days of receipt of a completed submission on Form SDR. In considering an application for registration as a swap data repository, the staff of the Commission shall include in its review, an applicant's past relevant submissions and compliance history. At or prior to the conclusion of the 180-day period, the Commission will either by order grant registration; extend, by order, the 180-day review period for good cause; or deny the application for registration as a swap data repository. The 180-day review period will commence once a completed submission on Form SDR is submitted to the Commission. The determination of when such submission on Form SDR is complete will be at the sole discretion of the Commission. If deemed appropriate, the Commission may grant registration as a swap data repository subject to conditions. If the Commission denies an application for registration as a swap data repository, it will specify the grounds for such denial.

What is provisional registration?

Provisional registration may be granted where the applicant is in substantial compliance with requirements of registration but where a Commission order has not been issued. Applicants may request provisional registration during the pendency of its application review.

Provisional registration is not a modified or shortened application process. Applicants are required to complete Form SDR in full, perform all of the statutory duties imposed on SDRs and comply with each core principle. Additionally, applicants must demonstrate operational capability, real-time processing, multiple redundancy and robust information controls. Provisional registration will allow applicants to start operating while the Commission completes its internal processes issuing full registration.

A provisional registration does not affect the right of the Commission to grant or deny permanent registration.

What does "substantial compliance" with the standards for registration mean?

An applicant is in substantial compliance with the standards for registration if the SDR:

- Is appropriately organized;
- Has the capacity to ensure the prompt, accurate and reliable performance of its functions as a SDR;
- Complies with the applicable provisions of the CEA;
- Can operate in a fair, equitable and consistent manner.
- Has completed its application on Form SDR and submitted any supplemental information requested by staff
- Has demonstrated compliance with each of the SDR core principles.

How do foreign SDRs register?

A Foreign SDR maintained and located outside of the United States, seeking registration must complete an application for registration on Form SDR. Additionally, the foreign applicant must provide an opinion of counsel that the SDR can provide the Commission with prompt access to its books and records and submit to onsite inspection and examination by the Commission.

Can an entity become a registered SDR if it performs only some of the duties of an SDR?

No. An entity must perform **all** of the statutorily-imposed duties in order to be registered as a SDR. An entity must:

- Accept data.
- Confirm data.

- Provide direct electronic access to the Commission.
- Monitor, screen and analyze data.
- Maintain privacy of data.
- Permit data access to other regulators.
- Adopt emergency procedures and system safeguards.
- Maintain books and records in accordance with the requirements of Part 45 regulations.

What ongoing certifications are required by the Commission?

Registered SDRs are required to submit an annual amendment on Form SDR to be filed within 60 days of the end of each fiscal year.

Additionally, an annual compliance report must be electronically submitted to the Commission not more than 60 days after the end of the registered SDR's fiscal year, concurrently with the filing of the annual amendment to Form SDR that must be submitted to the Commission.

Lastly, registered SDRs must provide the Commission with quarterly financial statements.

Where do I send these my application and ongoing certifications?

All application materials and ongoing certifications should be submitted to the Office of the Secretariat electronically at submissions@cftc.gov.