

## **Appendix to Part 48 – Form FBOT**

### **COMMODITY FUTURES TRADING COMMISSION**

#### **FORM FBOT**

#### **FOREIGN BOARD OF TRADE APPLICATION FOR REGISTRATION (IN ORDER TO PERMIT DIRECT ACCESS TO MEMBERS AND OTHER PARTICIPANTS)**

#### **APPLICATION INSTRUCTIONS**

##### **DEFINITIONS**

1. Unless the context requires otherwise, all terms used in this application have the same meaning as in the Commodity Exchange Act, as amended (CEA or Act),<sup>1</sup> and in the regulations of the Commodity Futures Trading Commission (Commission or CFTC).<sup>2</sup>
2. For the purposes of this Form FBOT, the term “applicant” refers to the foreign board of trade applying for registration pursuant to CEA section 4(b) and part 48 of Commission Regulations. The term “clearing organization” refers to the clearing organization that will be clearing trades executed on the trading system of such foreign board of trade.

##### **GENERAL INSTRUCTIONS**

1. A Form FBOT (including exhibits) shall be completed by any foreign board of trade applying for registration with the Commission pursuant to CEA section 4(b) and part 48 of Commission Regulations.
2. Form FBOT (including exhibits and any supplement thereto) (collectively, the “application” or “application for registration”) must be filed electronically with the Secretary of the Commission at [FBOTapplications@cftc.gov](mailto:FBOTapplications@cftc.gov). Applicants may prepare their own Form FBOT, but must follow the format prescribed herein.
3. The name of any individual listed in Form FBOT shall be provided in full (Last Name, First Name and Middle Name or Initial).
4. Form FBOT must be signed by the Chief Executive Officer (or the functional equivalent) of the foreign board of trade who must possess the authority to bind the foreign board of trade.
5. If this Form FBOT is being filed as a new application for registration, all applicable items on the Form FBOT must be answered in full. Non-applicable items should be indicated by marking “none” or “N/A.”
6. Submission of a complete Form FBOT (including all information, documentation and exhibits requested therein, and any required supplement) is mandatory and must be received by the

<sup>1</sup> 7 U.S.C. 1 et seq.

<sup>2</sup> 17 CFR chapter I.

Commission before it will begin to process a foreign board of trade's application for registration. The information provided with a Form FBOT (including exhibits and any supplement thereto) will be used to determine whether the Commission should approve or deny registration to an applicant. Pursuant to its regulations, the Commission may determine that information and/or documentation in addition to that requested in Form FBOT is required from the applicant in order to process the application for registration or to determine whether registration is appropriate.

7. Pursuant to Commission regulations, an applicant or its clearing organization must identify with particularity any information in the application (including, but not limited to, any information contained in this Form FBOT), that will be the subject of a request for confidential treatment and must provide support for any request for confidential treatment pursuant to the procedures set forth Commission regulation 145.9.<sup>3</sup> Except in cases where confidential treatment is granted by the Commission pursuant to the Freedom of Information Act and Commission regulations, information supplied in the Form FBOT (including exhibits and any supplement thereto) will be included routinely in the public files of the Commission and will be available for inspection and comment by any interested person.
8. A Form FBOT that is not prepared and executed in compliance with applicable requirements and instructions may be returned as not acceptable for filing.<sup>4</sup> Acceptance of a Form FBOT by the Commission, however, shall not constitute a finding that the Form FBOT has been filed as required or that the information submitted is verified to be true, current, or complete.
9. In addition to this Form FBOT, the clearing organization associated with the foreign board of trade must complete and submit Supplement S-1 to the Form FBOT in accordance with the instructions thereto.

## **UPDATING INFORMATION ON THE FORM FBOT**

Pursuant to the Commission's regulations, if any information or documentation contained in this Form FBOT (including exhibits or any supplement or amendment thereto) is or becomes inaccurate for any reason prior to the issuance of an Order of Registration, an amendment correcting such information must be filed promptly with the Commission. A registered foreign board of trade may also submit an amendment to this Form FBOT to correct information that has become inaccurate subsequent to the receipt of an Order of Registration.

---

<sup>3</sup> 17 CFR § 145.9.

<sup>4</sup> Applicants and their clearing organizations are encouraged to correspond with the Commission's Division of Market Oversight regarding any content, procedural, or formatting questions encountered in connection with the preparation of a Form FBOT, or any exhibits or supplement thereto, prior to formally submitting those documents to the Commission. When appropriate, potential applicants and clearing organizations, as applicable, may provide a complete draft Form FBOT (including exhibits and any required supplement) to the Commission's Division of Market Oversight to minimize the risk of having a submission returned or otherwise denied as not acceptable for filing. Review of draft submissions by any division of the Commission and any comments received by a division of the Commission are for consultation purposes only and do not bind the Commission. To obtain instructions for submitting drafts, please contact the Director of the Division of Market Oversight.

**COMMODITY FUTURES TRADING COMMISSION**

**FORM FBOT**

**FOREIGN BOARD OF TRADE APPLICATION FOR REGISTRATION (IN ORDER TO PERMIT DIRECT ACCESS TO MEMBERS AND OTHER PARTICIPANTS)**

---

**Name of applicant as specified in organizational documents**

---

**Address of principal executive office**

- If this Form FBOT is a new application for registration, complete in full and check here.
- If this Form FBOT is an amendment to a pending application or to a final application that resulted in the issuance of an Order of Registration, list and/or describe all items that are amended or otherwise updated and check here.

*When appropriate, please attach additional page(s) containing a list and explanatory statement of amendment(s) or update(s).*

**GENERAL INFORMATION**

1. Name under which the business of the foreign board of trade will be conducted, if different than name specified above:

\_\_\_\_\_

2. List of principal office(s) where foreign board of trade activities are/will be conducted (please use multiple entries, when applicable):

Office (name and/or location): \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
Website Address: \_\_\_\_\_

3. Contact Information.

3a. Primary Contact for Form FBOT (*i.e.*, the person authorized to receive Commission correspondence in connection with this Form FBOT and to whom questions regarding the submission should be directed):

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_

3b. If different than above, primary contact at the foreign board of trade that is authorized to receive all forms of Commission correspondence:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_

**BUSINESS ORGANIZATION**

Describe organizational history, including date and, if applicable, location of filing of original organizational documentation, and describe all substantial amendments or changes thereto. For example:

*[Foreign Board of Trade] is a [corporation, partnership, limited liability company, or other applicable organizational designation], having filed its [articles of incorporation, certificate of formation, articles of organization, other applicable organizational formation document] with the [applicable regulatory body] in [city, state/province, country] on [applicable date].*

**SIGNATURES**

By signing and submitting this Form FBOT, the applicant agrees to and consents that the notice of any proceeding before the Commission in connection with the foreign board of trade’s application for registration or registration with the Commission may be given by sending such notice by certified mail or similar secured correspondence to the persons specified in sections 3a and 3b above.

\_\_\_\_\_ [Name of the Foreign Board of Trade] has duly caused this Form FBOT to be signed on its behalf by the undersigned, hereunto duly authorized, this \_\_\_\_\_ [Number] day of \_\_\_\_\_ [Month], \_\_\_\_\_ [Year]. \_\_\_\_\_ [Name of the Foreign Board of Trade] and the undersigned represent that all information and representations contained herein are true, current, and complete. It is understood that all information, documentation, and exhibits are considered integral parts of this Form FBOT. The submission of any amendment to Form FBOT represents that all items and exhibits not so amended remain true, current, and complete as previously filed.

**Signature of Chief Executive Officer (or functional equivalent), on behalf of the Foreign Board of Trade**

---

**Title**

---

**Name of Foreign Board of Trade**

## **EXHIBIT INSTRUCTIONS FOR EXHIBITS TO FORM FBOT**

1. The following exhibits must be filed with the Commission by any foreign board of trade (1) seeking registration for purposes of granting direct access to its members and other participants or (2) amending a previously submitted application, pursuant to CEA section 4(b) and the Commission's regulations thereunder. The information and documentation requested relates to the activities of the foreign board of trade, unless otherwise stated.
2. The exhibits should be filed in accordance with the General Instructions to this Form FBOT and labeled as specified herein. If any exhibit is not applicable, please specify the exhibit letter and number and indicate by marking "none" or "N/A." If any exhibit may be satisfied by documentation or information submitted in a different exhibit, the documentation or information need not be submitted more than once – please use internal cross-references where appropriate.

## **GENERAL REQUIREMENTS**

A foreign board of trade applying for registration must submit sufficient information and documentation to successfully demonstrate to Commission staff that it and its clearing organization satisfy all of the requirements of Commission regulation 48.7. With respect to its review of the foreign board of trade, the Commission anticipates that such information and documentation would necessarily include, but not be limited to, the following::

## **EXHIBIT A – GENERAL INFORMATION AND DOCUMENTATION**

Attach, as **Exhibit A-1**, a description of the following for the foreign board of trade:

Location, history, size, ownership and corporate structure, governance and committee structure, current or anticipated presence of offices or staff in the United States, and anticipated volume of business emanating from members and other participants that will be provided direct access to the foreign board of trade's trading system.

Attach, as **Exhibit A-2**, the following:

Articles of association, constitution, or other similar organizational documents;

Attach, as **Exhibit A-3**, the following:

(1) Membership and trading participant agreements.

(2) Clearing agreements;

Attach, as **Exhibit A-4**, the following:

Terms and conditions of contracts to be available from within the United States (as specified in Exhibit D).

Attach, as **Exhibit A-5**, the following:

The national statutes, laws and regulations governing the activities of the foreign board of trade and its respective participants.

Attach, as **Exhibit A-6**, the following:

The current rules, regulations, guidelines and bylaws of the foreign board of trade.

Attach, as **Exhibit A-7**, the following:

Evidence of the authorization, licensure or registration of the foreign board of trade pursuant to the regulatory regime in its home country jurisdiction and a representation by its respective regulators that it is in good regulatory standing in the capacity in which it is authorized, licensed or registered.

Attach, as **Exhibit A-8**, the following document:

A summary of any disciplinary or enforcement actions or proceedings that have been brought against the foreign board of trade, or any of the senior officers thereof, in the past five years and the resolution of those actions or proceedings; and

Attach, as **Exhibit A-9**, the following document:

An undertaking by the chief executive officer(s) (or functional equivalent[s]) of the foreign board of trade to notify Commission staff promptly if any of the representations made in connection with or related to the foreign board of trade's application for registration cease to be true or correct, or become incomplete or misleading.

## **EXHIBIT B – MEMBERSHIP CRITERIA**

Attach, as **Exhibit B**, the following, separately labeling each description:

(1) A description of the categories of membership and participation in the foreign board of trade and the access and trading privileges provided by the foreign board of trade. The description should include any restrictions applicable to members and other participants to which the foreign board of trade intends to grant direct access to its trading system from within the United States.

(2) A description of all requirements for each category of membership and participation on the trading system and the manner in which members and other participants are required to demonstrate their compliance with these requirements. The description should include, but not be limited to, the following:

(i) Professional Qualification. A description of the specific professional requirements, qualifications, and/or competencies required of members or other participants and/or their staff and a description of the process by which the clearing organization confirms compliance with such requirements.

(ii) Authorization, Licensure and Registration: A description of any regulatory and self-regulatory authorization, licensure or registration requirements that the foreign board of trade imposes upon, or enforces against, its members and other participants including, but not limited to any authorization, licensure or registration requirements imposed by the regulatory authorities in the home country jurisdiction(s) of the foreign board of trade. Please also include a description of the process by which the clearing organization confirms compliance with such requirements.

(iii) Financial Integrity. The following:

(A) A description of the financial resource requirements, standards, guides or thresholds required of members and other participants.

(B) A description of the manner in which the foreign board of trade evaluates the financial resources/holdings of its members or participants.

(C) A description of the process by which applicants demonstrate compliance with financial requirements for membership or participation including, as applicable:

(i) Working capital and collateral requirements, and

(ii) Risk management mechanisms for members allowing customers to place orders.

(iv) Fit and Proper Standards. A description of how the foreign board of trade ensures that potential members/other participants meet fit and proper standards.

### **EXHIBIT C – BOARD AND/OR COMMITTEE MEMBERSHIP**

Attach, as **Exhibit C**, the following:

(1) A description of the requirements applicable to membership on the governing board and significant committees of the foreign board of trade.

(2) A description of the process by which the foreign board of trade ensures that potential governing board and committee members/other participants meet these standards.

(3) A description of the provisions to minimize and resolve conflicts of interest with respect to membership on the governing board and significant committees of the foreign board of trade.

(4) A description of the rules with respect to the disclosure of material non-public information obtained as a result of a member's or other participant's performance on the governing board or significant committee.

### **EXHIBIT D – THE AUTOMATED TRADING SYSTEM**

Attach, as **Exhibit D-1**, a description of (or where appropriate, documentation addressing) the following, separately labeling each description:

(1) The order matching/execution system, including a complete description of all permitted ways in which members or other participants (or their customers) may connect to the trade matching/execution system and the related requirements (for example, authorization agreements),

(2) The architecture of the systems, including hardware and distribution network, as well as any pre- and post-trade risk-management controls that are made available to system users,

(3) The security features of the systems,

(4) The length of time such systems have been operating,

(5) Any significant system failures or interruptions,



- (6) the nature of any technical review of the order matching/execution system performed by the foreign board of trade, the home country regulator, or a third party,
- (7) Trading hours,
- (8) Types and duration of orders accepted,
- (9) Information that must be included on orders,
- (10) Trade confirmation and trade error procedures,
- (11) Anonymity of participants,
- (12) Trading system connectivity with clearing system,
- (13) Response time,
- (14) Ability to determine depth of market,
- (15) Market continuity provisions,
- (16) Reporting and recordkeeping requirements, and
- (17) Error trade policies.

Attach, as **Exhibit D-2**, a description of the manner in which the foreign board of trade assures the following with respect to the trading system, separately labeling each description:

- (1) Algorithm. The trade matching algorithm matches trades fairly and timely.
- (2) IOSCO Principles. The trading system complies with the Principles for the Oversight of Screen-Based Trading Systems for Derivative Products developed by the Technical Committee of the International Organization of Securities Commissions (IOSCO Principles). Provide a copy of any independent certification received or self-certification performed and identify any system deficiencies with respect to the IOSCO Principles.
- (3) Audit Trail.
  - (i) The audit trail timely captures all relevant data, including changes to orders.
  - (ii) Audit trail data is securely maintained and available for an adequate time period.
- (4) Public Data. Adequate and appropriate trade data is available to users and the public.
- (5) Reliability. The trading system has demonstrated reliability.
- (6) Secure Access. Access to the trading system is secure and protected.

(7) Emergency Provisions. There are adequate provisions for emergency operations and disaster recovery.

(8) Data Loss Prevention. Trading data is backed up to prevent loss of data.

(9) Contracts Available. Mechanisms are available to ensure that only those futures, option or swap contracts that have been identified to the Commission as part of the application or permitted to be made available for trading by direct access pursuant to the procedures set forth in § 48.10 are made available for trading by direct access from the United States.

(10) Predominance of the Centralized Market. Mechanisms are available that ensure a competitive, open, and efficient market and mechanism for executing transactions.

## **EXHIBIT E – THE TERMS AND CONDITIONS OF CONTRACTS PROPOSED TO BE MADE AVAILABLE IN THE UNITED STATES**

Attach, as **Exhibit E-1**, a description of the terms and conditions of futures, option or swap contracts intended to be made available for direct access. With respect to each contract, indicate whether the contract is regulated or otherwise treated as a futures, option or swap contract in the regulatory regime(s) of the foreign board of trade's home country or countries.

As **Exhibit E-2**, demonstrate that the contracts are not prohibited from being traded by United States persons (*e.g.*, the contracts are not prohibited security futures or single stock contracts or narrow-based index contracts). For non-narrow based stock index futures contracts, demonstrate that the contracts have received Commission certification pursuant to the procedures set forth in § 30.13 and Appendix D to part 30 of this chapter.

As **Exhibit E-3**, demonstrate that the contracts are required to be cleared.

For **Exhibit E-4**, identify any contracts that are linked to a contract listed for trading on a United States-registered entity, as defined in section 1a(40) of the Act. A linked contract is a contract that settles against any price (including the daily or final settlement price) of one or more contracts listed for trading on such registered entity.

For **Exhibit E-5**, identify any contracts that share any other commonality with a contract listed for trading on a registered entity, *i.e.*, both the foreign board of trade's and the registered entity's contract settle to the price of the same third party-constructed index.

As **Exhibit E-6**, demonstrate that the contracts are not readily susceptible to manipulation. In addition, for each contract to be listed, describe each investigation, action, proceeding or case involving manipulation and involving such contract in the three years preceding the application date, whether initiated by the foreign board of trade, a regulatory or self-regulatory authority or agency or other government or prosecutorial agency. For each such action, proceeding or case, describe the alleged manipulative activity and the current status or resolution thereof.

## **EXHIBIT F – THE REGULATORY REGIME GOVERNING THE FOREIGN BOARD OF TRADE IN ITS HOME COUNTRY<sup>5</sup> OR COUNTRIES**

---

<sup>5</sup> Where multiple foreign boards of trade subject to the same regulatory authority are applying for registration *at the same time*, a single Exhibit E-1 may be submitted as part of the application for all such foreign boards of trade either by one of the

Attach, as **Exhibit F**, with respect to each relevant regulatory regime or authorities, the following (including, where appropriate, an indication as to whether the applicable regulatory regime(s) is/are dependent on the home country's classification of the product being traded on the foreign board of trade as a future, option, swap, or otherwise, and a description of any difference as between the applicable regulatory regime(s) for each product classification type):

(1) A description of the regulatory authority's structure, resources, staff, and scope of authority; the regulator's authorizing statutes, including the source of its authority to supervise the foreign board of trade; the rules and policy statements issued by the regulator with respect to the authorization and continuing oversight of markets, electronic trading systems, and clearing organizations; and the financial protections afforded customer funds.

(2) A description of and, where applicable, copies (with, as applicable, English translations) of the laws, rules, regulations and policies applicable to:<sup>6</sup>

(i) The authorization, licensure or registration of the foreign board of trade.

(i) The regulatory authority's program for the ongoing supervision and oversight of the foreign board of trade and the enforcement of its trading rules.

(ii) The financial resource requirements applicable to the authorization, licensure or registration of the foreign board of trade and the continued operations thereof.

(iii) The extent to which the IOSCO Principles and the Recommendations for Central Counterparties, as defined in § 48.2(j), are used or applied by the regulatory authority in its supervision and oversight of the foreign board of trade or are incorporated into its rules and regulations and the extent to which the regulatory authorities review the applicable trading systems for compliance therewith.

(iv) The extent to which the regulatory authority reviews and/or approves the trading rules of the foreign board of trade prior to their implementation.

(v) The extent to which the regulatory authority reviews and/or approves futures, option or swap contracts prior to their being listed for trading.

(vi) The regulatory authority's approach to the detection and deterrence of market manipulation and other unfair trading practices.

(3) A description of the laws, rules, regulations and policies that govern the authorization and ongoing supervision and oversight of market intermediaries who may deal with United States participants accessing the foreign board of trade, including:

(i) Recordkeeping requirements.

---

applicant foreign boards of trade or by the regulatory authority with responsibility to oversee each of the multiple foreign board of trade applying for registration.

<sup>6</sup> To the extent that any such laws, rules, regulations or policies were provided as part of Exhibit A-5, they need not be duplicated. They may be cross-referenced.

- (ii) The protection of customer funds.
  - (iii) Procedures for dealing with the failure of a market intermediary in order to minimize damage and loss to investors and to contain systemic risk.
- (4) A description of the regulatory authority’s inspection, investigation and surveillance powers; and the program pursuant to which the regulatory authority uses those powers to inspect, investigate, and enforce rules applicable to the foreign board of trade.
- (5) For the both the foreign board of trade and the clearing organization (unless addressed in Supplement S-1), a report confirming that the foreign board of trade and clearing organization are in regulatory good standing, which report should be prepared subsequent to consulting with the regulatory authorities governing the activities of the foreign board of trade and any associated clearing organization. The report should include:
- (i) Confirmation of regulatory status (including proper authorization, licensure and registration) of the foreign board of trade and clearing organization;
  - (ii) Any recent oversight reports generated by the regulatory authority which are, in the judgment of the regulatory authority, relevant to the foreign board of trade’s status as a registered foreign board of trade;
  - (iii) Disclosure of any significant regulatory concerns, inquiries or investigations by the regulatory authority, including any concerns inquiries or investigations with regard to the foreign board of trade’s arrangements to monitor trading by members or other participants located in the United States, the adequacy of the risk management controls of the trading or of the clearing system; and
  - (iv) A description of any investigations (formal or informal) or disciplinary actions initiated by the regulatory authority or any other self-regulatory, regulatory or governmental entity against the foreign board of trade, the clearing organization or any of their respective senior officers during the past year.
- (6) For the both the foreign board of trade and the clearing organization (unless addressed in Supplement S-1), a confirmation that the regulatory authorities governing the activities of the foreign board of trade and the clearing organization agree to cooperate with a Commission staff visit subsequent to submission of the application on an “as needed basis,” the objective of which will be to familiarize Commission staff with oversight supervisory staff of the regulatory authority; discuss the law, rules and regulations that formed the basis of the application and any changes thereto; discuss the cooperation and coordination between the authorities, including, without limitation, information sharing arrangements; and discuss issues of concern as they may develop from time to time (for example, linked contracts or unusual trading that may be of concern to Commission surveillance staff).

**EXHIBIT G – THE RULES OF THE FOREIGN BOARD OF TRADE AND ENFORCEMENT THEREOF**

Attach, as **Exhibit G-1**, a description of the foreign board of trade’s regulatory or compliance department, including its size, experience level, competencies, duties and responsibilities of staff.

Attach, as **Exhibit G-2**, a description of the foreign board of trade's trade practice rules, including but not limited to rules that address the following:

- (1) Capacity of the foreign board of trade to detect, investigate, and sanction persons who violate foreign board of trade rules.
- (2) Prohibition of abusive trading practices including, but not limited to, wash sales and trading ahead, and other market abuses.
- (3) A trade surveillance system appropriate to the foreign board of trade capable of detecting and investigating potential trade practice violations.
- (4) A trade practice/audit trail that captures and retains sufficient order and trade-related data to allow the compliance staff to detect trading and market abuses and to reconstruct all transactions within a reasonable period of time.
- (5) Appropriate resources to conduct real-time supervision of trading.
- (6) Sufficient compliance staff and resources, including those outsourced or delegated to third parties, to fulfill regulatory responsibilities.
- (7) Rules that authorize compliance staff to obtain, from market participants, information and cooperation necessary to conduct effective rule enforcement and investigations.
- (8) Staff investigations and investigation reports demonstrating that the compliance staff investigates suspected rule violations and prepares reports of their finding and recommendations.
- (9) Rules determining access requirements with respect to the persons that may trade on the foreign board of trade, and the means by which they connect to it.
- (10) The requirement that market participants submit to the foreign board of trade's jurisdiction as a condition of access to the market.

Attach, as **Exhibit G-3**, a description of the foreign board of trade's disciplinary rules, including but not limited to rules that address the following:

- (1) Disciplinary authority and procedures that empower staff to recommend and prosecute disciplinary actions for suspected rule violations and that provide the authority to fine, suspend, or expel any market participant pursuant to fair and clear standards.
- (2) The issuance of warning letters and/or summary fines for specified rule violations.
- (3) The review of investigation reports by a disciplinary panel or other authority for issuance of charges or instructions to investigate further, or findings that an insufficient basis exists to issue charges.
- (4) Disciplinary committees of the foreign board of trade that take disciplinary action via formal disciplinary processes.

- (5) Whether and how the clearing organization articulates its rationale for disciplinary decisions.
- (6) The sanctions for particular violations and a discussion of the adequacy of sanctions with respect to the violations committed and their effectiveness as deterrents to future violations.

Attach, as **Exhibit G-4**, a description of market surveillance program (and any related rules), addressing the following:

The dedicated market surveillance department or the delegation or outsourcing of that function, including a general description of the staff; the data collected on traders' market activity; data collected to determine whether prices are responding to supply and demand; data on the size and ownership of deliverable supplies; a description of the manner in which the foreign board of trade detects and deters market manipulation; for cash-settled contracts, methods of monitoring the settlement price or value; and any foreign board of trade large-trader or other position reporting system.

#### **EXHIBIT H – INFORMATION SHARING AGREEMENTS AMONG THE COMMISSION, THE FOREIGN BOARD OF TRADE, THE CLEARING ORGANIZATION, AND RELEVANT REGULATORY AUTHORITIES**

Attach, as **Exhibit H**:

- (1) A description of the arrangements among the Commission, the foreign board of trade, the clearing organization, and the relevant foreign regulatory authorities that govern the sharing of information regarding the transactions that will be executed pursuant to the foreign board of trade's registration with the Commission and the clearing and settlement of those transactions. This description should address or identify whether and how the foreign board of trade, clearing organization, and the regulatory authorities governing the activities of the foreign board of trade and clearing organization agree to provide immediately and directly to the Commission information and documentation requested by Commission staff that Commission staff determines is needed:
  - (i) To evaluate the continued eligibility of the foreign board of trade for registration,
  - (ii) To enforce compliance with the specified conditions of the registration,
  - (iii) To enable the CFTC to carry out its duties under the Act and Commission regulations and to provide adequate protection to the public or registered entities,
  - (iv) To respond to potential market abuse associated with trading by direct access on the registered foreign board of trade, and
  - (v) Where Commission staff, in its discretion, determines that a contract traded on a registered foreign board of trade may affect the Commission's ability to carry out surveillance with respect to a registered entity.
- (2) A statement as to whether and how the foreign board of trade has executed, or has committed to execute, the International Information Sharing Memorandum of Understanding and Agreement.

(3) A statement as to whether the regulatory authorities governing the activities of the foreign board of trade and clearing organization are signatories to the International Organization of Securities Commissions Multilateral Memorandum of Understanding. If not, describe any alternative information-sharing arrangements that are in place.

(4) A statement as to whether the regulatory authorities governing the activities of the foreign board of trade and clearing organization are signatories to the Declaration on Cooperation and Supervision of International Futures Exchanges and Clearing Organizations. If not, a statement as to whether and how they have committed to share the types of information contemplated by the International Information Sharing Memorandum of Understanding and Agreement with the Commission, whether pursuant to an existing memorandum of understanding or some other arrangement.

#### **EXHIBIT I – ADDITIONAL INFORMATION AND DOCUMENTATION**

Attach, as **EXHIBIT I**, any additional information or documentation necessary to demonstrate that the requirements for registration applicable to the foreign board of trade set forth in Commission regulation 48.7 are satisfied.<sup>7</sup>

---

<sup>7</sup> 17 CFR § 48.7.