



## COMMODITY FUTURES TRADING COMMISSION

### Agency Information Collection Activities Under OMB Review

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 (PRA), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected costs and burden.

**DATES:** Comments must be submitted on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Comments regarding the burden estimate or any other aspect of the information collection, including suggestions for reducing the burden, may be submitted directly to the Office of Information and Regulatory Affairs (OIRA) in OMB within 30 days of this notice's publication by either of the following methods. Please identify the comments by "OMB Control No. 3038-0081.

- By email addressed to: *OIRAsubmissions@omb.eop.gov* or
- By mail addressed to: the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention Desk Officer for the Commodity Futures Trading Commission, 725 17th Street, NW., Washington DC 20503.

A copy of all comments submitted to OIRA should be sent to the Commodity Futures Trading Commission (the “Commission”) by either of the following methods. The copies should refer to “OMB Control No. 3038-0081.

- By mail addressed to: Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581;
- By Hand Delivery/Courier to the same address; or
- Through the Commission’s website at <http://comments.cftc.gov>. Please follow the instructions for submitting comments through the website.

A copy of the supporting statement for the collection of information discussed herein may be obtained by visiting <http://RegInfo.gov>.

All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>. You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that you believe is exempt from disclosure under the Freedom of Information Act, a petition for confidential treatment of the exempt information may be submitted according to the procedures established in § 145.9 of the Commission’s regulations.<sup>1</sup> The Commission reserves the right, but shall have no obligation, to review, pre-screen, filter, redact, refuse or remove any or all of your submission from <http://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that contain comments on the merits of the ICR will be retained in the public comment file

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<sup>1</sup> 17 CFR 145.9.

and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under the Freedom of Information Act.

**FOR FURTHER INFORMATION CONTACT:** Robert Wasserman, Chief Counsel, Division of Clearing and Risk, Commodity Futures Trading Commission, (202) 418-5092; email: [rwasserman@cftc.gov](mailto:rwasserman@cftc.gov), and refer to OMB Control No. 3038-0081.

**SUPPLEMENTARY INFORMATION:**

*Title:* Derivatives Clearing Organizations, General Regulations and International Standards; OMB Control No. 3038–0081. This is a request for extension of a currently approved OMB Control No. containing two information collections consolidated into OMB Control No. 3038-0081.

*Derivatives Clearing Organization General Provisions and Core Principles.*<sup>2</sup>

Section 725(c) of the Dodd-Frank Act amended Section 5b(c)(2) of the CEA to allow the Commission to establish regulatory standards for compliance with the DCO core principles. Accordingly, the Commission adopted a final rule to set specific standards for compliance with DCO Core Principles.<sup>3</sup> The DCO Final Rule requires the appointment of a CCO, the filing of an annual report and adherence to certain recordkeeping requirements.<sup>4</sup> The information collected pursuant to those regulations is necessary for the Commission to evaluate whether DCOs are complying with Commission regulations.

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<sup>2</sup> The 60-day *Federal Register* notice, 82 FR 24688, May 30, 2017, identified this information collection as “Annual report provided for in Derivatives Clearing Organization General Provisions and Core Principles.”

<sup>3</sup> See Derivatives Clearing Organization General Provisions and Core Principles, 76 FR 69334 (November 8, 2011) (DCO Final Rule).

<sup>4</sup> These DCO recordkeeping requirements and associated costs are captured in separate proposed rulemakings under separate OMB Control Nos.; specifically, see Risk Management Requirements for Derivatives Clearing Organizations; 76 FR 3698 (Jan. 20, 2011)(OMB Control No. 3038-0076); Information Management Requirements for Derivatives Clearing Organizations, 75 FR 78185 (Dec. 15, 2010) (OMB Control No. 3038-0069); and Financial Resources requirements for Derivatives Clearing Organizations, 75 FR 63113 (Oct. 14, 2010)(OMB Control No. 3038-0066).

*Derivatives Clearing Organizations and International Standards.*<sup>5</sup> In the SIDCO-Subpart C DCO Final Rule, the Commission adopted amendments to its regulations to establish additional standards for compliance with the DCO core principles set forth in Section 5b(c)(2) of the CEA for systemically important DCOs (“SIDCOs”) and DCOs that elect to opt-in to the SIDCO regulatory requirements (“Subpart C DCOs”) which are consistent with certain international standards.<sup>6</sup> Specifically, the additional requirements address any remaining gaps between the Commission's existing regulations and the Principles for Financial Market Infrastructures (“PFMI”) published by the Committee on Payments and Market Infrastructures and the Board of the International Organization of Securities Commissions.

The SIDCO-Subpart C DCO Final Rule also established the process whereby DCO and DCO applicants, respectively, may elect to become Subpart C DCOs subject to the provisions of Subpart C. The election involves filing the Subpart C Election Form contained in appendix B to part 39 of the Commission’s regulations, which involves completing certifications, providing exhibits, and drafting and publishing responses to the PFMI Disclosure Framework and PFMI Quantitative Information Disclosure, as applicable. Additionally, the SIDCO-Subpart C DCO Final Rule provides for Commission requests for supplemental information from those requesting Subpart C DCO status; requires amendments to the Subpart C Election Form in the event that a DCO or DCO Applicant, respectively, discovers a material omission or error in, or if

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<sup>5</sup> The 60-day *Federal Register* notice, 82 FR 24688, May 30, 2017, identified this information collection as Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations.

<sup>6</sup> See *Derivatives Clearing Organizations and International Standards*, 78 FR 72476 (December 2, 2013) (SIDCO-Subpart C DCO Final Rule).

there is a material change in, the information provided in the Subpart C Election Form; to submit a notice of withdrawal to the Commission in the event the DCO or DCO applicant determines not to seek Subpart C DCO status prior to such status becoming effective; and procedures by which a Subpart C DCO may rescind its Subpart C DCO status after it has been permitted to take effect. Further, each of these requirements implies recordkeeping that would be produced by a DCO to the Commission on an occasional basis to demonstrate compliance with the rules. The information that would be collected under the SIDCO-Subpart C DCO Final Rule, part 39 of the Commission Regulations, is necessary for the Commission to determine whether a DCO meets the Subpart C DCO standards and is likely to be able to maintain compliance with such standards; to evaluate whether SIDCOs and Subpart C DCOs are complying with Commission regulations; and to perform risk analyses with respect to SIDCOs and Subpart C DCOs.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. On May 30, 2017, the Commission published in the *Federal Register* notice of the proposed extension of this information collection and provided 60 days for public comment on the proposed extension, 82 FR 24688 (“60-Day Notice”).

*Burden Statement:* The Commission is not revising its estimate of the burden for this collection. The respondent burden for this collection is estimated to be as follows:

*Estimated Number of Respondents:* With respect to the DCO Final Rule, the estimated number of respondents is 12. With respect to the SIDCO-Subpart C DCO Rule, the estimated number of respondents is 7.

*Estimated Average Burden Hours Per Respondent:* With respect to the DCO Final Rule, the estimated average burden hours is 80. With respect to the SIDCO-Subpart C DCO Rule, the estimated average burden hours is 2,502.

*Estimated Total Annual Burden Hours:* With respect to the DCO Final Rule, the total annual burden hours is estimated to be 960. With respect to the SIDCO-Subpart C DCO Rule, the total annual burden hours is estimated to be 17,512.

*Frequency of Collection:* With respect to the DCO Final Rule, the estimated frequency of collection is annual. With respect to the SIDCO-Subpart C DCO Rule, the frequency of collection is annual and occasional.

The total annual time burden for all respondents is estimated to be 18,472 hours.

See Appendix A for an individual breakdown for burden for annual reports provided for in Derivatives Clearing Organization General Provisions and Core Principles.

See Appendix B for an individual breakdown for burden for Derivatives Clearing Organizations and International Standards (Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations).

There are no capital costs or operating and maintenance costs associated with this collection.

(Authority: 44 U.S.C. 3501 *et seq.*)

Dated: July, 25, 2017.

Robert N. Sidman,

*Deputy Secretary of the Commission.*

NOTE: The following appendices will not appear in the Code of Federal Regulations.

**Appendix A – Derivatives Clearing Organization General Provisions and Core Principles OMB Collection 3038-0081.**

The regulations under this final rulemaking require DCOs to report information to the Commission on an annual basis but allow the Commission to collect information at other times as necessary.

Annual Reporting Requirements  
For Derivatives Clearing Organizations

Estimated # of Respondents Per Year	Reports Annually by Each Respondent	Total Annual Responses	Estimated Average Number of Hours Per Response	Estimated Total Number of Hours of Annual Burden in Fiscal Year (maximum: 12 X 80)
12	1	12	40-80	480-960

**Appendix B – Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations OMB Collection 3038-0081**

SIDCO/SUBPART C DCO REGULATIONS – REPORTING COLLECTION

	Estimated # of Respondents Per Year	Reports Annually by Each	Total Annual Responses	Estimated Average Number of Hours Per Response	Estimated Total Number of Hours of Annual Burden in
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					Fiscal Year
Certifications - Subpart C Election Form	5	1	5	25	125
Exhibits A thru G - Subpart C Election Form	5	1	5	155	775
Disclosure Framework Responses	5	1	5	200	1,000
Quantitative Information Disclosures	5	1	5	80	400
Supplemental Information	5	5	25	45	1,125
Amendments to Subpart C Election Form	5	3	15	8	120
Withdrawal Notices	1	1	1	2	2
Rescission Notices	1	75	75	3	225
Written Governance Arrangements	7	1	7	200	1,400
Governance Disclosures	7	6	42	3	126
Financial and Liquidity Resource Documentation	7	1	7	120	840
Stress Test Results	7	16	112	14	1,568
Disclosure Framework Requirements (SIDCOs Only)	2	1	2	200	400
Disclosure Framework Requirements (Both)	7	1	7	80	560
Quantitative Information	2	1	2	80	160

Disclosures (SIDCOs Only)					
Quantitative Information Disclosures (Both)	7	1	7	35	245
Transaction, Segregation, Portability Disclosures	7	2	14	35	490
Efficiency and Effectiveness Review	7	1	7	3	21
Recovery and Wind-Down Plan	7	1	7	480	3,360
<b>TOTALS</b>		<b>120</b>	<b>350</b>	<b>1,768</b>	<b>12,942</b>

**SIDCO/SUBPART C DCO REGULATIONS – RECORDKEEPING COLLECTION**

	Estimated # of Recordkeepers Per Year	Records to Be Kept Annually by Each	Total Annual Responses	Estimated Average Number of Hours Per Record	Estimated Total Number of Hours of Annual Burden in Fiscal Year
Generally	5	82	410	1	2,050
Liquidity Resource Due Diligence and Testing	7	4	28	10	280
Financial and Liquidity Resources, Excluding Due Diligence	7	4	28	10	280
Generally	7	28	196	10	1960
<b>TOTALS</b>		<b>118</b>	<b>662</b>	<b>31</b>	<b>4570</b>