Dear ,

I am writing to request the participation of your organisation in a voluntary information collection exercise being conducted on behalf of the Financial Stability Board regarding market infrastructures for clearing, reporting and trading of OTC derivatives.

As you may know, at the 2009 Pittsburgh Summit, the G20 Leaders committed to a series of OTC derivatives reforms relating to central clearing, reporting to trade repositories and use of organised trading platforms. The FSB subsequently issued a set of recommendations in 2010 addressing practical issues in implementing the OTC derivatives market reforms and is continuously monitoring progress in implementation. Since 2011, the FSB has published twice-yearly reports on progress (with reports in April 2011, October 2011 and June 2012).

For these previous reports, the FSB gathered information primarily through surveys of FSB member jurisdictions’ work plans and progress in putting in place OTC derivatives regulatory and legislative reforms.2

For the next progress report, to be published in October 2012, the FSB OTC Derivatives Working Group (ODWG) plans to focus on reporting on the current availability of market infrastructures, including central clearing, trade repositories and electronic trading platforms. The objective is to complement the earlier responses to the surveys of jurisdictions by gathering more detailed information from the entities that provide clearing services, act as trade repositories and provide electronic platforms for trading.

Enclosed is a survey that aims to gather information from central counterparties (CCPs) in order to develop a deeper understanding of the current state of central clearing, and the potential to expand activities.

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2 Each progress report contains a summary of the responses from the jurisdictions in the appendices.
The FSB recognises that some of this information may be available from other sources. Where this is the case, please indicate in your response where the information can be found.

Please note that your responses will be shared with staff from the member organisations of the FSB’s ODWG and the FSB secretariat. This survey is intended purely as a fact-finding exercise about the current availability of market infrastructure, and no questions should be interpreted as carrying any implications about current or future regulation or oversight by the member organisations of the FSB. Attached is a list of current ODWG members for your information. (The member organisations and the staff appointed from those organisations to the FSB’s ODWG may change from time to time.)

Information that you provide may also be published, in detailed or summary form, in the FSB’s October 2012 implementation progress report. As such, please provide information that can be made public. I recognise that some questions on the survey may request information that has not previously been made public. To the extent that you would like any information to be kept non-public - meaning that it would not be published in the progress report in a form identifiable as relating to your organisation - please indicate this on the survey. In the event that you have any questions about the confidentiality or potential disclosure of information, please contact the FSB secretariat members listed below.

For information on prior FSB progress reports on OTC derivatives implementation, please see the June 2012, October 2011 and April 2011 progress reports on the FSB website (http://www.financialstabilityboard.org/list/fsb_publications/index.htm).

The FSB will publish its next report in late October. As a result, we are asking for a response no later than 6 August 2012.

Please send responses via email to uzma.wahhab@bis.org and ruth.walters@bis.org in the FSB Secretariat.

If you have any questions, please do not hesitate to contact myself or Uzma Wahhab at uzma.wahhab@bis.org, +41 61 280 8703.

We greatly appreciate your participation in this exercise.

Yours sincerely,

Svein Andresen

Encs (2)
Members of the OTC Derivatives Working Group

Co-Chairs

Sarah Casey Otte (representing IOSCO)
Assistant Director, Office of Derivatives Policy
Division of Trading and Markets
Securities and Exchange Commission

Jeanmarie Davis (representing CPSS)
Senior Vice President, Financial Market Infrastructure Function
Financial Institution Supervision Group
Federal Reserve Bank of New York

Patrick Pearson
Head of Financial Markets Infrastructure
Internal Market DG
European Commission

Australia

Damien Scholefield
Senior Manager, Exchange Market Operators
Australian Securities and Investments Commission

Brazil

Otavio Yazbek
Commissioner
Comissão de Valores Mobiliários (CVM)

Canada

Elizabeth Woodman
Principal Researcher, Markets Infrastructure Division
Financial Markets Department
Bank of Canada

China

Kong Yan
Director, Bonds Products Supervision Division
People’s Bank of China

France

Carole Uzan
Autorité des marchés financiers (AMF)

Germany

Thomas Schmitz-Lippert
Executive Director, International Policy/Affairs
Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)

Martin Ockler
Higher Executive Officer, Financial Stability Department
Deutsche Bundesbank
Hong Kong

**Daryl Ho**
Head of Market Development Division
Hong Kong Monetary Authority

Japan

**Jun Mizuguchi**
Assistant Commissioner for International Affairs
Financial Services Agency

Korea

**Choi Sang Ah**
Director
Financial Services Commission

Singapore

**Tiak-Peow Phua**
Deputy Director, Capital Markets Policy
Monetary Authority of Singapore

Switzerland

**Michael Manz**
Head, International Finance and Financial Stability
Swiss Federal Department of Finance FDF
State Secretariat for International Finance SIF

UK

**Anne Wetherilt**
Senior Manager, Payments and Infrastructure Division
Bank of England

**David Bailey**
Acting Head of Market Infrastructure and Policy Department, Markets Division
Financial Services Authority

USA

**Warren Gorlick**
Associate Director, Office of International Affairs
Commodity Futures Trading Commission

**Kim Allen**
Senior Special Counsel, Division of Trading and Markets
Securities and Exchange Commission

**Erik Heitfield**
Chief, Risk Analysis Section
Federal Reserve Board of Governors

ECB

**Andreas Schönenberger**
Principal Market Infrastructure Expert in the Oversight Division
Directorate General Payment and Market Infrastructure
BIS
   Jacob Gyntelberg
   Senior Economist

BCBS
   Raquel Lago
   Member of Secretariat

IMF
   John Kiff
   Senior Financial Sector Expert

CPSS
   Robert Lindley
   Acting Head of Secretariat

IOSCO
   David Wright
   Secretary General

FSB
   Rupert Thorne
   Deputy Secretary General
   Uzma Wahhab
   Member of Secretariat
   Ruth Walters
   Member of Secretariat
Survey of OTC Derivatives Central Counterparties

As outlined in the FSB OTC derivatives working group cover letter, the goal of this survey is to gather more detailed information from central counterparties (CCPs) on a voluntary basis to develop a deeper understanding of the current state of central clearing, and the potential to expand central clearing, particularly as it relates to the G20 objectives for OTC derivatives markets reforms. While the ODWG recognizes that some of this information may be available from other sources, it has not been collected internationally in a consistent and comparable manner that views the global market and progress holistically.

Similarly to the process used for jurisdictional surveys, individual CCPs' responses to this survey will be made available to the members of the ODWG to the extent that the ODWG recognizes that some of this information may be available from other sources, it has not been collected internationally in a consistent and comparable manner that views the global market and progress holistically. Any information provided by CCPs in their survey responses may therefore be published by the FSB.

This survey of CCPs is organised into five themes: (i) regulation and supervision; (ii) product availability for clearing, (iii) CCP participants, (iv) links to other entities, and (v) cross-border issues.

In addition to the questions that are included in the following section, the ODWG also requests CCPs to provide any other publicly available analyses or white papers on the availability of clearing that provide relevant additional information to their survey responses.

CCPs are asked to complete the survey and to return it to the entity administering the survey (either the national authority from whom the CCP received the survey or the FSB), with any supporting documentation. There are some questions on the survey that may elicit a response for information that has not previously been made public. To the extent that you would like any information to be kept non-public, please indicate this on the survey.
CCP Name: ________________________________________________

Names of affiliated CCPs (i.e. parent/subsidiary/same parent co.), if any:

_________________________________________________

Survey responses for which entity or entities:________________________

Survey for OTC Derivatives Central Counterparties

Location/Supervision

1. In which jurisdiction(s) do you currently provide services?
2. Are you currently supervised/regulated? ______Yes ______ No
3. If yes, under which supervisory or regulatory authority(ies)?

Product Availability for Central Clearing of OTC Derivatives

Please provide the following information on your institution’s current and planned clearing offerings for OTC derivatives:

Current clearing offerings

4. Please indicate the asset classes for which clearing services are currently offered:
   a. Interest rate  ____ Yes  ____ No
      If yes, please specify if you offer clearing services for the following classes of interest rates:
      Fixed-to-floating Swap Class  ____ Yes  ____ No
      Basis Swap Class  ____ Yes  ____ No
      Forward Rate Agreement Class  ____ Yes  ____ No
      Overnight Index Swap Class  ____ Yes  ____ No
      Other Interest Rate Class  ____ Yes  ____ No
      If yes, please specify:

Please indicate the following information for clearing services provided for the interest rate asset class as a whole:

   Number of trades cleared by direct clearing members in 2010, 2011 and end-June 2012
   Number of trades cleared by indirect participants in 2010, 2011 and end-June 2012
Notional outstanding at year end 2010, 2011 and end-June 2012 for direct clearing members

Notional outstanding at year end 2010, 2011 and end-June 2012 for indirect participants

b. Credit derivatives  ____ Yes  ____ No

If yes, please specify if you offer clearing services for the following series of credit derivates:

<table>
<thead>
<tr>
<th>Series</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-yr-on the run series</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 yr off-the-run-series</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-yr-on the run series</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 yr off-the-run-series</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single name CDS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-name instruments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other credit derivatives</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If yes, please specify:

Please indicate the following information for clearing services provided for the credit asset class as a whole:

- Number of trades cleared by direct clearing members in 2010, 2011 and end-June 2012
- Number of trades cleared by indirect participants in 2010, 2011 and end-June 2012
- Notional outstanding at year end 2010, 2011 and end-June 2012 for direct clearing members
- Notional outstanding at year end 2010, 2011 and end-June 2012 for indirect participants

c. Commodity  ____ Yes  ____ No

If yes, please specify whether you offer clearing services for the following types of commodities derivatives:

<table>
<thead>
<tr>
<th>Type</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td></td>
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<tr>
<td>Metals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If yes, please specify:

Please indicate the following information for clearing services provided for the commodities asset class as a whole:
Number of trades cleared by direct clearing members in 2010, 2011 and end-June 2012

Number of trades cleared by indirect participants in 2010, 2011 and end-June 2012

Notional outstanding at year end 2010, 2011 and end-June 2012 for direct clearing members

Notional outstanding at year end 2010, 2011 and end-June 2012 for indirect participants
d. Currency  ____ Yes  ____ No
If yes, please indicate whether you offer clearing services for the following types of currency derivatives:

FX-Non-deliverable forwards  ____ Yes  ____ No
FX-Vanilla Non-deliverable Options  ____ Yes  ____ No
FX-Simple exotic options  ____ Yes  ____ No
FX-Other  ____ Yes  ____ No

If yes, please specify

Are any of the products you clear in this asset class short-term products (2 year or less)?
If yes, please specify

Please indicate the following information for clearing services provided for the currency asset class as a whole:

Number of trades cleared by direct clearing members in 2010, 2011 and end-June 2012
Number of trades cleared by indirect participants in 2010, 2011 and end-June 2012
Notional outstanding at year end 2010, 2011 and end-June 2012 for direct clearing members
Notional outstanding at year end 2010 and 2011 for indirect participants

e. Equity  ____ Yes  ____ No

If yes, please specify whether you offer clearing services for the following categories of swaps:

Equity swaps  ____ Yes  ____ No
OTC Equity options  ____ Yes  ____ No
Other equity products or sub-products:  ____ Yes  ____ No

If yes, please indicate:
Please indicate the following information for clearing services provided for the OTC equity asset class as a whole:

- Number of trades cleared by direct clearing members in 2010, 2011 and end-June 2012
- Number of trades cleared by indirect participants in 2010, 2011 and end-June 2012
- Notional outstanding at year end 2010, 2011 and end-June 2012 for direct clearing members
- Notional outstanding at year end 2010, 2011 and end-June 2012 for indirect participants

5. For clearing services which your institution currently offers, please provide the following information:
   a. In what currencies do you currently clear?
   b. How do you ensure sufficient liquidity in each currency (e.g. through liquid assets, lines of credit or other arrangements) to meet your daily obligations?
   c. In light of the CPSS-IOSCO’s *Principles for financial market infrastructures* or other guidance, do you anticipate taking additional steps to ensure sufficient liquidity in each currency?

**Planned clearing offerings**
6. Additional asset classes for which clearing offerings are planned and estimated timetable for implementation (to the extent publicly disclosable).

7. For each asset class your institution identified in Question 4 above, please indicate whether the products in the pipeline are in any of the subcategories identified in Question 4 (above), to the extent this is publicly disclosable.

8. What has your typical timeline been to launch a new OTC derivative product for central clearing?
   i. In the timeline, please include time estimates of the key milestones (e.g. decision to offer a product, internal risk modelling and market and liquidity analysis, regulatory approval (if appropriate), and operational readiness for launch).

9. What challenges, if any, does your institution face with respect to making progress on the product offering(s) currently in the pipeline?

**CCP Participants**

10. Please indicate the number of direct clearing members:
a. How many of these direct clearing members are located in your home jurisdiction?

11. Please indicate the number of indirect participants:
   a. How many of these indirect participants are located in your home jurisdiction?

12. Please describe your institution’s approach to facilitating trades from non-members to be cleared. This should include the approach to clients of clearing members and other indirect clearing relationships (such as client-of-client clearing).

13. Does your institution have plans to further expand client and indirect clearing services?
   a. If so, please describe the nature of these additional offerings, the associated timelines and critical dependencies. Please also describe any challenges your institution faces in broadening such access.

14. Please describe the steps that market participants would need to undertake in order to access your current clearing offerings. In your institution’s experience, what is the usual timeframe for new participants to satisfy all of these required steps?

**Links to other entities**

15. Please note the number and location of other infrastructures with which you have operational links:

16. Trade repositories: Number located in a different jurisdiction:

17. CCPs: Number located in a different jurisdiction:

18. Trading platforms/Exchanges: Number located in a different jurisdiction:

19. Please briefly describe the nature of the operational links.

20. For links with other CCPs, do you offer combined netting or margining services? 
   ____ Yes _____ No
   If yes, please describe whether cross margining and/or netting is limited to OTC derivatives products (by product class or cross-product) or extends to other products such as non-derivatives products and whether cross-margining is offered only within the same entity or across entities.

21. Have you announced plans to explore operational links with other infrastructures? 
   ____ Yes _____ No
If yes, please list the entities, including the type of infrastructure and their location.

22. Please note whether you offer any ancillary services, such as trade compression, collateral management, electronic trade confirmation or portfolio reconciliation services, if relevant.

**Cross-border issues**

23. Please briefly describe your arrangements for the provision of, or plans to provide, cross-border access to clearing services and outline any particular issues that have arisen. Have these issues resulted in your needing to make changes to your planned services?