



Commodity Futures Trading Commission

Office of Public Affairs

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Swap Review Process Q & A

What is the goal of the proposed rulemaking?

The Dodd-Frank Act requires any person that engages in a swap to submit the swap for clearing to a derivatives clearing organization (DCO) if the Commission has determined that the swap is required to be cleared. The goal of the proposed rulemaking is to implement a process by which the Commission will review swaps to determine whether they are required to be cleared.

Does the proposed rule itself require swaps to be cleared?

No. The Dodd-Frank Act requires a DCO that plans to accept for clearing a swap, or group, category, type, or class of swaps (collectively, “swaps”) to submit the swaps to the Commission for a determination as to whether the swaps are required to be cleared. The proposed rule simply sets out the process for DCOs to submit swaps to the Commission and for the Commission to review them before making such a determination.

When swaps are submitted to the Commission, the Commission has 90 days to review the submission and make a determination. The Commission will post the submission for a 30-day public comment period at the start of its review. At the end of its review, after considering the public comments and the information that the proposed rule requires the DCO to provide, the Commission will make its determination as to whether the swaps are required to be cleared.