

II. FINDINGS

The Commission finds the following:

A. SUMMARY

As a provisionally registered swap dealer, PNC is required to comply with certain reporting and recordkeeping requirements related to its swap transactions.

Section 4s(f) of the Act, 7 U.S.C. § 6s(f) (2012), and Regulation 20.4, 17 C.F.R. § 20.4 (2018), require swap dealers that meet certain requirements to file daily large trader reports for reportable positions in physical commodity swaps (“LTRs”), which are populated with specific data as directed by the Commission. The LTRs must also conform to the form and manner for reporting and submitting information as set forth in Regulation 20.7, 17 C.F.R. § 20.7 (2018).

Pursuant to Regulation 23.204 and Part 45 of the Regulations, 17 C.F.R. § 23.204, pt. 45 (2018), swap dealers are required to report to a registered swap data repository (“SDR”) certain swap transaction information, including primary economic terms of the transaction, the legal entity identifier (“LEI”) of each counterparty, and accurate continuation data. Section 2(a)(13)(G) of the Act, 7 U.S.C. § 2(a)(13)(G) (2012), further requires parties to report swap transaction information to an SDR in a timely manner, as prescribed by the Commission; similarly, Section 4r(a)(3) of the Act, 7 U.S.C. § 6r(a)(3) (2012), requires swap dealers to report swap transactions to a SDR within such time period as prescribed by the Commission. Part 43 of the Regulations, 17 C.F.R. pt. 43 (2018), specifies requirements for real-time public reporting of swap transactions.

At certain times during the Relevant Period, PNC failed to file LTRs for its physical commodity swaps; failed to properly report LEIs, primary economic terms, and continuation data to its SDR; and failed to timely report certain trades to its SDR.

* * *

In accepting PNC’s Offer, the Commission recognizes that PNC discovered and promptly self-reported its violations to the Division of Enforcement (“Division”), provided substantial cooperation during the Division’s investigation of this matter, and has taken extensive remedial action to address its reporting deficiencies, as explained in more detail below. The Commission notes that PNC’s self-reporting, cooperation, and remediation are recognized in the form of a substantially reduced civil monetary penalty.

B. RESPONDENT

PNC is headquartered in Pittsburgh, Pennsylvania, and has been provisionally registered as a swap dealer with the Commission since January 31, 2013.

C. FACTS

1. Failure To Submit LTRs for Commodity Swaps

As a provisionally registered swap dealer, PNC is required to submit LTRs in the form and manner determined by the Commission. However, between October 2015 and March 2018, PNC did not submit any LTRs. As of April 4, 2018, PNC had open covered contracts consisting of fifty or more futures equivalent paired swaps or swaptions with twenty-seven counterparties, including counterparties that were not swap dealers.

PNC began submitting LTRs through a manual process on April 4, 2018, and automated its submission of LTRs on April 24, 2018. By the end of June 2018, PNC had submitted historic LTRs for the entire Relevant Period.

2. Failure To Report Primary Economic Terms

PNC is required to report required primary economic terms to an SDR. However, at certain times during the Relevant Period, PNC submitted reports to its SDR, the Depository Trust & Clearing Corporation Data Repository (U.S.) LLC (“DTCC”), in several different asset classes—interest-rate derivatives, commodity swaps, and foreign exchange (“FX”) options, forwards, and non-deliverable forwards (“NDFs”)—that were missing a variety of required fields.

As PNC disclosed to the Commission, PNC had, as of February 2018, failed to report one or more of thirteen required data fields for tens of thousands of trades, including a minority that remained on PNC’s books (“Live Trades”). Since March 5, 2018, PNC has included all thirteen fields, as applicable, in its ongoing reports to DTCC, and by March 28, 2018, PNC had re-reported to DTCC all of its Live Trades from the Relevant Period to include the thirteen required fields.

However, PNC subsequently determined and disclosed to the Commission that some of its reports were also deficient with respect to thirty additional unique fields. Since November 1, 2018, PNC has included in its ongoing reports to DTCC all required data fields, including the thirty additional fields, as applicable, identified as a result of PNC’s internal review, and by December 1, 2018, PNC had re-reported to DTCC all of its Live Trades from the Relevant Period to include those thirty fields. PNC’s remediation of its reporting of trades no longer on PNC’s books (“Dead Trades”) is ongoing. *See infra* Section VI.E.

3. Failure To Accurately Report LEIs and Trade Modifications

PNC is required to report swap continuation data to ensure that all data concerning a swap remains current and accurate, including by reporting life cycle event data or state data for the swap, such as the LEI for a counterparty to a swap, if the LEI was not included in creation data reporting, and trade modifications.

At certain times during the Relevant Period, PNC failed to report a valid LEI for certain counterparties. An LEI is a unique 20-character alphanumeric code used to identify legally distinct entities that act as counterparties to swap transactions, among other financial

transactions. From April 2015 through December 2017, PNC executed interest rate swaps with counterparties that had not yet obtained an LEI and, when reporting those swaps to DTCC, PNC used a unique internal PNC identifier (rather than an LEI) to identify the relevant counterparties. When such a counterparty later obtained an LEI, PNC failed to update its reports to DTCC. This issue affected several hundred trades, which PNC re-reported to DTCC by October 26, 2017, when PNC implemented a process for manually updating trade reporting for any LEI exceptions. On December 8, 2017, PNC implemented an automated solution for providing such updates to DTCC.

PNC also failed to properly report modifications to FX swap, forward, and NDF trades (collectively, “FX trades”) during the Relevant Period. On thousands of occasions during the Relevant Period, when PNC modified an existing FX trade, it would (1) send a cancellation message to the SDR for the originally reported trade; (2) assign a new Unique Swap Identifier (“USI”) number to the modified trade; (3) report the resulting new USI (or USIs) to the SDR as a new FX trade rather than as a correction or amendment to the original trade; and (4) report the USI of the immediately prior FX trade to the SDR in the “Prior USI” data field. PNC is in the process of updating its FX data system to appropriately report FX trade modifications as life cycle events rather than as new trades.

4. Failure To Timely Report Trades

PNC is required to comply with certain requirements for the real-time public reporting and public availability of swap transaction data, including the requirement to report a publicly reportable swap transaction to an SDR as soon as technologically practicable after the swap transaction is executed. However, PNC failed to do so during the Relevant Period with respect to two asset classes.

First, from October 2015 to December 2017, PNC manually reported to DTCC several hundred commodity swaps on a T+1 basis rather than in real-time. On December 8, 2017, PNC implemented real-time automated reporting of commodity swaps.

Second, from October 2016 to October 2017, PNC reported several hundred FX options on a T+1 basis rather than in real-time. The reason for the delayed reporting was that, following DTCC’s implementation of new software in October 2016, PNC continued to submit data reports to DTCC using a “test ID” used for testing the software, DTCC rejected PNC’s reports due to the ID being invalid, and DTCC belatedly received the trade data when it was included in the daily snapshot PNC submitted of its entire portfolio. PNC remediated the issue on October 30, 2017, by reconfiguring its data system to report to DTCC using the correct ID.

5. PNC’s Self-Reporting, Cooperation, and Remediation

After self-identifying that it was in violation of certain requirements related to SDR reporting, PNC immediately initiated a broad internal review of its swaps reporting compliance. PNC promptly disclosed to the Division the preliminary results of that review, despite not knowing the extent of its violative conduct. Following its disclosure, PNC continued to conduct its internal review and cooperated fully with the Division’s investigation, as well as with the Division of Swap Dealer and Intermediary Oversight (“DSIO”) and Division of Market

Oversight (“DMO”), by voluntarily and promptly responding to the Divisions’ inquiries, providing frequent updates on the status of its remediation work and internal review, and disclosing additional deficiencies as PNC discovered them. PNC devoted substantial resources to remediation of its swaps reporting violations and acted quickly to ensure forward-looking compliance as well as to correct its issues regarding historical reports. Additionally, PNC retained outside counsel to undertake an in-depth internal investigation and root cause analysis of the firm’s swaps reporting deficiencies, and the conclusions reached by counsel contributed to a reorganization of PNC’s oversight of its swaps reporting, including the termination of employees to ensure the firm’s compliance with applicable regulations. PNC’s discovery and prompt self-reporting of violations to the Division, its substantial cooperation with the Division’s investigation, and its extensive remediation efforts are reflected in the substantially reduced civil monetary penalty imposed in this Order.

III. LEGAL DISCUSSION

A. Large Trader Reporting

Pursuant to Section 4s(f)(1)(A) of the Act: “Each registered swap dealer and major swap participant . . . shall make such reports as are required by the Commission by rule or regulation regarding the transactions and positions and financial condition of the registered swap dealer or major swap participant.” 7 U.S.C. § 6s(f)(1)(A) (2012). Regulation 20.4(c) provides certain enumerated data elements that must be included in a swap dealer’s data report. 17 C.F.R. § 20.4(c) (2018). These data elements include, among others: the commodity underlying the reportable positions, commodity reference price, futures equivalent month, long paired swap positions and short paired swap positions, swaption strike price, name of the counterparty, and identifier indicating that a principal or counterparty position is being reported.

Large trader reporting for physical commodity swaps is essential to the Commission’s ability to conduct effective surveillance of markets in U.S. physical commodity futures and economically equivalent swaps. Failure to comply with the reporting specifications set forth by the Commission hinders the Commission’s ability to efficiently process and effectively utilize this critical data.

Regulation 20.7(a) provides, in relevant part: “Unless otherwise instructed by the Commission, a clearing organization or reporting entity shall submit data records and any other information required under this part to the Commission . . . [u]sing the format, coding structure, and electronic data transmission procedures approved in writing by the Commission.” 17 C.F.R. § 20.7(a) (2018). The prescribed manner and form of reporting and submitting swaps data is provided in the Part 20 Guidebook.

PNC provisionally registered as a swap dealer on January 31, 2013, and consequently was required to submit LTRs during the Relevant Period. Between October 2015 and March 2018, PNC did not submit LTRs. Accordingly, PNC violated Section 4s(f)(1)(A) of the Act and Regulations 20.4 and 20.7.

B. Swap Data Repository Reporting

To enhance transparency, promote standardization, and reduce systemic risk, Section 727 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Pub. L. No. 111-203, 124 Stat. 1376, 1696-97, added to the Commodity Exchange Act a provision that requires all swaps, both cleared and uncleared, to be reported to a registered SDR and establishes requirements for real-time reporting and public availability of swap transaction data. *See* CEA §§ 2(a)(13)(G), 4r(a)(3), 7 U.S.C. §§ 2(a)(13)(G), 6r(a)(3) (2012). Pursuant to these requirements, the Commission adopted implementing regulations, including under Parts 43 and 45 of the Regulations, 17 C.F.R. pts. 43, 45 (2018). The reporting requirements under those regulations were phased-in over time based upon asset class. *See* Real-Time Public Reporting of Swap Transaction Data, 77 Fed. Reg. 1182 (Jan. 9, 2012); Swap Data Recordkeeping and Reporting Requirements, 77 Fed. Reg. 2136 (Jan. 13, 2012).

The accuracy and completeness of swap reporting are critical to the Commission's mission to protect market participants and to ensure market integrity. *See, e.g., In re NatWest Markets Plc*, CFTC No. 18-32, 2018 WL 4502270 (Sept. 14, 2018) (consent order); *In re Citibank, N.A.*, CFTC No. 17-26, 2017 WL 4280594 (Sept. 25, 2017) (consent order); *In re Société Générale S.A.*, CFTC No. 17-01, 2016 WL 7210405 (Dec. 7, 2016) (consent order); *In re Deutsche Bank AG*, CFTC No. 15-40, 2015 WL 5783049 (Sept. 30, 2015) (consent order). Market participants rely upon the public availability of swaps transaction and pricing data for price discovery purposes. The Commission, in turn, requires complete and accurate swap data to engage in meaningful oversight of the swaps market.

Part 43 establishes requirements for the real-time public reporting and public availability of swap transaction and pricing data. *See* Regulations 43.2 and 43.3, 17 C.F.R. §§ 43.2, 43.3 (2018). Under Part 43, reporting parties must "report any publicly reportable swap transaction to a registered swap data repository as soon as technologically practicable after such publicly reportable swap transaction is executed," i.e., in real time. Regulation 43.3(a)(1); *see also* Regulation 43.4(a), 17 C.F.R. § 43.4(a) (2018) ("Swap transaction and pricing information shall be reported to a registered swap data repository so that the registered swap data repository can publicly disseminate swap transaction and pricing data in real-time . . .").

Part 45 requires reporting parties to, among other things, report swap creation and continuation data to ensure that all data concerning a swap remains current and accurate. *See* Regulations 45.3, 45.4, 17 C.F.R. §§ 45.3, 45.4 (2018). Regulation 23.204(a), 17 C.F.R. § 23.204(a) (2018), further requires that swap dealers "shall report all information and data in accordance with [P]art 45." Pursuant to Regulation 45.4(a), reporting parties can comply with the continuation data requirement by "reporting life cycle event data or state data for the swap within the applicable deadlines set forth in [Regulation 45.4]." Regulation 45.6, 17 C.F.R. § 45.6 (2018), requires the reporting of LEIs in all swap data reporting pursuant to Part 45, and the definition of "life cycle event" in Regulation 45.1, 17 C.F.R. § 45.1 (2018), includes the "availability of a legal entity identifier for a swap counterparty previously identified by name or by some other identifier."

At certain times during the Relevant Period, PNC failed to report all required information and data in accordance with Part 45. Across a variety of asset classes, PNC submitted tens of

thousands of data reports that were missing required information in forty-three unique data fields, in violation of Regulation 45.3. PNC failed to report continuation data properly, in violation of Regulation 45.4, with respect to thousands of modified FX trades that PNC incorrectly reported as having been cancelled and replaced with a new USI (thereby inflating the apparent volume of its transactions), as well as several hundred interest rate swap trades where PNC failed to report newly acquired LEIs for counterparties that lacked LEIs at the time of the trade, in further violation of Regulation 45.6. Because PNC, a swap dealer, failed to comply with these Part 45 requirements, PNC also violated Regulation 23.204(a). PNC's practice of manually reporting commodity swaps and its use of an erroneous user ID for FX options caused hundreds of trades in those asset classes to be reported on a T+1 basis rather than in real time, in violation of Regulations 43.3(a) and 43.4(a).

C. Liability for Acts of Agents

The foregoing acts, omissions, and failures of PNC's employees occurred within the scope of their employment, office, or agency with PNC; therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2012), and Regulation 1.2, 17 C.F.R. § 1.2 (2018), PNC is liable for those acts, omissions, and failures in violation of Sections 2(a)(13)(G), 4r(a)(3), and 4s(f) of the Act, and Regulations 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, and 45.6.

IV. FINDINGS OF VIOLATIONS

Based on the foregoing, the Commission finds that, during the Relevant Period, PNC violated Sections 2(a)(13)(G), 4r(a)(3), and 4s(f) of the Act, 7 U.S.C. §§ 2(a)(13)(G), 6r(a)(3), 6s(f) (2012), and Regulations 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, and 45.6, 17 C.F.R. §§ 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, 45.6 (2018).

V. OFFER OF SETTLEMENT

Respondent has submitted the Offer in which it, without admitting or denying the findings and conclusions herein:

- A. Acknowledges service of this Order;
- B. Admits the jurisdiction of the Commission with respect to all matters set forth in this Order and for any action or proceeding brought or authorized by the Commission based on violation of or enforcement of this Order;
- C. Waives:
 - 1. The filing and service of a complaint and notice of hearing;
 - 2. A hearing;
 - 3. All post-hearing procedures;
 - 4. Judicial review by any court;

5. Any and all objections to the participation by any member of the Commission's staff in the Commission's consideration of the Offer;
 6. Any and all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2012), and 28 U.S.C. § 2412 (2012), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2018), relating to, or arising from, this proceeding;
 7. Any and all claims that it may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201–53, 110 Stat. 847, 857–74 (codified as amended at 28 U.S.C. § 2412 and in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this proceeding; and
 8. Any claims of Double Jeopardy based on the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief, including this Order;
- D. Stipulates that the record basis on which this Order is entered shall consist solely of the findings contained in this Order to which Respondent has consented in the Offer;
- E. Consents, solely on the basis of the Offer, to the Commission's entry of this Order that:
1. Makes findings by the Commission that Respondent violated Sections 2(a)(13)(G), 4r(a)(3), and 4s(f) of the Act, 7 U.S.C. §§ 2(a)(13)(G), 6r(a)(3), 6s(f) (2012), and Regulations 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, and 45.6, 17 C.F.R. §§ 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, 45.6 (2018);
 2. Orders Respondent to cease and desist from violating Sections 2(a)(13)(G), 4r(a)(3), and 4s(f) of the Act, and Regulations 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, and 45.6, as charged in this Order;
 3. Orders Respondent to pay a civil monetary penalty in the amount of three hundred thousand dollars (\$300,000), plus post-judgment interest, within ten (10) days of the date of entry of this Order; and
 4. Orders Respondent and its successors and assigns to comply with the conditions and undertakings consented to in the Offer and as set forth in Part VI of this Order;
- F. Represents that it has already taken remedial action to comply with the Act and Regulations, including, but not limited to, the following:
1. Conducted a comprehensive review, with the assistance of outside counsel, of Respondent's trade reports across all products and asset classes and implemented a plan to address any identified issues;

2. Remediated issues identified in the comprehensive review, including implementing enhancements to Respondent's trade reporting policies and procedures;
3. Filed LTRs for all previously unreported reportable positions in physical commodity swaps in the Relevant Period (*see supra* Section II.C.1);
4. Re-reported all of its Live Trades from the Relevant Period to include the forty-three required data fields, as applicable, that PNC identified as a result of its internal review (*see supra* Section II.C.2);
5. Enhanced its governance and oversight over its swap dealer trade reporting processes by developing key risk indicators, establishing a dedicated trade reporting management oversight group tasked with closely monitoring the trade reporting program, identifying and addressing potential trade reporting issues, and promptly escalating any significant risks to the appropriate management committee;
6. Enhanced its trade reporting quality assurance and quality control programs to ensure trade reporting, reconciliation and quality control testing processes are operating effectively; and
7. Enhanced its swap dealer trade reporting Internal Audit coverage by: increasing the number of staff and hours allocated to swap dealer audits, including an increased focus on first-line business processes; requiring additional planning to ensure that audit staff fully understands regulatory and business processes; and increasing the volume of in-depth testing completed by audit staff.

Upon consideration, the Commission has determined to accept the Offer.

VI. ORDER

Accordingly, IT IS HEREBY ORDERED THAT:

- A. Respondent and its successors and assigns shall cease and desist from violating Sections 2(a)(13)(G), 4r(a)(3), and 4s(f) of the Act, 7 U.S.C. §§ 2(a)(13)(G), 6r(a)(3), 6s(f) (2012), and Regulations 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, and 45.6, 17 C.F.R. §§ 20.4, 20.7, 23.204, 43.3, 43.4, 45.3, 45.4, 45.6 (2018).
- B. Respondent shall pay a civil monetary penalty in the amount of three hundred thousand dollars (\$300,000) ("CMP Obligation") within ten (10) days of the date of entry of this Order. If the CMP Obligation is not paid in full within ten (10) days of the date of entry of this Order, then post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961 (2012).

Respondent shall pay the CMP Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is

to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

MMAC/ESC/AMK326
Commodity Futures Trading Commission
Division of Enforcement
6500 S. MacArthur Blvd.
Oklahoma City, OK 73169
(405) 954-6569 office
(405) 954-1620 fax
9-AMC-AR-CFTC@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Marie Thorne or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Respondent shall accompany payment of the CMP Obligation with a cover letter that identifies the paying Respondent and the name and docket number of this proceeding. The paying Respondent shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

- C. Public Statements: As set forth in the Offer, Respondent agrees that neither it nor any of its successors and assigns nor any agents or employees under their authority or control shall take any action or make any public statement denying, directly or indirectly, any findings or conclusions in this Order or creating, or tending to create, the impression that this Order is without a factual basis; provided, however, that nothing in this provision shall affect Respondent's: (i) testimonial obligations; or (ii) right to take legal positions in other proceedings to which the Commission is not a party. Respondent and its successors and assigns shall comply with this agreement, and shall undertake all steps necessary to ensure that all of their agents and/or employees under their authority or control understand and comply with this agreement.
- D. Cooperation: Respondent shall continue to cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement, and any other governmental agency in this action, and in any investigation, civil litigation, or administrative matter related to the subject matter of this action or any current or future Commission investigation or action related thereto. As part of such cooperation, Respondent agrees to:
1. Comply fully, promptly, completely, and truthfully, subject to any legally recognized privilege, with any inquiries or requests for information and documents;
 2. Provide authentication of documents and other evidentiary material; and
 3. Use its best efforts to produce any current (as of the time of the request) officer, director, employee, or agent of Respondent, regardless of the individual's location

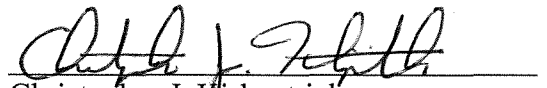
and at such location that minimizes Commission travel expenditures, to provide assistance at any trial, proceeding, or Commission investigation related to the subject matter of this proceeding, including but not limited to, requests for testimony, depositions, and/or interviews, and to encourage them to testify completely and truthfully in any such proceeding, trial or investigation.

- E. Remediation: Respondent will continue to undertake extensive remedial measures, including measures to implement and strengthen its internal controls and procedures relating to swaps reporting and related supervision of its swap dealer business. With respect to its remediation efforts to the extent not already undertaken (*see supra* Section V.F), Respondent undertakes that:
1. Respondent will re-report, no later than September 30, 2019, all of its Dead Trades from the Relevant Period to include all available information previously omitted from the forty-three required data fields that PNC identified during its internal review (*see supra* Section II.C.2);
 2. Respondent will continue to implement and improve its internal controls and procedures in a manner reasonably designed to ensure compliance with Commission Regulations relating to swaps reporting;
 3. As part of its efforts to comply with Parts 43 and 45 of the Regulations, Respondent's remediation improvements will include:
 - a. Performing further review, as necessary, of its current trade reporting practices with respect to (i) information and data requirements under Parts 43 and 45 of the Regulations; (ii) data quality and accuracy; and (iii) reporting trades as soon as technologically practicable as required under Parts 43 and 45 of the Regulations;
 - b. Remediating any trade reporting exceptions identified as part of Respondent's review (*see supra* Section V.F.1) and such additional review described above;
 - c. Further enhancing its existing operating procedures in a manner reasonably designed to ensure that, where Respondent is the reporting party, it reports (i) all information and data as required under Parts 43 and 45 of the Regulations; (ii) data that accurately reflects trades; and (iii) trades as soon as technologically practicable as required under Parts 43 and 45 of the Regulations;
 - d. Further enhancing its trade reporting control framework and quality assurance process, including monitoring and escalating trade reporting exceptions;
 - e. Further enhancing its governance framework over trade reporting, including developing additional key risk indicators;

- f. Further enhancing its trade reporting compliance training program; and
 - g. Enhancing its FX data system in a manner reasonably designed to ensure that it appropriately reports FX trade modifications as life cycle events rather than as new trades; and
4. Respondent shall, no later than October 31, 2019, submit a report to the Commission, through the Division, explaining how it has complied with the undertakings set forth herein. The report shall contain a certification from a representative of Respondent's Executive Management, after consultation with Respondent's chief compliance officer(s), that Respondent has complied with the undertakings set forth above, and that it has established policies, procedures, and controls to satisfy the undertakings set forth in this Order.

The provisions of this Order shall be effective as of this date.

By the Commission.



Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: September 30, 2019