



# Commodity Futures Trading Commission

## Office of Public Affairs

Three Lafayette Centre

1155 21st Street, NW

Washington, DC 20581

[www.cftc.gov](http://www.cftc.gov)

## Proposed Rulemaking Q & A – Designation of Chief Compliance Officer and Preparation of Annual Compliance Report

### What is the goal of the proposed rulemaking?

The goal of the proposed rulemaking is to implement the Dodd-Frank Act's requirements on designation, qualifications, and duties of a chief compliance officer (CCO) as well the requirements relating to the annual compliance report, to be prepared by the chief compliance officer and furnished to the Commission.

### What is the purpose of the position of chief compliance officer?

The purpose of a CCO is to establish and administer the compliance policies of the registrant, and resolve conflicts of interest within the organization. The CCO must be part of a registrant's Risk Management Program, as provided for in other rulemakings. The CCO is not intended to act as a substitute for audit staff, back office staff, external auditors, or the chief financial officer.

### What is included in the proposed registration system?

The purpose of the annual compliance report is to detail both the compliance policies of the registrant, and to describe any non-compliance events that occurred during the last reporting period along with the action taken to address the event. The annual report is intended to promote compliance behavior by requiring a registrant to conduct a periodic self-evaluation and to inform the Commission of possible compliance weaknesses that should be addressed.