



Commodity Futures Trading Commission

Office of Public Affairs

Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
www.cftc.gov

Q & A - Final Rule on Ownership and Control Reports, Forms 102/102S, 40/40S, and 71

What are the benefits of this rulemaking?

The final rules on Ownership and Control Reports (OCR) and Forms 102/102S, 40/40S, and 71 will provide the Commission with enhanced visibility of participants in futures and swaps markets and their positions and trading. The final rules will also provide for more efficient reporting of information related to positions in futures and swaps. By expanding the Commission's identification of futures and swap market participants, the OCR will enable Commission staff to more easily identify relationships between trading accounts, special accounts, reportable positions, and market activity. In addition, by requiring identification of trading accounts based on their trading volume, the Commission will acquire better information regarding market participants who may not be identified through the Commission's position-based reporting programs, such as high-frequency traders. These improvements will enable the Commission to better deter and prevent market manipulation; deter and detect abusive or disruptive practices (such as marking the close, "wash trading," or money passing); and better perform monitoring and surveillance between related accounts.

How will reporting be achieved?

The final rule requires position-based reporting for futures and swaps through Forms 102A and 102S, respectively. Reporting based on trading volume for futures and swaps is achieved through Form 102B.

Form 102A: This is an updated version of current Form 102. Form 102A collects information with respect to position-based special accounts in the futures market. Special accounts, defined in part 15 of the Commission's regulations, refer to any commodity futures or option account with a reportable position. Form 102A also requires clearing members to identify the trading accounts underlying these special accounts. Futures commission merchants (FCMs), clearing members, foreign brokers, and certain reporting markets may have reporting obligations on Form 102A.

Form 102B: This is a new form. Form 102B requires the transaction-based reporting of trading accounts that have daily trading volume that exceeds a specified level on a DCM or SEF in a single trading day (defined as "volume threshold accounts"), regardless of whether the accounts maintain positions at the end of the day. Form 102B also requires identifying information with respect to the owners and controllers of these volume threshold accounts. Clearing members and certain reporting markets may have reporting obligations on Form 102B.

Form 102S: This is an updated version of the 102S filing required under part 20.5 of the Commission's regulations. Form 102S collects information regarding position-based counterparty consolidated accounts with respect to 47 categories of non-financial, paired swaps listed in part 20. Swap dealers and clearing members may have reporting obligations on Form 102S.

What forms will be required to be submitted based on a special call?

The final rule requires reporting parties to complete and submit to the Commission the following forms upon special call by the Commission:

Form 71: This is a new form, to be used in conjunction with Form 102B, that will be sent by the Commission in its discretion via a special call. The Commission will send Form 71 to request information on volume threshold accounts that are omnibus accounts, for purposes of identifying the ultimate owner and controller of these accounts.

Form 40/40S: This is an updated version of current Form 40, which will be sent by the Commission in its discretion via a special call. The Commission will send Form 40 in order to collect information on reporting traders that are identified on other reporting forms.

When must the forms be submitted?

Form 102A: This form must be submitted to the Commission by 9 a.m. on the business day following the date on which a special account becomes reportable. Certain fields designated as ‘Follow-On Information’ on Form 102A may be submitted by 9 a.m. on the third business day following the date on which the special account becomes reportable. Any changes to information previously submitted on Form 102A must be sent to the Commission according to the preceding schedule. Refresh updates are required on an annual basis. Change updates and refresh updates are not required for a special account that is not reportable as a special account for six months.

Form 102B: Form 102B must be submitted to the Commission by 9 a.m. on the business day following the date on which a volume threshold account becomes reportable. Certain fields designated as ‘Follow-On Information’ on Form 102B may be submitted by 9 a.m. on the third business day following the date on which the volume threshold account becomes reportable. Any changes to information previously submitted on Form 102B must be sent to the Commission according to the preceding schedule. Refresh updates are required on an annual basis. Change updates and refresh updates are not required for a volume threshold account that executes no trades in any product for six months on the reporting market on which the original reporting obligation arose.

Form 102S: The final rule does not modify the reporting deadline for 102S filings under current part 20.5(a)(3). Accordingly, electronic Form 102S must be submitted within three days following the day a consolidated account first becomes reportable. Reporting parties must submit any changes to information previously submitted on Form 102S to the Commission by 9 a.m. on the following business day. Refresh updates are required on an annual basis. Change updates and refresh updates are not required for a consolidated account that is not reportable as a consolidated account for six months.

Forms 71 and 40/40S must be submitted by the date specified in the Commission’s special call notice. The Commission may also require the other forms listed above pursuant to a special call, which will specify the reporting deadline.

How must the information required by the forms be submitted?

Reporting parties must submit information required by the forms described above by one of two methods: (1) an FTP feed to the Commission; or (2) a CFTC web-based portal. In order to make the submission process more efficient, the web portal will pre-populate certain data fields that were previously submitted by a reporting party. Reporting parties may submit information by either reporting method. The Commission will no longer accept information required on the forms by email, facsimile, or regular mail.

When must compliance with the rule begin?

The final rule includes separate “effective” and “compliance” dates. The effective date of the final rule will occur **90 days** after publication of the final rule in the Federal Register. The compliance date, however, will be delayed by an additional **180 days**, with the result that the compliance date of the final rule will occur **270 days** after the publication of the final rule in the Federal Register. Between the publication of the final rule and the compliance date, the Commission’s data and technology staff will work with reporting parties to test and implement any information technology standards or systems associated with the final rule. All reporting parties subject to the final rule must be in full compliance by the compliance date, including having submitted complete and accurate filings using either an FTP data feed or the CFTC web-based portal.