

## FORM FBOT—EXHIBIT H

**Request:** Attach the following:

(1) A description of the arrangements among the Commission, the foreign board of trade, the clearing organization, and the relevant foreign regulatory authorities that govern the sharing of information regarding the transactions that will be executed pursuant to the foreign board of trade's registration with the Commission and the clearing and settlement of those transactions. This description should address or identify whether and how the foreign board of trade, clearing organization, and the regulatory authorities governing the activities of the foreign board of trade and clearing organization agree to provide directly to the Commission information and documentation requested by Commission staff that Commission staff determines is needed:

- (i) To evaluate the continued eligibility of the foreign board of trade for registration.
- (ii) To enforce compliance with the specified conditions of the registration.
- (iii) To enable the CFTC to carry out its duties under the Act and Commission regulations and to provide adequate protection to the public or registered entities.
- (iv) To respond to potential market abuse associated with trading by direct access on the registered foreign board of trade.
- (v) To enable Commission staff to effectively accomplish its surveillance responsibilities with respect to a registered entity where Commission staff, in its discretion, determines that a contract traded on a registered foreign board of trade may affect such ability.

(2) A statement as to whether and how the foreign board of trade has executed the International Information Sharing Memorandum of Understanding and Agreement.

(3) A statement as to whether the regulatory authorities governing the activities of the foreign board of trade and clearing organization are signatories to the International Organization of Securities Commissions Multilateral Memorandum of Understanding. If not, describe any substitute information-sharing arrangements that are in place.

(4) A statement as to whether the regulatory authorities governing the activities of the foreign board of trade and clearing organization are signatories to the Declaration on Cooperation and Supervision of International Futures Exchanges and Clearing Organizations. If not, a statement as to whether and how they have committed to share the types of information contemplated by the International Information Sharing Memorandum of Understanding and Agreement with the Commission, whether pursuant to an existing memorandum of understanding or some other arrangement.

**Response:**

Several arrangements govern the sharing of information between MX, CDCC, the AMF, and the Commission. On September 23, 1991, the Commission, the Commission des valeurs

mobilières du Québec (“CVMQ,” the predecessor to the AMF), and MX, among others, entered into a Financial Information Sharing Memorandum of Understanding.<sup>1</sup> On July 7, 1992, the Commission and the CVMQ entered into a Memorandum of Understanding with regard to information sharing for the purposes of enforcement of and compliance with laws and regulations concerning commodity futures, commodity options, and their markets.<sup>2</sup>

The Commission and AMF have agreed to “provide the fullest mutual assistance” with respect to “a request concerning enforcement of or compliance with their respective laws and regulations,” even where the subject matter of the request is not a violation of the laws and regulations of the requested authority.<sup>3</sup> Such assistance can include obtaining information and providing access to information in regulators’ files, obtaining statements, and obtaining information and documents from persons and companies.<sup>4</sup> MX has also agreed to provide the Commission with certain financial information for its members who are Designated Futures Brokers, including annual audited financial statements, monthly unaudited financial statements, certain special financial reports requested by a Canadian SRO, and information adversely affecting the financial or operational viability of certain firms.<sup>5</sup> These broad information sharing arrangements would allow the Commission, as needed, to carry out its duties, monitor and enforce compliance with conditions of registration, and respond to market abuse.

MX is a signatory to the International Information Sharing Memorandum of Understanding and Agreement, signed on March 15, 1996.<sup>6</sup>

The AMF is a signatory to the International Organization of Securities Commissions Multilateral Memorandum of Understanding.<sup>7</sup> In 2010, the AMF also signed, along with the Ontario Securities Commission, a Memorandum of Understanding with the United States Securities and Exchange Commission Concerning Consultation, Cooperation and the Exchange of Information Related to the Supervision of Cross-Border Regulated Entities.<sup>8</sup> In 1992, the CFTC entered into a Memorandum of Understanding for cooperative enforcement with the Commission des valeurs mobilières du Québec (the predecessor to the AMF).<sup>9</sup> The AMF is also a signatory to the Boca Declaration.<sup>10</sup>

MX is also part of the Inter-market Surveillance Group (ISG).<sup>11</sup> The ISG provides a framework for the sharing of information and the coordination of regulatory efforts among

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<sup>1</sup> See Attachment 31, Financial Information Sharing Memorandum of Understanding, available at <http://cftc.gov/ucm/groups/public/@internationalaffairs/documents/file/cfis91.pdf>.

<sup>2</sup> See Attachment 32, Memorandum of Understanding Respecting Compliance and Enforcement, available at <http://cftc.gov/ucm/groups/public/@internationalaffairs/documents/file/ccvmq92.pdf>.

<sup>3</sup> See *Id.*, p.3.

<sup>4</sup> *Id.* at 3-4.

<sup>5</sup> Financial Information Sharing Memorandum of Understanding.

<sup>6</sup> See Attachment 33, Boca Declaration Signatories, available at [http://www.iosco.org/library/declarations/pdf/boca\\_declaration.pdf](http://www.iosco.org/library/declarations/pdf/boca_declaration.pdf).

<sup>7</sup> See Attachment 34, IOSCO Multilateral Memorandum of Understanding Signatories, available at [http://www.iosco.org/library/index.cfm?section=mou\\_siglist](http://www.iosco.org/library/index.cfm?section=mou_siglist).

<sup>8</sup> See Attachment 35, Memorandum of Understanding Concerning Consultation, Cooperation and the Exchange of Information Related to the Supervision of Cross-Border Regulated Entities, available at <http://www.lautorite.qc.ca/files/pdf/reglementation/valeurs-mobilières/0-ententes-vm/2010juin10-mou-sec-an.pdf>.

<sup>9</sup> See Attachment 32.

<sup>10</sup> See Attachment 33.

<sup>11</sup> See Attachment 47, ISG Agreement Among Affiliates.

exchanges trading securities and related products to address potential inter-market manipulation and trading abuse.