

# TRADE REPOSITORY PLAIN LANGUAGE SUMMARY PURPOSE AND OUTLINE

## I. Purpose of the Plain Language Summary

The completion of Plain Language Summaries (PLSs) by OTC derivatives trade repositories (TRs) is an initiative of the OTC Derivatives Regulators' Forum. The purpose of this PLS is to provide interested regulators with a clear and comprehensive description of the operations of and services being provided by OTC derivatives TRs. While much of this information is already contained in various published/unpublished documents, the value of this PLS is in consolidating this information in one place and providing appropriate interpretation and context.

The outline for this PLS details the information sought, and covers a range of issues including legal and regulatory regimes, corporate governance, services provided, risk management and interdependencies with other infrastructures and service providers. These are all issues of interest to regulators of OTC derivatives TRs, given the global nature of OTC derivatives markets and the increasingly global user base of the TRs serving these markets.

## II. Outline of the Plain Language Summary

### 1. Introduction

- 1.1 Purpose of the Plain Language Summary
- 1.2 Executive summary
- 1.3 Short description of the trade repository
  - 1.3.1 Legal structure / jurisdiction
  - 1.3.2 Corporate governance structure including inter-relationships with industry groups
  - 1.3.3 Oversight and regulatory framework
  - 1.3.4 Other
- 1.4 Legal documentation
  - 1.4.1 Operating procedures
  - 1.4.2 Important notices
  - 1.4.3 Contractual framework service offerings
  - 1.4.4 Legal status of stored contracts
- 1.5 Terminology

### 2. Organization's Services – Position Maintenance and Reporting

- 2.1 Services by user type
  - 2.1.1 Members
  - 2.1.2 Central counterparties
  - 2.1.3 Payment and securities settlement systems (if applicable)
  - 2.1.4 Vendors / service providers
    - 2.1.4.1 Custodians
    - 2.1.4.2 Service providers and service bureaus
  - 2.1.5 Other
- 2.2 Transaction submission and processing
  - 2.2.1 Contract position maintenance

- 2.3 Reporting
  - 2.3.1 To members
  - 2.3.2 To authorities
  - 2.3.3 To public
- 2.4 Customer support arrangements

**3. Additional Organization's Services** (as applicable)

[Include information on payment calculation and settlement, event processing, novations, reconciliations as applicable]

**4. Risk Management**

- 4.1 Membership process
  - 4.1.1 Membership criteria
  - 4.1.2 Screening process
- 4.2 Operational risk controls
  - 4.2.1 Procedures for monitoring and managing a distressed member before a failure
  - 4.2.2 Procedures on business day of failure
  - 4.2.3 Procedures on business day following the failure
  - 4.2.4 Procedures for orderly exit of participant
- 4.3 Data security measures
- 4.4 Business continuity procedures
  - 4.4.1 Events disrupting position maintenance and other services
  - 4.4.2 Procedures to resume operations
- 4.5 Other resources and/or procedures in place to manage financial risks associated with operations

**5. Connectivity with Other Infrastructures** (as applicable)

- 5.1 Central counterparties
- 5.2 Settlement agent
- 5.3 Other

**6. Appendices**