

Annex: Comments on Consultative report “Report on OTC Derivatives Data Reporting and Aggregation Requirements”, Committee on Payment and Settlement Systems, Technical Committee of the International Organization of Securities Commissions, August 2011

1. It is believed expedient to consider the problem on necessity of carrying out by the trade repository functions on matching of information received from the parties when discussing the report next time.
2. We suggest to specify, whether restrictions on data providing to regulators (for example, only within the limits of their powers) are stipulated, or the volume of the given information depends exclusively on needs of regulators.
3. It is expedient to specify a coordination procedure of trade repositories and other financial market infrastructures (for example, central securities depositories, the central counterparties, etc.).
4. We think it necessary to pay attention on cooperation between domestic repositories in order to avoid information doubling.
5. We offer to specify the organizations (probably, requirements to them) which have the right to issue LEI for OTC derivatives transactions.
6. We suggest focusing on the following problem. Is it necessary to regulate the trade repository’s tariffs? On the one hand, the trade repository is the commercial entity, on the other hand the reporting of data on transactions to trade repositories, for example, on OTC derivatives transactions, is the mandatory requirement for counterparties. It means that this reporting is the analogue of reports that are provided to regulators that are free of charge.
7. We suggest indicating in the report the opportunity of establishing requirements for trade repositories.

Possible requirements for trade repositories are:

- Prohibition of financial market activities combination. For example, trade repository must not be a broker or dealer for financial instruments of which it holds data.
- The repository should be an entity that can provide financial responsibility. Capital requirements.
- Compliance with requirements for formats of information, its protection and privacy, etc.
- Risk-management requirements.

Besides that we suggest considering our comments sent you on the 5<sup>th</sup> of July, 2011:

1. Trade repository shall provide information on all reported contracts at a request of a counterparty. We suggest indicating in the report, how counterparties and a trade repository will

settle the issue in case of finding mismatch of data sent by the counterparties to the trade repository, if these data are used, for example, for close-out netting.

2. We offer to specify in the report the guidelines on the term of sending data to trade repositories, e.g. not later than X working days from the expiration date of an accounting period or not later than X working days after the date of a conclusion of a contract, its modification or execution.

3. We suggest specifying in the report the guidelines on the registration procedure for cross-border transactions. For example, does a local counterparty have to send information about cross-border transactions to a local trade repository?