Boca Declaration
[as amended March 1998]

DECLARATION ON COOPERATION AND SUPERVISION OF INTERNATIONAL FUTURES MARKETS AND CLEARING ORGANISATIONS

1.1 This Declaration is made in the light of, and to augment, the Memorandum of Understanding and Agreement executed contemporaneously at Boca Raton, Florida on March 15, 1996 (the "MOU") by certain futures exchanges and clearing organisations ("Parties").

1.2 Each of the supervisory authorities that is an initial signatory to this Declaration or that subsequently adheres to it (the "Authorities"), exercises governmental responsibilities in supervising and/or otherwise acting in respect of, a futures exchange or clearing organisation.

1.3 The Authorities endorse the MOU as an effective measure to facilitate and strengthen the sharing of relevant information between Parties in order to improve their cooperation, particularly in respect of potential hazards to the stability, safety and soundness of the international financial markets.

1.4 The Authorities further endorse the recognition in the MOU that the Parties can assist each other in the discharge of their respective supervisory duties as market authorities, and in some cases as self-regulatory organisations, by sharing information as described. They note the requirements in the MOU to frame requests in the event of certain triggering events or conditions to secure the specific information necessary to respond to particular events and developments, and the commitment to continued dialogue and information exchange. They believe that the provisions in the MOU to ensure appropriate confidentiality and use of information received will encourage the effective functioning of the arrangements set out in the MOU. They also welcome the acknowledgement that Parties may ask their supervisory Authority to make information available to another Party's supervisory Authority where appropriate.

1.5 The Authorities also recognise that the Parties may be impeded by laws or circumstances from being able to provide the necessary information directly. In desiring generally to promote the sharing of information necessary to strengthen regulatory supervision, minimise systemic risk, prevent or limit potential abusive or manipulative practices and enhance customer and investor protection, the Authorities hereby intend, by use of the most appropriate lawful means at their disposal, to seek to assist Parties by communicating directly with an appropriate counterparty wherever possible and appropriate in their efforts to provide the information required.

1.6 The Authorities accordingly establish the following machinery to carry these purposes into effect.

2. Events Permitting a Request for Information

2.1 Without wishing to restrict the scope of cooperation, the Authorities recognise the desirability of facilitating the exchange of information should a Member experience any of the events listed below. In view of the differences in the markets and members of such markets, the interpretation of "large," "unusual," and "unusually large" is left to the discretion of the Requesting Authority.

2.2 An Authority may make a Request if, within the ordinary course of its existing supervisory responsibilities, it becomes aware that any of the following events has occurred with respect to a Member of a Party:

(A) A large decrease in Owner's Equity in any six month period.

(B) A Member's cumulative net Variation Payments over ten consecutive business days for proprietary and non-customer positions which are unusually large in relation to the Member's Owner's Equity.

(C) A Member's cumulative net Variation Payments over six consecutive months for proprietary and non-customer positions are unusually large in relation to the Member's Owner's Equity.

(D) A Member's net Variation Payments for customer positions for one business day which are of unusually large size in relation to the Member's Owner's Equity.

(E) Total positions in a contract registered in a Member's name which represent at least 50% of the total long or short positions in that contract, the Open Interest of which is greater than 25,000 but less than 100,000.

(F) Total positions in a contract registered in a Member's name which represent at least 25% of the total long or short positions in that contract, the Open Interest of which exceeds 100,000.

(G) A Member, Affiliate or a firm or other person with a substantial commercial relationship to the Member experiences an event that is not listed but in the opinion of an Authority is of a similar magnitude, and the Authority determines that it has reasonable grounds to seek information in accordance with Article 3 of this Declaration.

2.3 In addition, an Authority may make a Request if: (A) there are unusually large price movements in a market under its jurisdiction and/or unusual price relationships in related markets, or (B) it has a reasonable basis to believe that a Member, also subject to the jurisdiction of another Authority, or such Member’s customer or counterparty, may be attempting to accumulate an unusually large position which may have a substantial impact on the price of a contract or may be engaging in abusive activity.

3. Sharing Information

3.1 In accordance with Article 2, an Authority may, on its own initiative or in response to a Party, send a Request to any other Authority that regulates a Party to which:

(A) the affected Member;

(B) an Affiliate of the Member; or

(C) a firm or other person with a substantial commercial relationship with the Member;

belongs.

3.2 The Request may only be for information, including information on related markets, that is relevant to the event that actually gave rise to the Request, and may relate only to such information which the Requested Authority either maintains or has access to under relevant Laws, Rules and Regulations. Unless good cause is shown, the Request will be limited to information in respect of the Member, its Affiliates or firms or other persons with a substantial commercial relationship with the Member.

3.3 Nothing in this Declaration will preclude the sharing of information between the Authorities on other matters of mutual regulatory interest.

4. Form of Request for Information

A Request may be initiated orally, but will be confirmed in writing to the appropriate contact officer at the address indicated in Appendix B. The written confirmation of a Request will specify the following:

(A) the identity of the Member, Affiliate or firm or other person with a substantial commercial relationship with the Member, if relevant;

(B) the event that caused the Request;

(C) the specific information sought;

(D) the purpose for which the information is sought; and

(E) the time by which a reply is sought, and if the time frame is less than two weeks, the reason for the urgency.

5. Response to Request for Information

5.1 To the extent permitted by Laws, Rules or Regulations, a Requested Authority will use reasonable efforts to obtain information from:

(A) its records;

(B) any other Authority in the jurisdiction of the Requested Authority which has access to relevant records; or

(C) any other source in the jurisdiction of the Requested Authority from which such information might appropriately be sought.

5.2 A Requested Authority will endeavor to provide such information in a timely fashion. Where time is of the essence, the information may be provided orally, followed by a written confirmation.

5.3 Where information cannot be obtained without substantial cost, the relevant Authorities will consult together with a view to finding an appropriate solution to the cost issues raised.

5.4 If a Requested Authority believes that a Request is not in accord with this Declaration, has in good faith a reason to refuse to provide the information, or believes that providing the information would be contrary to the public interest, the Requested Authority may refuse to provide the information and it will promptly inform the Requesting Authority of the reasons for its refusal.

5.5 The Authorities will consult in good faith with the aim of seeking to resolve any dispute regarding the provision of information.

6. Transmission of Information at Request of Party to MOU

To the extent permitted by Laws, Rules or Regulations, where a Party is unable to respond directly to a Request under the MOU an Authority with supervisory responsibilities in respect of that Party will use its best efforts to facilitate the delivery of information to the requesting Party or to its Authority.

7. Use of Information

7.1 Information received in response to a Request will be used solely for carrying out the supervisory responsibilities of the Requesting Authority or of any Party. Such information will not be used contrary to conditions relating to the use of that information imposed by the Requested Authority to give effect to Laws, Rules or Regulations in force in the Requested Authority's jurisdiction.

7.2 If information is provided by a Requesting Authority to directors, officers, agents, employees or members of a Party to perform that entity's self-regulatory responsibilities, the Requesting Authority will, to the extent that it is within its power, ensure that all such persons have agreed to be bound by, and comply with, confidentiality standards at least equal to Article 9 of this Declaration, and that such information will not be used for competitive advantage.

8. Continued Dialogue and Exchange of Information

If a Requested Authority provides a Requesting Authority with information in response to a Request, the Requesting Authority will use its best efforts to inform the Requested Authority as appropriate of conclusions drawn on the basis of that information. The Requesting Authority will further use its best efforts to advise the Requested Authority if, on the basis of information provided to that Authority by the Requested Authority and/or information already at the Requesting Authority's disposal:

(A) it or a Party suspends a Member,

(B) it or a Party finds that a Member is in default, or

(C) it or a Party takes any action against a Member or other person to protect such Party's integrity.

9. Confidentiality of Information

9.1 The Authorities will advise each other of the applicability of the Laws, Rules or Regulations which govern the provision, use and confidentiality of information which may be exchanged under this Declaration. The Authorities will advise each other of any material changes in these Laws, Rules or Regulations. In the event that a Requested Authority believes that information which it supplies would be disclosed under the Laws, Rules or Regulations of the Requesting Authority, and in a manner inconsistent with the Laws, Rules or Regulations of the Requested Authority, the Requested Authority may refuse to supply such information.

9.2 A Requested Authority, in determining whether it may pass information to a Requesting Authority, will assess whether the Requested Authority's Laws, Rules or Regulations permit the sharing of information with such Requesting Authority without further implementing measures. Such determination is committed solely to the discretion of the Requested Authority.

9.3 The Authorities will keep confidential to the extent permitted by Laws, Rules or Regulations the Request for information and information exchanged under this Declaration and in no event, consistent with its oversight responsibilities, use a degree of care less than it employs to protect the confidentiality of equivalent domestic information.

9.4 If an Authority becomes aware that information exchanged under this Declaration may be subject to a legally enforceable demand to disclose, it will, to the extent permitted by Laws, Rules or Regulations, inform the other relevant Authority of the situation. Information may not be disclosed to a third party by the Requesting Authority other than pursuant to a lawful process without, to the extent permitted by Laws, Rules or Regulations, first obtaining the written consent of the Authority that provided the information.

9.5 The termination of this Declaration will not affect the confidentiality of information exchanged under this Declaration.

10. No Intention to Enter Legal Relations

10.1 This Declaration does not create any legal right or interest of any kind, whether between the signatories herein or in relation to any third party.

10.2 This Declaration is not intended to impose any legally binding obligations on the Authorities or supersede domestic law.

11. Disputes and Consultations

The Authorities will engage in consultations with respect to this Declaration with a view to improving its operation and resolving any issues that may arise.

12. Other Means of Obtaining Information

The Authorities have various powers to obtain information in the exercise of their regulatory functions other than pursuant to this Declaration. Nothing in this Declaration may affect the operation of any other agreement relevant to the sharing of information unless otherwise agreed by the relevant supervisory Authorities.

13. Amendments

This Declaration may be amended only with the written consent of all the Authorities. However, an Authority may amend its notification address by giving notice to all Authorities in the form of Appendix B.

14. Execution

14.1 Subject to Article 14.3, this Declaration is open to execution by any supervisory authority who meets the requirements of Article 1.2 and/or by any Ordinary Member of the International Organisation of Securities Commissions ("IOSCO").

14.2 This Declaration will be effective upon the initial execution of the Joinder Declaration by two or more supervisory authorities.

14.3 Any supervisory authority or Ordinary Member referred to in Article 14.1 may, upon the consent of all other signatories to the Declaration, become a signatory to this Declaration by executing a Joinder Declaration.

14.4 An Authority may terminate its participation in this Declaration by giving at least 30 days prior written notice to each Authority.

15. Counterparts

This Declaration will be executed simultaneously in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. Execution of the Joinder Declarations in the form of Appendix A and consistent with Article 14 will constitute execution of the Declaration. A copy of the Joinder Declaration will be provided to the Secretary General of IOSCO who will provide each Authority who is a signatory to this Declaration with a copy of such Joinder Declaration.

16. In this Declaration:

"Affiliate" means an individual or entity that owns or controls, is owned or controlled by or shares a common owner with a Member, as determined in the relevant jurisdiction. For the purposes of this definition a 20% control or ownership, whether direct or indirect, is sufficient.

"Authority" means any supervisory authority that meets the requirements of Article 1.2 and becomes a signatory to the Declaration as provided in Article 14.

"Contract" means a futures contract, including all its delivery months; and/or an option contract, including each delivery month, strike, put and call and any other similar instrument traded on or through or cleared by the facilities of an exchange, market authority or clearing organisation.

"Laws, Rules or Regulations" means provisions of the laws and decrees governing an Authority's jurisdiction, a rule or regulation adopted thereunder, or an order issued thereunder by an Authority or in consultation with an Authority.

"Member" means an individual or entity recognised under the rules of a Party or any other exchange, market authority or clearing organisation as subject to the rights and obligations of membership in that Party.

"MOU" has the meaning in Article 1.1.

"Open Interest" means the open positions in the relevant Contract.

"Owners' Equity" means the residual interest in the assets of a Member after deducting liabilities, except those liabilities to an equity owner that are subordinated to the claims of general creditors, the remaining term of which is at least one year.

"Party" has the meaning in Article 1.1 and includes an exchange or clearing organisation that is mentioned in Article 1.2 as if it were a Party.

"Request" means a Request for information in accordance with Article 3 of this Declaration.

"Requested Authority" means an Authority to which a Request has been made.

"Requesting Authority" means an Authority that has made a Request.

"Variation Payment" means payment made to a clearing organisation on a periodic basis in respect of the revaluation of Contracts.

APPENDIX A

JOINDER DECLARATION

The

confirms its assent to the mutual understanding expressed in the terms of the Declaration, as now in effect and as may be from time to time amended, to which this signature page is an Appendix. This Joinder will be effective as of the date first written below.

By:

Title:

Date:

APPENDIX B

CONTACT OFFICER INFORMATION

Chairman or Chief-Executive Officer of the Authority, or an authorised designee: