



International Swaps and Derivatives Association, Inc.

ISDA SBS PROTOCOL QUESTIONNAIRE II¹

**Published on May 3, 2021,
by the International Swaps and Derivatives Association, Inc.**

¹ This ISDA SBS Protocol Questionnaire II is intended to address requirements of the final rules adopted in the following Federal Register citations, as amended and supplemented from time to time:

- (1) Registration Process for Security-Based Swap Dealers and Major Security-Based Swap Participants, 80 Fed. Reg. 14437 (Aug. 14, 2015);
- (2) Regulation SBSR – Reporting and Dissemination of Security-Based Swap Information, 80 Fed. Reg. 14563 (Feb. 11, 2015);
- (3) Regulation SBSR – Reporting and Dissemination of Security-Based Swap Information, 81 Fed. Reg. 53545 (Aug. 12, 2016);
- (4) Trade Acknowledgement and Verification of Security-Based Swap Transactions, 81 Fed. Reg. 39807 (June 17, 2016);
- (5) Risk Mitigation Techniques for Uncleared Security-Based Swaps, 85 Fed. Reg. 6359 (Feb. 4, 2020).



International Swaps and Derivatives Association, Inc.

ISDA SBS Protocol Questionnaire II
dated as of May 3, 2021

Instructions: A PCA Principal or PCA Agent that has adhered to the Protocol Agreement in the manner specified therein may complete and execute this ISDA SBS Protocol Questionnaire II (this “**SBS Questionnaire II**” or “**Questionnaire**”) and deliver it by a means specified in the Protocol Agreement in order to supplement existing SBS II Covered Agreements and/or enter into new SBS II Covered Agreements in the form of the ISDA SBS Protocol Master Agreement.

This Questionnaire may be executed and delivered by a PCA Principal on its own behalf or by a PCA Agent on behalf of one or more PCA Principals. By delivering this Questionnaire to another PCA Principal or PCA Agent in a manner specified in the Protocol Agreement, the deliverer may agree to enter into and/or supplement SBS II Covered Agreements with such other PCA Principal or PCA Agent. Where an existing SBS II Covered Agreement was originally executed by a PCA Agent on behalf of one or more PCA Principals, only the relevant PCA Agent (and not a PCA Principal) may use this Questionnaire and the Protocol Agreement to supplement such SBS II Covered Agreement.

In the case of a PCA Principal executing and delivering this Questionnaire on its own behalf, (i) such party must identify itself as the PCA Principal in column 1 of the PCA Principal Answer Sheet, and (ii) this Questionnaire will only be effective to supplement existing SBS II Covered Agreements executed by such party on its own behalf and/or to enter into ISDA SBS Protocol Master Agreements on its own behalf. In the case of a PCA Agent executing and delivering this Questionnaire on behalf of one or more PCA Principals, (i) the PCA Agent must list the names of each such PCA Principal in column 1 of the PCA Principal Answer Sheet, and (ii) this Questionnaire will only be effective to enter into ISDA SBS Protocol Master Agreements on behalf of listed PCA Principals and/or supplement SBS II Covered Agreements executed by the PCA Agent on behalf of the listed PCA Principals. For the avoidance of doubt, if this Questionnaire is being completed by a PCA Agent on behalf of multiple PCA Principals, this Questionnaire shall be treated as if it were a separate Questionnaire with respect to each separate PCA Principal listed in column 1 of the PCA Principal Answer Sheet.

The responses to Part II, Sections 3(b) and 7 and Part III Sections 3, 5, and 6(b) of this Questionnaire may be set forth directly on this Questionnaire, or if there is insufficient space, on a separate schedule. The responses to all other sections of this Questionnaire must be set forth on the PCA Principal Answer Sheet.

Part I: Definitions

References in this Questionnaire to the following terms shall have the following meanings:

“**CFTC Rules**” means the rules, regulations, orders and interpretations published or issued by the CFTC.

“**Covered SBS Entity**” means a party that (i) has been designated as a Covered SBS Entity for purposes of SBS Supplement II or (ii) is or becomes registered (on an ongoing basis or conditionally) as a “security-based swap dealer” or “major security-based swap participant” with the SEC and has notified the other party of such registration in accordance with the Notice Procedures.

“**Existing SBS Agreement**” means, in respect of a SBS, a written agreement that (i) exists at the time of execution of such SBS, (ii) provides for, among other things, terms governing the payment obligations of the parties, and (iii) the parties have established, by written agreement, oral agreement, course of conduct or otherwise, will govern such SBS.

“**Financial Company**” has the meaning ascribed to such term in Section 201(a)(11) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, 12 U.S.C. § 5381(a)(11).

“**Financial Counterparty**” means a person that is a “financial counterparty” as defined in SEC Rule 15Fi-1(g).

“**Insured Depository Institution**” has the meaning ascribed to such term in 12 U.S.C. § 1813.

“**LEI**” means a unique legal entity identifier satisfying the requirements of SEC Rule 242.903 for a “UIC.”

“**Major Security-Based Swap Participant**” or “**MSBSP**” means a “major security-based swap participant” as defined in Section 3(a)(67) of the SEA and Rule 3a67-1 thereunder.

“**Matched PCA**” means a SBS II Covered Agreement deemed to be supplemented by SBS Supplement II upon the delivery and receipt of this SBS Questionnaire II.

“**PCA Agent**” means a person who has executed a SBS II Covered Agreement on behalf of one or more PCA Principals.

“**PCA Principal**” means a person who is or may become a principal to one or more SBSs under a SBS II Covered Agreement and who is identified as such in column 1 of the PCA Principal Answer Sheet.

“**PCA Principal Answer Sheet**” means a spreadsheet substantially in the form of Annex A to this Questionnaire.

“**Portfolio Data**” has the meaning ascribed to such term in SBS Supplement II.

“**Protocol Agreement**” means the ISDA SBS Protocol Agreement published on May 3, 2021 by the International Swaps and Derivatives Association, Inc.

“**Risk Valuations**” has the meaning ascribed to such term in SBS Supplement II.

“**SBS**” means a “security-based swap” as defined in Section 3(a)(68) of the SEA and the regulations thereunder.

“**SBS II Covered Agreement**” means (i) an ISDA SBS Protocol Master Agreement or (ii) any other written agreement between two parties, at least one of which is a Covered SBS Entity, that (A) has been entered into on or prior to the Implementation Date applicable to such parties and (B) governs the terms and conditions of one or more SBS that each such party has or may enter into as principal.

“**SBS II Schedule**” means a schedule to SBS Supplement II.

“**SBS Supplement II**” means the ISDA SBS Supplement II published on May 3, 2021 by the International Swaps and Derivatives Association, Inc.

“**SBS Supplement II Information**” means any information or representation agreed in writing by the parties to be SBS Supplement II Information, as amended or supplemented from time to time in accordance with Section 2.3 of SBS Supplement II or in another manner agreed by the parties.

“**SBSDR**” means a “security-based swap data repository” as defined in Section 3(a)(75) of the SEA and the SEC Rules.

“**SEA**” means the Securities Exchange Act of 1934, as amended.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**SEC Rules**” means the rules, regulations, orders, statements and interpretations published or issued by the SEC, as amended.

“**Security-Based Swap Dealer**” or “**SBSD**” means a “security-based swap dealer” as defined in Section 3(a)(67) of the SEA and SEC rule 3a67-1 thereunder.

Capitalized terms used but not otherwise defined in this SBS Questionnaire II shall have the meanings assigned to such terms in the Protocol Agreement.

Part II: PCA Principal Information and Status Representations

Part II of this Questionnaire consists of questions that must be answered by, or on behalf of, each PCA Principal. Answers to the questions should be provided in the PCA Principal Answer Sheet except as otherwise indicated. Provision of the information requested in Section 3 of this Part II is not required if the specified information has already been provided to each counterparty receiving this Questionnaire. With respect to the information requested in any

question in Section 3 of this Part II, this Questionnaire provides that unless such information appears in the publicly available portion of an LEI database or is provided herein, the relevant PCA Principal represents to each counterparty receiving this Questionnaire that the specified information has already been provided to such counterparty in writing, and that it is true, correct and complete as of the date of delivery of this Questionnaire to such counterparty.

1. **LEI²**

To answer this question, complete column 2 of the relevant row of the PCA Principal Answer Sheet by inserting the PCA Principal's LEI:

What is PCA Principal's LEI?

2. **Covered SBS Entity**

For purposes of SBS Supplement II terms incorporated in SBS II Covered Agreements, the term "Covered SBS Entity" is used to signify PCA Principals that are, or expect shortly to be, registered as a security-based swap dealer or major security-based swap participant with the SEC. In SBS Supplement II, the agreements that apply to a "Covered SBS Entity" are appropriate for a registered security-based swap dealer or major security-based swap participant and the agreements applicable to "Counterparty" or "CP" are appropriate for parties who are counterparties to a registered security-based swap dealer or major security-based swap participant. The Protocol Agreement provides that the obligations of matched PCA Principals under SBS Supplement II are conditioned upon at least one of the matched PCA Principals actually being registered with the SEC as a security-based swap dealer or major security-based swap participant, so that PCA Principals may be designated as Covered SBS Entities prior to registration and have relevant obligations take effect once registration is complete.

*Each party executing this Questionnaire must indicate whether the relevant PCA Principal will be a Covered SBS Entity for purposes of SBS Supplement II terms incorporated in SBS II Covered Agreements. Designation as a Covered SBS Entity in this Questionnaire is not a representation by the PCA Principal that it is a "security-based swap dealer" or a "major security-based swap participant," as such terms are defined in the SEA and applicable SEC regulations, or that it is registered as such. **However, parties who do not in good faith believe they will register as a security-based swap dealer or major security-based swap participant should not be designated as a Covered SBS Entity for purposes of SBS Supplement II terms incorporated in SBS II Covered Agreements.** Under SBS Supplement II, a matched party that is not initially a Covered SBS Entity may subsequently change its status to Covered SBS Entity by providing written notice to its counterparty that it has become registered with the SEC as a security-based swap dealer or major security-based swap participant.*

² SEC Rule 903.

To answer this question, complete column 3 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate. A “Yes” response to this question will be an election for PCA Principal to be a Covered SBS Entity for purposes of SBS Supplement II terms incorporated in SBS II Covered Agreements.

Is PCA Principal a Covered SBS Entity?

3. Guarantor Information³

(a) To answer this question, complete column 4 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Is any person guaranteeing the performance of PCA Principal under an agreement that will be a Matched PCA for this Questionnaire?

(b) If any person is guaranteeing the performance of PCA Principal, the name and address of each person providing such guaranty is as follows:

Name: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

4. Financial Counterparty⁴

The term “financial counterparty” is used in the SEC Rules for purposes of determining counterparties with whom an SBS or MSBSP must enter into “swap trading relationship documentation” satisfying various requirements for SBS valuations for purposes of risk management under SEC Rule 15Fi-5. Each party executing this Questionnaire must therefore indicate whether the relevant PCA Principal is a Financial Counterparty to the best of its knowledge.

To answer this question, complete column 5 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate.

To the best of its knowledge, is PCA Principal a Financial Counterparty?

³ See Rule 901(a).

⁴ SEC Rule 15Fi-5(b)(4).

5. **Financial Company**⁵

Pursuant to SEC Rule 15Fi-5(b)(5)(i)-(ii), swap trading relationship documentation must include a statement for each party indicating whether it is a Financial Company. Such a statement will be incorporated into Matched PCAs for PCA Principal as “SBS Supplement II Information” by answering this question.

To answer this question, complete column 6 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Is PCA Principal a Financial Company?

6. **Insured Depository Institution**⁶

Pursuant to SEC Rule 15Fi-5(b)(5)(i)-(ii), swap trading relationship documentation must include a statement for each party indicating whether it is an Insured Depository Institution. Such a statement will be incorporated into Matched PCAs for PCA Principal as “SBS Supplement II Information” by answering this question.

To answer this question, complete column 7 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Is PCA Principal an Insured Depository Institution?

7. **E-mail Address for Delivery of Notices**

A PCA Principal may specify here an e-mail address for the delivery of notices pursuant to SBS Supplement II, other than notices related to Risk Valuations or Portfolio Data.

E-mail: _____

Part III: PCA Principal Elections

Part III of this Questionnaire consists of questions that must be answered by, or on behalf of, each PCA Principal except as otherwise indicated. Answers to the questions should be provided in the PCA Principal Answer Sheet except as otherwise indicated.

⁵ SEC Rule 15Fi-5(b)(5)(i)-(ii).

⁶ SEC Rule 15Fi-5(b)(5)(i)-(ii).

1. **Local Business Day**

For the purposes of SBS Supplement II, what constitutes a “Local Business Day” in respect of any party is determined based upon the city (or cities) specified by such party herein or in other documentation agreed by the parties to be “SBS Supplement II Information.” A city (or cities) may be specified for a PCA Principal by answering this question.

To answer this question, complete column 8 of the relevant row of the PCA Principal Answer Sheet by inserting the name(s) of the relevant city (or cities):

Local Business Day city or cities?

2. **SBS II Schedule 3 Election for Non-Financial Counterparties⁷**

The following election whether to enter into SBS II Schedule 3 (SBS Risk Valuation Agreement) must be completed by, or on behalf of, all PCA Principals that are neither (i) being designated as Covered SBS Entities nor (ii) Financial Counterparties. If PCA Principal is being designated as a Covered SBS Entity or has been identified as a Financial Counterparty in this Questionnaire, it is automatically deemed to elect SBS II Schedule 3 (SBS Risk Valuation Agreement) pursuant to the Protocol Agreement.

SBS II Schedule 3 provides a set of agreements intended to address documentation requirements in SEC Rule 15Fi-5 relating valuations of SBS for risk management purposes. SEC Rule 15Fi-5 provides that these requirements apply to all SBS trading relationship documentation between security-based swap dealers, major security-based participants and Financial Counterparties, but are not mandatory for SBS trading relationship documentation with market participants that are not Financial Counterparties.

*Either a “Yes” response or a non-response to this question will be an election to supplement the terms of Matched PCAs by incorporating SBS II Schedule 3 (SBS Risk Valuation Agreement). A “No” response to this question will be an election **not** to incorporate SBS II Schedule 3. Protocol Participants should verify that the relevant PCA Principal is not a Financial Counterparty before responding “No” to this question.*

To answer this question, complete column 9 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Does PCA Principal agree to SBS II Schedule 3?

⁷ SEC Rule 15Fi-5(b)(4).

3. **E-mail Address for Delivery of Risk Valuations**

A PCA Principal may specify here an e-mail address for the delivery of Risk Valuations given pursuant to SBS II Schedule 3:

E-mail: _____

4. **SBS II Schedule 4 Elections⁸**

- (a) *The following election whether to enter into SBS II Schedule 4 (Portfolio Reconciliation) must be completed by, or on behalf of, all PCA Principals that are not being designated as Covered SBS Entities. If PCA Principal is being designated as a Covered SBS Entity in this Questionnaire, it is automatically deemed to elect SBS II Schedule 4 (Portfolio Reconciliation) pursuant to the Protocol Agreement.*

*A “Yes” response or a non-response to this question will be an election to supplement the terms of Matched PCAs by incorporating SBS II Schedule 4 (Portfolio Reconciliation). A “No” response to this question will be an election **not** to incorporate Schedule 4 (Portfolio Reconciliation).*

To answer this question, complete column 10 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Does PCA Principal agree to SBS II Schedule 4?

- (b) *The following election whether to engage in portfolio reconciliation in accordance with Part II of SBS II Schedule 4 (One-Way Delivery of Portfolio Data) or Part III of SBS II Schedule 4 (Exchange of Portfolio Data) must be completed by, or on behalf of, all PCA Principals that (i) are not designated as Covered SBS Entities in this Questionnaire, and (ii) have elected SBS II Schedule 4 in this Questionnaire. If PCA Principal is being designated as a Covered SBS Entity and is matched with another PCA Principal designated as a Covered SBS Entity, Part III of SBS II Schedule 4 is automatically deemed elected pursuant to the Protocol Agreement.*

A “Review” response or a non-response to this question will be an election to engage in portfolio reconciliation in accordance with Part II of SBS II Schedule 4 (One-Way Delivery of Portfolio Data). An “Exchange” response to this question will be an election to engage in portfolio reconciliation in accordance with Part III of SBS II Schedule 4 (Exchange of Portfolio Data).

To answer this question, complete column 11 of the relevant row of the PCA Principal Answer Sheet by inserting a “Review” or “Exchange,” as appropriate:

Does PCA Principal agree to review or exchange Portfolio Data?

⁸ SEC Rule 15Fi-3.

- (c) The following election whether to reconcile certain terms of SBS in accordance with Part V of SBS II Schedule 4 (*Reconciliation Against SBSDR Data*) must be completed by, or on behalf of, all PCA Principals that (i) are designated as Covered SBS Entities in this Questionnaire or (ii) have elected SBS II Schedule 4 in this Questionnaire.

PCA Principals that engage in portfolio reconciliations may choose to reconcile relevant terms of an SBS against the data reported by a party to an SBSDR rather than requiring the direct delivery of the relevant information by the other party or its agent.

*A “Yes” response to this question will be an election to reconcile relevant terms of SBSs in accordance with Part V of SBS II Schedule 4 (Reconciliation Against SBSDR Data). A “No” response or a non-response to this question will be an election **not** to agree to the terms of Part V of SBS II Schedule 4.*

To answer this question, complete column 12 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate:

Does PCA Principal agree to reconcile against SBSDR Data?

5. E-mail Address for Delivery of Portfolio Data

A PCA Principal may specify here an e-mail address for the delivery of Portfolio Data delivered pursuant to SBS II Schedule 4:

E-mail: _____

6. ISDA SBS Protocol Master Agreement Elections and Information

- (a) *SEC Rule 15Fi-5 requires a Covered SBS Entity to have in place written policies and procedures to ensure that it executes “SBS trading relationship documentation” prior to or contemporaneously with entering into an SBS with any counterparty. In order to facilitate creation of such documentation in situations where parties may not otherwise have a sufficient master agreement, Paragraph 4 of the Protocol Agreement allows each PCA Principal to elect to enter into an “ISDA SBS Protocol Master Agreement.” Pursuant to the Schedule to the ISDA SBS Protocol Master Agreement, such agreement would govern SBS that are (i) not governed by an Existing SBS Agreement and (ii) not executed anonymously on a national securities exchange or security-based swap execution facility and intended by the parties to be cleared by a clearing agency.*

*A “Yes” response to this question is an agreement by PCA Principal to enter into the ISDA SBS Protocol Master Agreement with each counterparty to whom this Questionnaire has been delivered. A “No” response or a non-response will **not** be an agreement to enter into the ISDA SBS Protocol Master Agreement with each counterparty to whom this Questionnaire has been delivered.*

To answer this question, complete column 13 of the relevant row of the PCA Principal Answer Sheet by inserting a “Yes” or a “No,” as appropriate.

Does PCA Principal agree to enter into an ISDA SBS Protocol Master Agreement?

- (b) If PCA Principal has responded “Yes” to the previous question, the notice information of such PCA Principal for the purposes of each ISDA SBS Protocol Master Agreement is as follows:

Name: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

Electronic Messaging System Details: _____

Specific Instructions: _____

By executing this Questionnaire, the signatory represents as PCA Principal or PCA Agent for specified PCA Principals that (a) all information provided by it in this Questionnaire is true, accurate and complete in every material respect as of the date hereof, and may be relied upon by each counterparty to whom this Questionnaire is delivered, (b) any information that is requested and not provided in Part II, Section 3 of this Questionnaire, and that does not appear in the publicly available portion of an LEI database, has previously been provided in writing by the relevant PCA Principals, and all such previously provided information is true, accurate and complete in every material respect as of the date hereof, and may be relied upon by each counterparty to whom this Questionnaire is delivered, (c) it has elected to supplement its Matched PCAs with the SBS II Schedules as indicated in this Questionnaire, and (d) if it has answered “Yes” to the question in Part III, Section 6 of this Questionnaire, it has agreed to enter into the ISDA SBS Protocol Master Agreement. For purposes of the foregoing, information appearing in the publicly available portion of the LEI database with respect to a specified PCA Principal is deemed provided to the counterparty.

[INSERT FULL LEGAL NAME OF PCA PRINCIPAL OR PCA AGENT]⁹

By: _____

Name:

Title:

Date:

⁹ If you are a PCA Agent acting on behalf of one or more PCA Principals insert the following in the signature block: “, acting on behalf of the clients, investors, funds, accounts and/or other principals listed in the column 1 of the PCA Principal Answer Sheet.”