

Comparison: Swaps Courses & Futures Ethics Courses 2022

The following compares topics included in XA’s current offerings for swap dealer registrants, as well as a comparison among XA’s ethics offerings for swap dealer and futures participants registered with the NFA.

Note: In addition to covering different topics, the Initial Futures Ethics and Intro to Swap Dealer Requirements courses may also differ from their “Periodic” counterparts due to the extent to which they cover certain topics. Further, the case studies and quizzes may be more in-depth.

Security-Based Swap Dealer	NFA Marketing Supervision (SD)	Periodic Swap Dealer Ethics	Intro SD Requirements		Initial Futures Ethics	Periodic Futures Ethics Institutional	Periodic Futures Ethics Retail
25 mins	30 mins	45 mins	90 mins	Approximate Course Length	90-120 mins	50-60 mins	50-60 mins
\$20	\$25	\$45	\$75	Cost Per Person	\$75	\$45	\$45
Topic							
•	•	•	•	<i>Introduction Section</i>	•	•	•
				Training Responsibilities	•		
•	•	•	•	Purpose of Course	•	•	•
•	•	•	•	<i>Industry Structure & Rules Section</i>	•	•	•
	•	•	•	The CFTC and NFA	•	•	•
				The Exchanges	•		
				Registration Categories	•		
				Proficiency Requirements	•		
				NFA Bylaw 1101	•	•	•
				COVID-19 Relief	•		
			•	Mandatory Membership in NFA		•	•
			•	NFA Membership Requirements		•	•
				Exchange Jurisdiction and Industry Obligations		•	•
		•	•	Principals & Associated Persons of Swap Dealers			
		•	•	Swap Dealer Aps: Statutory Disqualifications			
			•	Dodd-Frank			
			•	What is a Swap Dealer?			
			•	De Minimis Exception			
			•	Swap Execution Facilities			
			•	Swap Data Repositories			
•	•	•	•	<i>Supervisory Systems & Internal Controls</i>	•	•	•
		•	•	Supervision	•	•	•
				Internal Controls	•	•	•

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•			•	The Compliance Department and the CCO Reporting Breaches	•	•	•
				Protecting Customer Information & Privacy Identity Theft & Cybersecurity	•	•	•
		•	•	Whistleblowers	•		
		•	•	Failure to Supervise Violations			
		•	•	Diligent Supervision: Policies & Procedures			
		•	•	Supervision of non-U.S. Swap Dealers			
	•			Swap Dealer – General Supervision Requirement			
	•			Diligent Supervision: Policies and Procedures			
		•	•	Code of Ethics	•	•	•
		•	•	<i>Acting Honestly & Fairly; Customer Finances & Investment Experience</i>	•	•	•
				Know Your Customer	•	•	•
				Suitability	•		•
				Annual Update		•	•
				The Five Pillars of an AML Compliance Program		•	•
				Anti-Money Laundering	•	•	•
				Beneficial Ownership	•	•	•
				Risk Management & Ownership Control	•	•	•
				Customer Margins	•	•	•
				Collecting and Evaluating Customer Information	•		
				Eligible Contract Participants	•		
	•	•	•	Communications: Fair Dealing			
		•	•	Ethical Dilemmas	•	•	•
		•	•	<i>Customer Disclosures</i>	•	•	•
				Risk Disclosures (Futures, Options)	•	•	•
				Risk Disclosures (Cleared Swaps)	•		
				Risk Disclosures (Virtual Currencies)		•	
				Negative Interest Rates and Contract Pricing		•	•
				Firm-Specific Risk Disclosure	•		
				Web Posting	•		
				Annual Update and Retention Requirements	•		
				Customer Account Funding & Segregation of Funds	•		
				Disclaimers	•		
				Misrepresentation	•		
•	•	•	•	Recordkeeping	•	•	•
•				Record Retention		•	•
•			•	Reporting			
•				Elimination of WORM			
•				Telephone Recordings			
				Oral Communications	•		
		•	•	Recordkeeping: Trade and Marketing Data			
		•	•	Recordkeeping: Governance Data			
		•	•	Recordkeeping: Availability of Information			
			•	Promotional Material		•	•
		•	•	Know Your Counterparty: Obtaining & Retaining a Record of Essential Facts			
		•	•	Know Your Counterparty Eligibility: Eligible Contract Participant Requirement			

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		•	•	Verification of Counterparty Eligibility: Eligible Contract Participant Requirement & Exceptions			
		•	•	Institutional Suitability: Counterparty Recommendations			
		•	•	Institutional Suitability: Safe Harbor			
•		•	•	Dealing with Special Entities			
		•	•	Dealing with Special Entities: Acting as Advisor to a Special Entity			
		•	•	Dealing with Special Entities: Acting as Counterparty to Special Entity			
		•	•	Dealing with Special Entities: Safe Harbors			
		•	•	ERISA Employee Benefit Plan Safe Harbor			
		•	•	Non-ERISA Employee Benefit Plan Safe Harbor			
		•	•	Independent Representatives			
			•	Swap Documentation Standards			
			•	Swap Trading Relationship Documentation			
			•	Portfolio Reconciliation			
			•	Discrepancies			
			•	Portfolio Compression			
			•	Commercial End-User			
			•	Swap Processing & Clearing			
			•	ISDA Protocols			
			•	Other Material Disclosures			
			•	ISA Risk Disclosure			
			•	Scenario Analysis			
•			•	Daily Mark			
			•	Clearing Disclosures			
			•	Notice of Right to Segregate Initial Margin			
		•	•	<i>Avoidance & Disclosure of Conflicts of Interest</i>	•	•	•
		•	•	Understanding Conflicts of Interest	•	•	•
				Conflicts of Interest FCMs and Large and Small IBs		•	
		•	•	Conflict Partitions: Business Trading Units & Clearing Services			
				External Business Conduct Standards – Swap Dealer		•	
				Managing Potential Conflicts	•		•
		•	•	Research Analysts			
		•	•	Political Contributions			
		•	•	<i>Observing Just & Equitable Principle of Trade</i>	•	•	•
				Who May Place Orders	•		
				Discretionary Trading Authority	•		
				Unauthorized Trading	•		
				Broker Discretion	•		
				Order Execution & Errors	•	•	
				Best Execution & Liquidations	•		
				Trading Recommendations	•		
				Fiduciary Duty	•		
		•	•	Spoofing		•	•
				CME Rule 575		•	•
				Pre-Opening		•	•
				Consent and Disclosure		•	•
				Simultaneous Buy and Sell Orders for Different Beneficial Owners		•	•

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•		•	•	Anti-Fraud and Anti-Manipulation Provisions	•	•	•
				Prohibited Orders		•	•
				ICE Futures U.S. Rule 4.02		•	
				CME Group – Trading Practices		•	
				Accessing the Markets		•	•
				Commissions	•		
				Trading Ahead/Churning	•		
				Bunched Orders/Suspense Accounts	•	•	•
				Average Pricing Systems	•		
				Automated Order Routing/High-Frequency Trading	•	•	
	•	•	•	Manipulation/Insider Trading/Disruptive Practices	•	•	•
				Disruptive Trading Practices - Rules		•	•
				Pre-Arranged Trading	•	•	
		•	•	Wash Sales	•	•	•
			•	<i>Observing Just & Equitable Principle of Trade (Part 2)</i>	•	•	•
				Block Trades & EFRPs	•	•	•
		•	•	Position Limits	•	•	•
				Ownership & Controls	•		
				Deliveries	•		
				Option Exercises and Assignments	•		
				Trading Practices & General Offenses	•	•	•
				False Statements	•		
	•	•	•	False or Misleading Statements & Reports			
		•	•	Insider Trading as Applied to the Swaps Market			
		•	•	Trading on Material Nonpublic Information			
		•	•	Examples of Improper Use of Material Nonpublic Information			
	•	•	•	Confidential Treatment of Counterparty Information			
		•	•	Banging the Close			
		•	•	Violating Bids or Offers			
			•	Risk Management Program (RMP)			
			•	Antitrust Considerations			
			•	Restrictions on Counterparty Clearing Relationships			
			•	Swap Dealer Clearing Member Requirements			
•			•	Cross-Border Rules			
				<i>SBS Fundamentals</i>			
•				SBS Market			
•				SBS Definition			
•				Comparison: SBS and Swaps Markets			
•				SEC vs CFTC Approaches to Dealer Regulation			
				<i>SBSD Registration</i>			
				What is SBSD?			
•				De Minimus Threshold for SBS Dealing			
•				Phase-In Termination Date			
•				Application Forms			
•				Associated Persons (Aps)			
•				Registration: Foreign Substituted Compliance Unavailable			

Security-Based Swap Dealer	NFA Marketing Supervision (SD)	Periodic Swap Dealer Ethics	Intro SD Requirements	Topic	Initial Futures Ethics	Periodic Futures Ethics Institutional	Periodic Futures Ethics Retail
•				<i>SEC vs CFTC Requirements</i>			
•				Differentiating Swaps from SBS			
•				Business Conduct Standards			
•				Disclosure Requirement			
•				Clearing Rights			
•				Institutional Suitability			
•				Business Conduct Rules			
•				Written Representation			
•				Capital, Margin and Segregation Rules			
•				Alternative Compliance with CFTC Rules			
	•			<i>Swap Dealer Marketing Supervision Requirements</i>			
	•			Marketing Materials Background			
	•			Threshold Requirements			
	•			Examples			
	•			New Requirements			
	•			Review & Approval			
	•			Training			
		•	•	<i>Case Study(s)</i>	•	•	•
•	•	•	•	<i>Final Quiz</i>	•	•	•