

## Swap Dealer Ethics – Refresher 2026

### Course Outline and Provider Qualifications

This program is designed to comply with the CFTC's Statement of Acceptable Practices with Respect to Ethics Training (Section 4p(b) of the Commodity Exchange Act), NFA Rule 2-9 and NFA Interpretive Notice 9051, which collectively require that Associated Persons and other relevant persons at registered Swap Dealers, receive periodic ethics training.

- I. Ethical Behavior
  - a. Oversight of U.S. Swap Markets
  - b. CFTC & NFA
  - c. Regulatory Requirement
  - d. CFTC's Statement of Acceptable Practices with Respect to Ethics Training
  - e. Code of Ethics
  - f. Communications: Fair Dealing
  - g. Misrepresentation
  - h. AI Washing
  - i. Avoiding Ethical Dilemmas
- II. Avoiding Conflicts of Interest
  - a. Conflicts of Interest – Generally
  - b. Counterparty Conflicts
  - c. Restrictions on Counterparty Clearing Relationships
  - d. Customer Conflicts
  - e. Customer Conflicts: Commissions
  - f. Political Contributions
  - g. Internal Conflicts
    - a. Clearing Activities
    - b. Research Functions
  - h. Appearance of a Conflict
- III. Supervisory Systems & Internal Controls
  - a. Supervision
  - b. Diligent Supervision Requirement
  - c. Policies and Procedures
  - d. Internal Controls – Three Lines of Defense
  - e. Risk Management Program
  - f. Chief Compliance Officer
  - g. The Compliance Department
  - h. Reporting Breaches
  - i. Whistleblowers
  - j. NFA Bylaw 1101
  - k. Business Continuity
  - l. Cybersecurity
  - m. NFA Annual Requirements
  - n. Swap Documentation Standards
  - o. Swap Trading Relationship Documentation

# EXCHANGE | ANALYTICS

- p. Swap Trading Relationship Documentation: Contents
  - q. Recordkeeping – Generally
  - r. Recordkeeping – Specific Swap Dealer Requirements
  - s. Oral Communication Records and Rules
  - t. Personal Devices and Unapproved Communication Methods
  - u. Unapproved Communication Prohibitions and Requirements
- IV. Counterparty Considerations
  - a. Know Your Counterparty
  - b. KYC: Counterparty Representations
  - c. Verification of Counterparty Eligibility
  - d. Eligible Contract Participants
  - e. Institutional Suitability
  - f. Institutional Suitability: Safe Harbor
  - g. Dealing with Special Entities
  - h. Acting as Advisor to a Special Entity
  - i. Acting as Counterparty to a Special Entity
  - j. Dealing with Special Entities: Safe Harbors
  - k. Clearing Disclosures
  - l. Swap Dealer Clearing Member Requirements
  - m. Notice of Right to Segregate Initial Margin
  - n. Material Disclosures
  - o. Daily Mark
  - p. Portfolio Reconciliation
  - q. Portfolio Reconciliation Discrepancies
  - r. Portfolio Compression
- V. Just & Equitable Principles of Trade
  - a. Manipulation
  - b. Anti-Fraud Restrictions – CFTC Regulation 180.1
  - c. Insider Trading and Misappropriated Information
  - d. Confidential Treatment of Counterparty Information
  - e. False Statements
  - f. Understanding & Managing AI Risks
  - g. CFTC – Disruptive Trading Practices
  - h. Wash Sales
  - i. Position Limits
  - j. Position Limits – Hedge Exemption
  - k. General Offenses
- VI. Regulatory Enforcement Cases
  - a. CFTC Off-Channel Communications Cases
  - b. Off-Channel Communications Reminders
  - c. Other CFTC Cases
- VII. Case Study
- VIII. Quiz – (Questions 1-10) – Accept & Acknowledge

## Provider Qualifications - About the Authors

**Julian Hammar** served as co-author. Mr. Hammar is a partner at Pierson Ferdinand LLP and previously served as Associate General Counsel at Nodal Exchange. Prior to this, he was a partner in the New York and Washington, D.C. offices of FisherBroyles where he focused his practice on futures, derivatives and commodities, energy regulatory, blockchain and securities matters. Mr. Hammar is a leading expert on the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Prior to joining FisherBroyles, Mr. Hammar served as of counsel at Morrison & Foerster and special counsel at Covington, where he counselled a wide range of clients on compliance with Dodd- Frank derivatives regulatory requirements. Before his experience in big law, Mr. Hammar was an assistant general counsel at the Commodity Futures Trading Commission (CFTC), Office of the General Counsel, where he drafted regulations to further define key terms including “swap,” “security-based swap” and “security-based swap agreement,” under the Dodd-Frank Act. In addition, he assisted with drafting other Dodd-Frank Act regulations, including the entity definitions (rules to further define such terms as “swap dealer,” “major swap participant” and “eligible contract participant”), commodity options and the Volcker Rule. He was also a member of the CFTC’s legislative drafting team that drafted the derivatives title of the Obama Administration’s legislative proposal for derivatives regulation that eventually was enacted into law as Title VII of the Dodd-Frank Act.

**Joseph Adamczyk** served as a co-author. Prior to his affiliation with Exchange Analytics, he served as the Chief Compliance Officer for Options Clearing Corporation (OCC). Mr. Adamczyk oversaw the firm’s compliance risk monitoring and governance programs, advised the board of directors and staff on compliance and regulatory requirements, and interacted with federal regulators on compliance, risk, and examination matters. Before joining OCC, Mr. Adamczyk worked at CME Group where he served as the Managing Director & Associate General Counsel overseeing the company’s non-U.S. legal staff and activities. In this role, he interacted with regulators from around the globe. He also handled CME Group’s interactions with U.S. regulators and other authorities on cybersecurity and technology controls, requirements, cyber incident response, and examinations. At CME Group, Mr. Adamczyk also served as the Global Head of Investigations and Enforcement in the Market Regulation Department. In that role, he oversaw teams responsible for monitoring, investigating, and enforcing the CME Group exchanges’ trade practice rules and other requirements. Mr. Adamczyk received his MBA from the University of Chicago, law degree from Loyola University Chicago School of Law, and undergraduate degree from DePaul University. He has no regulatory actions or other disciplinary history.