calculating its Section 31 fees based on the trade date of its covered sales shall not include on its September 2003 Form R31 data for any covered sale having a trade date before September 1, 2003.

(f) This temporary section shall expire on January 1, 2005.

[69 FR 41080, July 7, 2004]

§240.36a1–1 Exemption from Section 7 for OTC derivatives dealers.

Preliminary Note: OTC derivatives dealers are a special class of broker-dealers that are exempt from certain broker-dealer requirements, including membership in a self-regulatory organization (§240.15b9–2), regular broker-dealer margin rules (§240.36a1–1), and application of the Securities Investor Protection Act of 1970 (§240.36a1–2). OTC derivative dealers are subject to special requirements, including limitations on the scope of their securities activities (§240.15a–1), specified internal risk management control systems (§240.15c3–4), recordkeeping obligations (§240.17a–3(a)(10)), and reporting responsibilities (§240.17a–12). They are also subject to alternative net capital treatment (§240.15c3–1(a)(5)).

(a) Except as otherwise provided in paragraph (b) of this section, transactions involving the extension of credit by an OTC derivatives dealer shall be exempt from the provisions of section 7(c) of the Act (15 U.S.C. 78g(c)), provided that the OTC derivatives dealer complies with Section 7(d) of the Act (15 U.S.C. 78g(d)).

(b) The exemption provided under paragraph (a) of this section shall not apply to extensions of credit made directly by a registered broker or dealer (other than an OTC derivatives dealer) in connection with transactions in eligible OTC derivative instruments for which an OTC derivatives dealer acts as counterparty.

[63 FR 59404, Nov. 3, 1998]

§240.36a1–2 Exemption from SIPA for OTC derivatives dealers.

Preliminary Note: OTC derivatives dealers are a special class of broker-dealers that are exempt from certain broker-dealer requirements, including membership in a self-regulatory organization (§240.15b9–2), regular broker-dealer margin rules (§240.36a1–1), and application of the Securities Investor Protection Act of 1970 (§240.36a1–2). OTC derivative dealers are subject to special requirements, including limitations on the scope of their securities activities (§240.15a–1), specified internal risk management control systems (§240.15c3–4), recordkeeping obligations (§240.17a–3(a)(10)), and reporting responsibilities (§240.17a–12). They are also subject to alternative net capital treatment (§240.15c3–1(a)(5)).

OTC derivatives dealers, as defined in §240.3b–12, shall be exempt from the provisions of the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa through 78lll).