



تعميم

المحترمون

السادة/

السلام عليكم ورحمة الله وبركاته.

الموضوع: مبادئ مراكز التسجيل والإفصاح عن تداول المشتقات المالية خارج السوق المدرجة.

استناداً إلى نظام البنك المركزي السعودي الصادر بالمرسوم الملكي رقم (م/٣٦) وتاريخ ١٤٤٢/٠٤/١١ هـ ونظام مراقبة البنوك الصادر بالمرسوم الملكي رقم (م/٥) وتاريخ ١٣٨٦/٠٢/٢٢ هـ وإشارة إلى قواعد وتعليمات البنك المركزي لمشغل مركز التسجيل والإفصاح عن تداول المشتقات المالية خارج السوق المدرجة، (SAMA Trade Repository Operator Rules and Regulations).

نفيدكم بتحديث مبادئ التسجيل والإفصاح عن تداول المشتقات المالية خارج السوق المدرجة لتتوافق مع مبادئ البنى التحتية للأسواق المالية (CPMI-IOSCO) والممارسات الدولية، والتي تحل محل القواعد والتعليمات المشار إليها أعلاه.

للإحاطة والعمل بموجبه اعتباراً من ٢٠٢٤/٠٧/٠١ م.  
النيب

وتقبلوا تحياتي،  
النيبان

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وكيل المحافظ للرقابة

نطاق التوزيع:

- مراكز التسجيل والإفصاح عن تداول المشتقات المالية خارج السوق المدرجة.

مجاهد

**Saudi Central Bank (SAMA)**  
**Principles on Trade Repositories**  
February 2024

البنك المركزي السعودي  
SAMA  
Saudi Central Bank



## Table of Content

1. Introduction .....	3
2. Definitions.....	3
3. Scope and level of application .....	4
4. Principle 1: Legal basis .....	5
5. Principle 2: Governance .....	5
6. Principle 3: Framework for the comprehensive management of risks. ....	7
7. Principle 4: General business risk. ....	8
8. Principle 5: Operational risk. ....	9
9. Principle 6: Access and participation requirements. ....	12
10. Principle 7: Tiered participation arrangements. ....	14
11. Principle 8: FMI links. ....	15
12. Principle 9: Efficiency and effectiveness. ....	15
13. Principle 10: Communication procedures and standards. ....	16
14. Principle 11: Disclosure of rules, key procedures, and market data. ....	16
15. Principle 12: Disclosure of market data by trade repositories. ....	18
16. Asset Classes.....	21
17. Acceptance of Derivative Trade Data.....	21
18. Retention of Derivative Trade Data.....	22
19. Separation of Functions.....	22
20. Outsourcing of Functions.....	23
21. Keeping of Records.....	23
22. Provision of Records or Other Information.....	24
23. Effective Date.....	24



## **1. Introduction**

1.1. These Principles are issued by Saudi Central Bank (SAMA) in exercise of the powers vested upon it under its Law issued by the Royal Decree No. (M/36) on 11- 04- 1442H, the Banking Control Law issued by the Royal Decree No. (M/5) on 22-02- 1386H, and the rules for Enforcing its Provisions issued by Ministerial Decision No. 3/2149 on 14-10-1406AH.

## **2. Definitions**

2.1. The following terms and phrases, where used in these Principles shall have the corresponding meanings, unless otherwise specified by SAMA:

**SAMA:** Saudi Central Bank.

**Reporting Requirements:** reporting requirements as prescribed in Trade Repository Reporting and Risk Mitigation Requirements for Over-the-Counter (OTC) Derivatives Contracts issued via SAMA circular No. 42056371 dated 1442/08/10 H.

**Derivative Position Information:** information about positions relating to Derivative Transactions reported in accordance with the Trade Repository Reporting Requirements.

**Derivative Trade Data:** includes Derivative Transaction Information and Derivative Position Information.

**Financial Market Infrastructure (FMI):** is defined as a multilateral system among participating institutions, including the operator of the system, used for the purposes of clearing, settling, or recording payments, securities, derivatives, or other financial transactions.

**Linked Entities:** any other derivative trade repositories, payment systems, central securities depositories, securities settlement systems, central counterparties and service providers (e.g. collateral management, portfolio reconciliation or portfolio compression service providers) with which the Trade Repository has operational and contractual arrangements in connection with the acceptance, retention, use, disclosure and provision of access to Derivative Trade Data.

**Trade Reporting Services:** all services provided by the Trade Repository for the acceptance, retention, use, disclosure and provision of access to Derivative Trade Data, including any services for the acceptance, retention, use, disclosure and provision of access to Derivative Trade Data.

**Non-Trade Reporting Services:** refers to services other than Trade Reporting Services, and includes Ancillary Services.

**Trade Repository (TR):** an entity that is authorised by SAMA to operate as a repository of transaction data for Over-The-Counter (OTC) derivatives.

**Participant:** an Entity that is a party to an OTC derivative transaction.

**Reporting Entity:** an entity that is required to report Derivative Transaction Information or Derivative Position Information in accordance with the Trade Repository Reporting Requirements.

### **3. Scope and level of application**

- 3.1. These Principles shall be applicable to any Trade Repository already approved by SAMA and operating in the Kingdom of Saudi Arabia and other relevant jurisdictions, where applicable.
- 3.2. A Trade Repository must adhere with all the relevant CPMI-IOSCO Principles for Financial Market Infrastructures (PFMI) applicable to a Trade Repository<sup>1</sup>. In addition, the adherence should cover all PFMI in their entirety, including the headline and all the applicable Key Considerations (KC) of the PFMI, and any specific or additional rules and requirements as may be imposed by SAMA.
- 3.3. SAMA shall conduct onsite and offsite oversight activities on the Trade Repositor(ies), under its jurisdiction, taking into consideration its risk assessment on trade repositories.

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<sup>1</sup> <https://www.bis.org/cpmi/publ/d101a.pdf>



#### **4. Principle 1: Legal basis.**

A Trade Repository should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.

- 4.1. A Trade Repository should have a legal basis which provides a high degree of certainty for each material aspect of activities in KSA and other relevant jurisdictions, where applicable.
- 4.2. A Trade Repository should have rules, procedures, and contracts that are clear, understandable, and consistent with relevant laws and regulations.
- 4.3. A Trade Repository should be able to articulate the legal basis for its activities to SAMA, other relevant authorities, participants, and, where relevant, participants' customers, in a clear and understandable way.
- 4.4. A Trade Repository should have rules, procedures, and contracts that are enforceable in KSA and other relevant jurisdictions. There should be a high degree of certainty that actions taken by the Trade Repository under such rules and procedures will not be voided, reversed, or subject to stays.
- 4.5. Where a Trade Repository is conducting business in multiple jurisdictions, it should identify and mitigate the risks arising from any potential conflict of laws across jurisdictions.

#### **5. Principle 2: Governance.**

A Trade Repository should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.

- 5.1. A Trade Repository should have objectives that place a high priority on the safety and efficiency of the Trade Repository and explicitly support financial stability and other relevant public interest considerations.
- 5.2. A Trade Repository should have documented governance arrangements that provide clear and direct lines of responsibility and accountability. These arrangements should

be disclosed to owners, SAMA, other relevant authorities, participants, and, at a more general level, the public.

- 5.3. The roles and responsibilities of a Trade Repository's Board of Directors should be clearly specified, and there should be documented procedures for its functioning, including procedures to identify, address, and manage member conflicts of interest. The board should review both its overall performance and the performance of its individual board members regularly.
- 5.4. The board of a Trade Repository should contain suitable members with the appropriate skills and incentives to fulfil its multiple roles. This typically requires the inclusion of non-executive board member(s).
- 5.5. The roles and responsibilities of management should be clearly specified. A Trade Repository's management should have the appropriate experience, a mix of skills, and the integrity necessary to discharge their responsibilities for the operations and risk management of the Trade Repository.
- 5.6. The board should establish a clear, documented risk-management framework that includes the Trade Repository's risk-tolerance policy, assigns responsibilities and accountability for risk decisions, and addresses decision making in crises and emergencies. Governance arrangements should ensure that the risk-management and internal control functions have sufficient authority, independence, resources, and access to the board.
- 5.7. The board should ensure that the Trade Repository's design, rules, overall strategy, and major decisions reflect appropriately the legitimate interests of its direct and indirect participants and other relevant stakeholders. Major decisions should be clearly disclosed to relevant stakeholders and, where there is a broad market impact, the public.
- 5.8. A Trade Repository must appoint a chief compliance officer responsible for reviewing compliance with applicable legislation and regulatory requirements, identifying and resolving conflicts of interest and completing and certifying an annual compliance report.



- 5.9. The Trade Repository must establish, implement, maintain and enforce policies, procedures, systems and controls for monitoring and enforcing compliance by its employees and critical service providers with these Principles and any other applicable laws.
- 5.10. Without limiting paragraph 5.9 above, a Trade Repository must ensure that the arrangements, rules, procedures, policies, plans, systems and controls required by these Principles are reviewed, audited and tested periodically and after significant changes, to ensure compliance with these Principles.
- 5.11. A Trade Repository must establish and maintain sufficient and appropriate dedicated human, technological and financial resources to ensure that the Trade Repository operates at all times securely, efficiently and effectively.
- 5.12. A Trade Repository must at all times ensure its employees and managers are fit and proper, taking into account the experience, qualifications and skills necessary to perform their respective roles and responsibilities in the governance, management and operation of the Trade Repository.

## **6. Principle 3: Framework for the comprehensive management of risks.**

A Trade Repository should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.

- 6.1. A Trade Repository should have risk-management policies, procedures, and systems that enable it to identify, measure, monitor, and manage the range of risks that arise in or are borne by the Trade Repository. Risk-management frameworks should be subject to periodic review.
- 6.2. A Trade Repository should provide incentives to participants and, where relevant, their customers to manage and contain the risks they pose to the Trade Repository.
- 6.3. A Trade Repository should regularly review the material risks it bears from and poses to other entities (such as other FMIs, settlement banks, liquidity providers, and service providers) as a result of interdependencies and develop appropriate risk-management tools to address these risks.



6.4. A Trade Repository should identify scenarios that may potentially prevent the Trade Repository from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for recovery or orderly wind-down. A Trade Repository should prepare appropriate plans for its recovery or orderly wind-down based on the results of that assessment. Where applicable, a Trade Repository should also provide SAMA and other relevant authorities with the information needed for the purposes of resolution planning.

#### **7. Principle 4: General business risk.**

A Trade Repository should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.

- 7.1. A Trade Repository should have robust management and control systems to identify, monitor, and manage general business risks, including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.
- 7.2. A Trade Repository should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity that the Trade Repository hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken.
- 7.3. A Trade Repository should maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan. At a minimum, the Trade Repository should hold liquid net assets funded by equity equal to at least six months of current operating expenses. These assets are in addition to the resources held to cover participant defaults or other risks covered under the financial resources principles. However, equity held under international risk-based

capital standards can be included where relevant and appropriate to avoid duplicate capital requirements.

- 7.4. Assets held to cover general business risk should be of high quality and sufficiently liquid in order to allow the Trade Repository to meet its current and projected operating expenses under a range of scenarios, including in adverse market conditions.
- 7.5. A Trade Repository should maintain a viable plan for raising additional equity should its equity fall close to or below the amount needed. This plan should be approved by the board of directors and updated regularly.

## **8. Principle 5: Operational risk.**

A Trade Repository should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the Trade Repository's obligations, including in the event of a wide-scale or major disruption.

- 8.1. A Trade Repository should establish a robust operational risk-management framework with appropriate systems, policies, procedures, and controls to identify, monitor, and manage operational risks.
- 8.2. A Trade Repository board of directors should clearly define the roles and responsibilities for addressing operational risk and should endorse the Trade Repository operational risk-management framework. Systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes.
- 8.3. A Trade Repository should have clearly defined operational reliability objectives and should have policies in place that are designed to achieve those objectives.
- 8.4. A Trade Repository should ensure that it has scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives.



- 8.5. A Trade Repository should have comprehensive physical and information security policies that address all potential vulnerabilities and threats.
- 8.6. A Trade Repository should have a business continuity plan that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption. The plan should incorporate the use of a secondary site and should be designed to ensure that critical information technology (IT) systems can resume operations within two hours following disruptive events. The plan should be designed to enable the Trade Repository to complete settlement by the end of the day of the disruption, even in case of extreme circumstances. A Trade Repository should regularly test these arrangements.
- 8.7. A Trade Repository should identify, monitor, and manage the risks that key participants, other FMIs, and service and utility providers might pose to its operations. In addition, a Trade Repository should identify, monitor, and manage the risks its operations might pose to other Trade Repository or FMIs.
- 8.8. A Trade Repository must comply with SAMA Business Continuity Framework issued via SAMA circular 381000058504 dated 01/06/1438 H, and applicable national regulatory guidelines over Business Continuity, Outsourcing, Cybersecurity, IT Governance, and Data Privacy and must ensure that:
- 8.8.1. A Trade Repository's services are provided at all times in a secure, efficient and effective manner.
- 8.8.2. A Trade Repository have in place processes for regular review of whether the Trade Repository's operations are efficient and effective in meeting the requirements of participants, SAMA, and the markets it serves. These may include, for example, a review of its minimum service levels, operational reliability, cost-effectiveness pricing, and controls. Trade repository should also address IT operational risks as part of overall operational risk management through identifying and mitigating IT risks via mandating them to ensure control consideration from SAMA Information Technology Governance Framework issued via SAMA circular 43028139 dated 29/03/1443 H.



- 8.8.3. Cyber security risks are managed effectively and that the Trade Repository's assets are protected. In this regard, a Trade Repository is also required to comply with SAMA Cyber Security Framework and applicable national Cybersecurity guidelines, and ensure effectiveness of its security controls through periodical evaluation.
- 8.8.4. A Trade Repository should define and develop data classification in organized categories based on the level of data sensitivity. A Trade Repository's data classification should ensure its confidentiality, integrity, and availability; Where access to data should provide based on need to know principles
- 8.8.5. A Trade Repository should implement adequate mechanism to ensure the privacy of the data collected throughout its lifecycle in the Trade Repository and protection of personal data in compliance with national laws and regulations.
- 8.8.6. For the purposes of integrity and cyber security of the Trade Repository, a Trade Repository must establish, implement, maintain and enforce policies, procedures, physical and electronic controls over its systems for accepting, retaining, using, disclosing and providing access to Derivative Trade Data designed to:
- 8.8.6.1. Maintain the integrity and confidentiality of Derivative Trade Data at all times during transmission between the Trade Repository, SAMA and Participants, and while retained in the Trade Repository; and
- 8.8.6.2. Prevent unauthorized use or disclosure of, or access to, Derivative Trade Data in line with business requirements based on the need-to-have or need-to-know principle.
- 8.8.7. SAMA may make a direction relating to Derivative Trade Data if a Trade Repository ceases to be authorised, including a direction requiring the Trade Repository to destroy or transfer to another Trade Repository or SAMA all records of the Derivative Trade Data over which the Trade Repository has control.

- 8.8.8. A Trade Repository must report all incidents of disruption including IT and Cyber classified as “Medium” or “High” to SAMA immediately. A post-incident report should be communicated to SAMA after Trade Repository resumes to normal operations.
- 8.8.9. A Trade Repository must seek approval from SAMA when selecting a new site for its main or alternative data center, or when relocating the current main or alternative data center taking in consideration that Trade Repository’s information/data hosting and storage must be inside the KSA.
- 8.8.10. A Trade Repository must define the scope and coverage of backups to cover all critical technologies, information and data assets and implement backup and recovery processes with a periodic testing of their effectiveness.
- 8.9. The Trade Repository must establish, implement, maintain and enforce plans, including escalation plans, for its internal communications and its communications with Participants and SAMA in circumstances of an operational outage or other disruption to the Trade Repository’s services.

## **9. Principle 6: Access and participation requirements**

A Trade Repository should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.

- 9.1. A Trade Repository should allow for fair and open access to its services, including by direct and, where relevant, indirect participants and other FMIs, based on reasonable risk-related participation requirements.
- 9.2. A Trade Repository participation requirements should be justified in terms of the safety and efficiency of the Trade Repository and the markets it serves, be tailored to and commensurate with the Trade Repository’s specific risks and be publicly disclosed. Subject to maintaining acceptable risk control standards, The Trade Repository should endeavor to set requirements that have the least-restrictive impact on access that circumstances permit.
- 9.3. A Trade Repository should monitor compliance with its participation requirements on an ongoing basis and have clearly defined and publicly disclosed procedures for



facilitating the suspension and orderly exit of a participant that breaches, or no longer meets, the participation requirements.

- 9.4. A Trade Repository must have and apply objective conditions for access to and participation in the Trade Repository's services that permit open and non-discriminatory access to and participation in the Trade Repository by Participants.
- 9.5. The access and participation conditions referred to in (9.4.) above must include conditions reasonably designed to ensure Participants do not pose undue risks to the secure, efficient and effective operation of the Trade Repository.
- 9.6. The access and participation conditions referred to in (9.4.) above, other than the conditions in (9.5.), must not unreasonably prohibit or limit access to or participation in a Trade Repository. A Trade Repository must not impose unreasonable conditions on participation or access.
- 9.7. Trade Repository must provide each Participant with access to the records of the Derivative Trade Data that the Participant has reported to the Trade Repository, including access for the purposes of making necessary corrections or alterations to that Derivative Trade Data.
- 9.8. To the extent not provided under (9.7.) above, a Trade Repository must provide each Participant with access to the records of each Derivative for which the Participant is a counterparty.
- 9.9. A Trade Repository must ensure that its rules, procedures and contractual arrangements relating to the provision of access to Derivative Trade Data clearly define the categories of access available to Participants, if there is more than one category as well as the rights and obligations of Participants with respect to the provision of access to Derivative Trade Data.
- 9.10. A Trade Repository is not required to provide access under this condition to an entity that is suspended from being, or has ceased to be, a Participant in the Trade Repository by SAMA.



9.11. A Trade Repository must provide SAMA and other relevant authorities, if requested by SAMA and at no charge, continuous, direct and immediate electronic access<sup>2,3</sup> to the following information retained in the Trade Repository:

9.11.1. All Derivative Trade Data reported by Participants in accordance with the Reporting Requirements; and

9.11.1. All information (including statistical data) that is created or derived from Derivative Trade Data referred to in (9.11.1.) above.

9.12. If a Trade Repository receives a request from SAMA for Derivative Trade Data retained in the Trade Repository, including a request for Derivative Trade Data referred to in (9.11.) above, it must comply with any such requirement specified in the request to provide the Derivative Trade Data:

9.12.1. On an ad hoc or periodic basis, or each time a particular circumstance or event occurs;

9.12.2. By a specified time; and/or

9.12.3. In a specified format.

#### **10.Principle 7: Tiered participation arrangements.**

A Trade Repository should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.

10.1. A Trade Repository should ensure that its rules, procedures, and agreements allow it to gather basic information about indirect participation in order to identify, monitor, and manage any material risks to the Trade Repository arising from such tiered participation arrangements.

10.2. A Trade Repository should identify material dependencies between direct and indirect participants that might affect the Trade Repository.

10.3. A Trade Repository should identify indirect participants responsible for a significant proportion of transactions processed by the Trade Repository and indirect participants

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<sup>2</sup> Direct access may be provided through an electronic system, platform or framework that provides secure internet or web-based access to Derivative Trade Data, or by way of a direct real-time feed of Derivative Trade Data.

<sup>3</sup> The Trade Repository will be required to provide access to aggregate-level data, position-level data and transaction-level data (including the identity of counterparties).

whose transaction volumes or values are large relative to the capacity of the direct participants through which they access the Trade Repository in order to manage the risks arising from these transactions.

10.4. A Trade Repository should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate.

### **11. Principle 8: FMI links**

A Trade Repository that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.

11.1. Before entering into a link arrangement and on an ongoing basis once the link is established, a Trade Repository should identify, monitor, and manage all potential sources of risk arising from the link arrangement. Link arrangements should be designed such that each FMI is able to observe the other principles in this report.

11.2. A link should have a well-founded legal basis, in all relevant jurisdictions, that supports its design and provides adequate protection to the FMIs involved in the link.

11.3. A Trade Repository should carefully assess the additional operational risks related to its links to ensure the scalability and reliability of IT and related resources.

### **12. Principle 9: Efficiency and effectiveness**

A Trade Repository should be efficient and effective in meeting the requirements of its participants and the markets it serves.

12.1. A Trade Repository should be designed to meet the needs of its participants and the markets it serves, in particular, with regard to the choice of a clearing and settlement arrangement; operating structure; scope of products cleared, settled, or recorded; and use of technology and procedures.

12.2. A Trade Repository should have clearly defined goals and objectives that are measurable and achievable, such as in the areas of minimum service levels, risk-management expectations, and business priorities.

12.3. A Trade Repository should have established mechanisms for the regular review of its efficiency and effectiveness.



### **13. Principle 10: Communication procedures and standards**

A Trade Repository should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.

- 13.1. A Trade Repository should use, or at a minimum accommodate, internationally accepted communication procedures and standards.
- 13.2. Communication procedures and standards must support all operational and cyber risk management requirements specified under Principle 5 of this document.

### **14. Principle 11: Disclosure of rules, key procedures, and market data**

A Trade Repository should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the Trade Repository. All relevant rules and key procedures should be publicly disclosed.

- 14.1. A Trade Repository should adopt clear and comprehensive rules and procedures that are fully disclosed to participants. Relevant rules and key procedures should also be publicly disclosed.
- 14.2. A Trade Repository should disclose clear descriptions of the system's design and operations, as well as the Trade Repository's and participants' rights and obligations, so that participants can assess the risks they would incur by participating in the Trade Repository.
- 14.3. A Trade Repository should provide all necessary and appropriate documentation and training to facilitate participants' understanding of the Trade Repository rules and procedures and the risks they face from participating in the Trade Repository.
- 14.4. A Trade Repository should publicly disclose its fees at the level of individual services it offers as well as its policies on any available discounts. The Trade Repository should provide clear descriptions of priced services for comparability purposes.
- 14.5. A Trade Repository should complete regularly and disclose publicly responses to the CPMI-IOSCO Disclosure framework for financial market infrastructures (Annex A).



The Trade Repository also should, at a minimum, disclose basic data on transaction volumes and values.

- 14.6. If a Trade Repository proposes to make a change to the access and participation conditions, or the fees, rates and charges for the Trade Reporting Services, the Trade Repository first must obtain approval by SAMA and then notify participants in writing about the change within a reasonable time before the change is implemented.
- 14.7. A Trade Repository must disclose, on a publicly accessible section of its website and at no charge, a description of:
  - 14.7.1. The Trade Reporting Services and any Ancillary Services;
  - 14.7.2. The class or classes of Derivatives for which the Trade Repository can provide services, as specified in these Principles;
  - 14.7.3. Key elements of the Trade Repository's rules, procedures and contractual arrangements, including the dispute resolution procedures;
  - 14.7.4. The Trade Repository's access and participation conditions;
  - 14.7.5. The organizational, legal and ownership structure of the Trade Repository and the arrangements for the governance and management of the Trade Repository; and
  - 14.7.6. The Trade Repository's policies and procedures in relation to the commercial use of Derivative Trade Data retained in the Trade Repository.
- 14.8. A Trade Repository must ensure the disclosures required under (14.5.) above are at all times complete, accurate and current.
- 14.9. SAMA may require the Trade Repository to submit a written **Annual Observance Report** on the extent to which it has discharged its obligations, complied with these Principles and other applicable laws, within three months after SAMA's request for such report, if the Trade Repository's compliance with disclosure requirements in paragraph 14.5 above is not deemed satisfactory by SAMA.
- 14.10. SAMA may require the Trade Repository to obtain an audit report on the Annual Observance Report, to be prepared by such specified person or body as SAMA nominates or accepts as suitably qualified to prepare the audit report.

14.11. A request by SAMA for an audit report under paragraph 14.10 above will be in writing and allow the Trade Repository a reasonable period to comply.

14.12. A Trade Repository must notify SAMA in writing as soon as practicable after the Trade Repository becomes aware that:

14.12.1. Any civil or criminal legal proceeding has been instituted against the Trade Repository or one of its employees, whether or not in the KSA;

14.12.2. Any disciplinary action has been taken against the Trade Repository or one of its employees by any regulatory authority other than SAMA, whether or not in KSA; and

14.12.3. Any significant changes are made to the regulatory requirements imposed on the Trade Repository or one of its employees by any regulatory authority other than SAMA, whether or not in KSA.

14.13. If A Trade Repository experiences:

14.13.1. A disruption of, delay in, or suspension or termination of any of the Trade Repository's systems for the acceptance, retention, use, disclosure or provision of access to Derivative Trade Data, including as a result of any system failure; or

14.13.2. A breach of the integrity, security, or confidentiality of the Derivative Trade Data retained in the Trade Repository, a Trade Repository must:

14.13.2.1. As soon as practicable, notify SAMA of the occurrence of the circumstance; and

14.13.2.2. Submit a report to SAMA describing the cause and results of the occurrence of the circumstance, and any remedial actions already taken or planned by the Trade Repository in response to the occurrence of the circumstance. The Trade Repository should submit a detailed report after resuming operations.

## **15. Principle 12: Disclosure of market data by trade repositories**

A Trade Repository should provide timely and accurate data to SAMA and the public in line with their respective needs.



- 15.1. A Trade Repository should provide data in line with regulatory and industry expectations to SAMA and the public, respectively, that is comprehensive and at a level of detail sufficient to enhance market transparency and support other public policy objectives.
- 15.2. A Trade Repository should have effective processes and procedures to provide data to SAMA in a timely and appropriate manner to enable them to meet their respective regulatory mandates and legal responsibilities.
- 15.3. A Trade Repository should have robust information systems that provide accurate current and historical data. Data should be provided in a timely manner and in a format that permits it to be easily analyzed.
- 15.4. If a Trade Repository receives a request from any party other than SAMA (Domestic or Foreign) for Derivative Trade Data retained in the Trade Repository, it must first obtain permission by SAMA before such request is processed.
- 15.5. A Trade Repository must produce data as specified in detail under Sections 15.5.1.) and 15.5.2.) below.

**15.5.1. Obligation to Create and Disclose Weekly Statistical Data**

15.5.1.1. A Trade Repository must create and disclose statistical data on Derivative Trade Data that is retained in the Trade Repository and that was reported to the Trade Repository by Participants.

15.5.1.2. For the purposes of paragraph 15.5.1.1 above, a Trade Repository must, for each 7-calendar day period commencing from the day it first accepts a report of Relevant Derivative Trade Data, create the following statistical data from the Relevant Derivative Trade Data:

15.5.1.2.1. All aggregate open positions as at the end of the last day in the Relevant Period for which the statistical data is created; and

15.5.1.2.2. Volumes by number and by value of Derivative Transactions reported during the Relevant Period.

- 15.5.1.3. The statistical data created in accordance with paragraph 15.1.1.2. above must include breakdowns by the following categories.
- 15.5.1.3.1. The asset class, currency of the notional amount, type of participants, type and maturity of the Derivatives to which the statistical data relates;
  - 15.5.1.3.2. The geographic location of the reference asset, rate, index, commodity or other thing underlying the Derivatives to which the statistical data relates; and
  - 15.5.1.3.3. Whether the Derivatives to which the statistical data relates are cleared or uncleared.
- 15.5.1.4. A Trade Repository must disclose the statistical data required under paragraphs 15.1.1.1. to 15.1.1.3. above in relation to a relevant period, no longer than 5 business days after the day on which the relevant period ends.
- 15.5.1.5. A Trade Repository must disclose the statistical data required under paragraphs 15.1.1.1. to 15.1.1.3. by making the statistical data available at no charge and through a publicly accessible website.
- 15.5.1.6. The statistical data published under this condition must not include Derivative Trade Data capable of identifying a counterparty to a Derivative Transaction.

**15.5.2. Create and Disclose Financial Year-to-Date Statistical Data**

- 15.5.2.1. A Trade Repository must publish the weekly statistical data created and disclosed in accordance with the above paragraphs aggregated in financial-year-to-date form, by making the aggregated financial year-to-date statistical data available at no charge and through a publicly accessible website.



- 15.5.2.1. The statistical data published under this condition must not include Derivative Trade Data capable of identifying a counterparty to a Derivative Transaction.

## **Other Provisions**

### **16. Asset Classes**

- 16.1. SAMA determines the classes of over-the-counter (OTC) derivative for which reporting requirements could be made. The broad asset classes of derivatives subject to reporting requirements are:
- 16.1.1. Interest rates;
  - 16.1.2. Credit;
  - 16.1.3. Equities;
  - 16.1.4. Foreign exchange; and
  - 16.1.5. Commodity derivatives.
- 16.2. A Trade Repository must be in a position to accept OTC derivative trade reports for all asset classes specified above. SAMA may require the reporting requirements for these asset classes be implemented by the Trade Repository in different phases. The Trade Repository reporting service for any additional asset classes beyond those specified above would need SAMA's approval.

### **17. Acceptance of Derivative Trade Data**

- 17.1 A Trade Repository must accept from Participants Derivative Trade Data for all classes of OTC Derivatives specified in the Principles above.
- 17.2. A Trade Repository must establish, implement, maintain and enforce policies, procedures, systems and controls for the reporting of Derivative Trade Data to the Trade Repository.
- 17.3. Without limiting (17.2.) above, a Trade Repository must establish, implement, maintain and enforce policies, procedures, systems and controls that are:

- 17.3.1. Reasonably designed to maintain a continuous, reliable and secure connection between the Trade Repository and Participants for the purposes of accepting Derivative Trade Data; and
- 17.3.2. Reasonably designed to provide assurance that Derivative Trade Data reported to the Trade Repository by Participants is and remains at all times complete, accurate and current.

## **18. Retention of Derivative Trade Data**

- 18.1. A Trade Repository must ensure that all Derivative Trade Data accepted by the Trade Repository, and each alteration and correction to that Derivative Trade Data, is recorded on a timely basis.
- 18.2. A Trade Repository must retain all records of Derivative Trade Data accepted by the Trade Repository, and records of each alteration or correction to that Derivative Trade Data.
- 18.3. A Trade Repository must ensure that each record referred to in paragraph 18.2. above is, for the period of time that the record must be retained, in a secure location and in an electronic format, and is immediately accessible by the Trade Repository and SAMA.
- 18.4. A Trade Repository must create at least one backup copy of each record referred to in (18.2.) above and must ensure that, for the period of time that the record must be retained, the backup copy is retained in a secure location and in an electronic format, separate from the location of the record, and is accessible by the Trade Repository and SAMA within 3 business days.

## **19. Separation of Functions**

- 19.1. Where a Trade Repository, a related body corporate of the Trade Repository, or any other company with which it has a material agreement in connection with the Trade Reporting Services, provides Non-Trade Reporting Services, the Trade Repository must:



- 19.1.1. Disclose to SAMA a description of all of the Non-Trade Reporting Services, and update the disclosure as soon as practicable after any changes are made to the Non-Trade Reporting Services; and
- 19.1.2. Establish, implement, maintain and enforce policies, procedures, systems and controls designed to ensure operational separation between the Non-Trade Reporting Services and the Trade Reporting Services.

## **20. Outsourcing of Functions**

- 20.1. If a Trade Repository outsources any of the Trade Reporting Services to a third party service provider, it must:
  - 20.1.1. Ensure that the outsourcing arrangement meets SAMA's outsourcing requirements and is covered by a contract with the Third-Party Service Provider that is in writing;
  - 20.1.2. Establish, implement, maintain and enforce documented policies, procedures, systems and controls for ensuring that the Trade Repository continues to comply with all its obligations under these Principles, in relation to the outsourced Trade Reporting Services;
  - 20.1.3. At all times be able to access books, records and other information of the Third-Party Service Provider relating to the outsourced Trade Reporting Services;
  - 20.1.4. Ensure that SAMA has the same access to all Derivative Trade Data, books, records and other information relating to the outsourced Trade Reporting Services and maintained by the Service Provider, that SAMA would have if not for the outsourcing arrangements; and,
  - 20.1.5. Obtain SAMA no-objection for material outsourcing.

## **21. Keeping of Records**

- 21.1. A Trade Repository must keep records that enable it to demonstrate that it has complied with the requirements of these Principles.

21.2. A Trade Repository must keep records referred to in paragraph 21.1. above for a period of at least ten years from the date the record is made or amended. However, all historical OTC Derivatives Data must be maintained, in accordance to the requirements in paragraphs 18.1 to 18.4.

## **22. Provision of Records or Other Information**

22.1. A Trade Repository must, upon request by SAMA, provide SAMA with records or other information relating determining whether there has been compliance with the Principles and Provisions included in this document.

22.2. A request by SAMA under paragraph 22.1. will be in writing and will give the Trade Repository a reasonable time to comply.

22.3. A Trade Repository must comply with a request under paragraph 22.1. above within the time specified in the request or as soon as possible, if no time is specified.

## **23. Effective date:**

23.1. This Principles shall come into force with effect from 1<sup>st</sup> July 2024.