

191—93.4(511,521A) Standards for conduit derivative transactions.

93.4(1) Documentation. The conduit shall maintain documentation and records relating to each conduit derivative transaction that shall include, but not be limited to, documentation setting forth:

- a.* The purpose or purposes of the transaction;
- b.* The specific derivative instrument used in the transaction;
- c.* For over-the-counter derivative instrument transactions, the name of the qualified counterparty and the counterparty exposure amount calculated not less than quarterly; and
- d.* For exchange traded derivative instruments, the name of the exchange and the name of the firm that handled the trade.

93.4(2) Trading requirements. Each derivative that is the subject of a conduit derivative transaction shall be entered into with a qualified counterparty.