

DF Protocol Deadline is May 1, 2013

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April 2, 2013

Managers Who Use Swaps Should Act Now

Managers of funds and separately managed accounts that use swaps are reminded that they (or their clients) must complete the DF Protocol Adherence Letter and DF Protocol Questionnaire by **May 1, 2013** if they want to continue executing swaps after such date. Managers/clients should take steps now to have this documentation in place by May 1.

Swaps are now regulated under the Dodd-Frank Wall Street Reform and Consumer Protection Act. The DF Protocol is a framework established by the International Swaps and Derivatives Association (ISDA) to facilitate amendments to existing swap documentation so as to allow the parties to the swap to meet certain Dodd-Frank requirements.

Under Dodd-Frank, swap dealers must obtain certain “know your counterparty” information from their counterparties and verify that each counterparty is an “eligible contract participant.” Swap counterparties should complete the DF Protocol documentation, including the Adherence Letter and the DF Protocol Questionnaire (and pay the necessary \$500 fee), by May 1 to supply this information and confirm their status as an eligible contract participant. After May 1, it is likely that swap dealers will refuse to enter into further swap transactions with counterparties that have not signed on to the Protocol due to additional burdens and requirements that would be imposed on the swap dealer in the absence of such documentation.

Managers/clients with multiple counterparties will need to make certain that they sign up to the DF Protocol with each counterparty. The Adherence Letter and fee can be submitted through the ISDA website. The Questionnaire can be submitted through ISDA Amend, an online site developed by ISDA and Markit. Additional information is available [here](#).

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