



July 16, 2015

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street, SW
Suite 3E-218, Mail Stop 9W-11
Washington, DC 20219

Robert deV. Frierson, Secretary
Board of Governors of the Federal Reserve
System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA45
Federal Housing Finance Agency
Constitution Center (OGC Eighth Floor)
400 7th Street, SW
Washington, DC 20024

Barry F. Mardock, Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102

RE: Margin and Capital Requirements for Covered Swap Entities. Docket ID OCC-2011-0008/RIN 1557-AD43, Docket No. R-1415/RIN 7100 AD74, RIN 3064-AE21, RIN 2590-AA45, RIN 3052-AC69

Ladies and Gentlemen:

The Securities Industry and Financial Markets Association¹ (“SIFMA”) writes to request that the Prudential Regulators² consider the recent rule proposal from the Commodity Futures Trading Commission (“CFTC”) regarding the cross-border application of its margin

¹ SIFMA is the voice of the U.S. securities industry, representing the broker-dealers, banks and asset managers whose 889,000 employees provide access to the capital markets, raising over \$2.4 trillion for businesses and municipalities in the U.S., serving clients with over \$16 trillion in assets and managing more than \$62 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

² In this letter, “Prudential Regulators” refers to the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency and the Farm Credit Administration.

requirements for uncleared swaps transactions³, before finalizing the cross-border aspects of the above-captioned rulemaking.

SIFMA supports consistency in the implementation of uncleared swap margin rules across different jurisdictions and looks forward to commenting on the CFTC's rule proposal regarding the cross-border application of its margin requirements for uncleared swaps⁴. Based on our initial review, however, we have concerns that certain aspects of the CFTC's proposal, such as the limited availability of substituted compliance, would not be consistent with the objectives of maintaining open and competitive global swap markets and fostering internationally harmonized cross-border margin requirements.

Since these considerations also bear on the Prudential Regulators' margin rules, we ask that the agencies defer finalization of the cross border-application of their margin rule in order to have the opportunity to review and consider the CFTC's proposal and related public comments.

Respectfully submitted,



Kyle Brandon
Managing Director
SIFMA

CC: Scott G. Alvarez, General Counsel
Sean D. Campbell, Deputy Associate Director, Division of Research and Statistics
Anna M. Harrington, Senior Attorney, Legal Division
Board of Governors of the Federal Reserve System
Jamey Basham, Assistant Director, Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
Bobby R. Bean, Associate Director, Capital Markets Branch, Division of Risk Management Supervision
Federal Deposit Insurance Corporation
Robert Collender, Principal Policy Analyst, Office of Policy Analysis and Research
Federal Housing Finance Agency
Timothy Nerdahl, Senior Financial Analyst, Office of Regulatory Policy
Farm Credit Association

³ *Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants – Cross-Border Application of the Margin Requirements*, 80 Fed. Reg. 41376 (July 14, 2015).

⁴ *Id.*