



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 Association<sup>1</sup> (“SIFMA”) writes to request that the Prudential Regulators<sup>2</sup> consider the recent rule proposal from the Commodity Futures Trading Commission (“CFTC”) regarding the cross-border application of its margin

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<sup>1</sup> 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>.

<sup>2</sup> 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 transactions<sup>3</sup>, 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 swaps<sup>4</sup>. 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*

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<sup>3</sup> “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).

<sup>4</sup> *Id.*