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September 30, 2011

Mr. David A. Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington DC 20581

Re: Comments on CFTC Proposed Rule on Customer Clearing Documentation and Timing of Acceptance for Clearing (RIN 3038-AD51)

Dear Mr. Stawick:

The Asset Management Group (the “**AMG**”)¹ of the Securities Industry and Financial Markets Association (“**SIFMA**”) appreciates the opportunity to provide comments to the Commodity Futures Trading Commission (the “**Commission**”) on its proposed rule on customer clearing documentation.²

The AMG supports the Commission’s efforts to develop a derivatives clearing framework that will help ensure open access, liquidity and clearing certainty for all market participants. We agree with the Commission that “open access to clearing by market participants will increase market transparency and promote market efficiency by enabling market participants to reduce counterparty risk and by facilitating offset of open positions.”³ The AMG believes that promoting open access is conducive to liquid swaps markets with decreased systemic risk.

Specifically, the AMG believes that a customer should be able to execute with a broad range of execution counterparties (whether large or small), should it

¹ The AMG’s members represent U.S. asset management firms whose combined assets under management exceed \$20 trillion. The clients of AMG member firms include, among others, registered investment companies, ERISA plans and state and local government pension funds, many of whom invest in commodity futures, options, and swaps as part of their respective investment strategies.

² Contained in Customer Clearing Documentation and Timing of Acceptance for Clearing, 76 Fed. Reg. 45,730 (proposed Aug. 2, 2011) (amending 17 CFR Parts 1, 23, and 39) (the “**Proposal**”).

³ Proposal at 45,731-32.

choose to do so. Permitting a customer to freely choose who to execute with will promote competition among execution counterparties and result in competitive pricing for customers. Free from constraints on choosing execution counterparties, customers will be able to execute trades on the best terms available and to obtain bids or offers from a broad range of execution counterparties that they can freely access.

The AMG further believes that it would not be appropriate to allow a futures commission merchant (“FCM”) to control which (and how many) executing counterparties can be used. Any framework that allows the FCM to set limits or sub-limits on the size or number of trades with an individual execution counterparty or charge higher fees on trading with non-affiliated execution counterparties will detract from the goal of developing a clearing framework that promotes open access clearing and execution of customer transactions. The use of limits or sub-limits would create a time-intensive system of monitoring and updating customer limits across a range of execution counterparties and create documentation gridlock for the multiple parties that would need to be involved.

Lastly, the AMG supports non-disclosure of the identity of a customer’s executing counterparty to the FCM. Anonymity of a customer’s execution counterparty will help prevent unnecessary involvement by the FCM in execution decisions made by the customer and support open access by permitting the customer to freely choose with whom it wishes to execute transactions.

For these reasons, the AMG supports the Commission’s proposal with respect to customer clearing documentation.

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The AMG appreciates the opportunity to provide the Commission with the foregoing comments. The AMG would welcome the opportunity to further discuss our comments with you. Should you have any questions, please do not hesitate to call the undersigned at 212-313-1389.

Respectfully submitted,



Timothy W. Cameron, Esq.
Managing Director, Asset Management Group
SIFMA

cc: Chairman Gary Gensler, CFTC
Commissioner Bart Chilton, CFTC
Commissioner Michael Dunn, CFTC
Commissioner Scott D. O'Malia, CFTC
Commissioner Jill E. Sommers, CFTC
Chairman Mary L. Schapiro, SEC
Commissioner Luis A. Aguilar, SEC
Commissioner Kathleen L. Casey, SEC
Commissioner Troy A. Paredes, SEC
Commissioner Elisse B. Walter, SEC