



| asset management group

April 9, 2013

Mr. Richard Shilts
Director
Division of Market Oversight
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Support of ISDA/FSR Request for No-Action Relief Extending “Compliance Date 3” Reporting Obligations

Dear Mr. Shilts:

The Asset Management Group (the “**AMG**”)¹ of the Securities Industry and Financial Markets Association (“**SIFMA**”) wishes to express its support of the recent request by the International Swaps and Derivatives Association, Inc. (“**ISDA**”) and The Financial Services Roundtable (“**FSR**”)² that the Commodity Futures Trading Commission (the “**Commission**”) grant an extension of the compliance date for the reporting obligations under Part 43, Part 45, and Part 46 of the Commission’s regulations³ (“**Reporting Rules**”) applicable to non-swap dealers (“**SDs**”) and non-major swap participants (“**MSPs**”) (collectively non-SDs and non-MSPs are herein referred to as “**Non-SD/MSPs**”) for six months, from April 10, 2013 to October 10, 2013.

AMG recognizes the value and importance of the Reporting Rules and supports the Commission’s work to increase post-trade transparency. AMG and its members also appreciate the Commission Staff’s willingness to clarify reporting obligations through informal guidance

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, endowments, state and local government pension funds, private sector Employee Retirement Income Security Act of 1974 pension funds and private funds such as hedge funds and private equity funds. In their role as asset managers, AMG member firms, on behalf of their clients, engage in transactions that will be classified as “security-based swaps” and “swaps” under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”).

² See Letter from the International Swaps and Derivatives Association, Inc. and The Financial Services Roundtable to the Division of Market Oversight requesting no-action relief extending “Compliance Date 3” (March 28, 2013).

³ See, 17 CFR §§ 43, 45, 46.

and the recent no-action letter granting relief from the reporting obligations associated with certain swaps between affiliated Non-SD/MSPs.⁴ Even with such no-action relief, Non-SD/MSPs will still be required to report a significant number of swaps, including, for example, swaps between Non-SD/MSP counterparties, swaps between Non-SD/MSPs and non-U.S. persons, and swaps between affiliated entities in corporate groups that include an SD, MSP or a financial company designated as systemically important.⁵

AMG agrees with ISDA/FSR's view that many Non-SD/MSPs, particularly as compared to registered SDs and MSPs, have yet to develop the technological capability, processes and procedures for complying with the Reporting Rules and that many of these entities will be unable to do so by the April 10, 2013 compliance date. AMG agrees with ISDA/FSR's statement that these entities are working diligently toward developing the systems and capabilities necessary for compliance, but that a general lack of financial and technological resources coupled with difficulties in onboarding and testing reporting system functionality with swap data repositories, continues to delay full compliance.

Despite the good faith efforts of our members to be prepared to fully comply with the Reporting Rules prior to April 10, 2013, AMG members remain concerned about their ability to do so for all of their client accounts. In particular, our members have continued to experience delays in obtaining CFTC Interim Compliant Identifiers ("CICIs") from the CICI Utility. Asset managers are still encountering significant delays when obtaining CICIs through the bulk upload process. Once obtained, the legal names associated with a CICI are sometimes changed by the CICI provider, the Depository Trust Clearing Company, and correcting the name changes takes additional time to complete. Corporate transactions, such as mergers and name changes, have further confounded the process. In addition, our members are finding that some of their clients, particularly those located outside of the United States, do not understand that they are required to have a CICI or why a CICI is necessary, particularly for foreign exchange forwards and foreign exchange swaps which have been excluded from the definition of swap, making it difficult to obtain requisite client consents. In other cases, clients of our members remain confused as to who has the obligation to obtain a CICI or whether one has been obtained for them by another manager or third party with which they have a relationship. Unfortunately, we believe that the issues relating to obtaining CICIs will persist beyond April 10, 2013. As a result of this ongoing confusion and difficulty in ensuring that accurate CICIs are obtained, AMG believes that it is sensible and appropriate to defer the compliance date of the Reporting Rules, as set forth herein.

In addition to the difficulties facing Non-SD/MSPs seeking to comply with reporting obligations for new swaps entered into on or after April 10, 2013, there exists a backload of historical trade data to be reported. AMG agrees with ISDA/FSR's recommendation that a six-month delay in the requirement to report historical swap data would significantly reduce the

⁴ See, Letter No. 13-09 (April 5, 2013).

⁵ See, 17 CFR §§ 43.3(a), 45.8 and 46.5.

burden placed on Non-SD/MSPs, while not significantly reducing the Commission's ability to monitor trading activity.

For these reasons, we believe it would be appropriate to defer the applicability of the Reporting Rules to Non-SD/MSPs until October 10, 2013. We believe that delaying these requirements would provide for a more orderly implementation, provide for the reporting of more complete and accurate trade information, particularly with respect to historical swap data, and would provide sufficient time for Non-SD/MSP market participants to resolve the issues described above.

* * *

Based on the foregoing, we respectfully request that the Staff of the Commission grant the relief described in this letter. We appreciate the Commission's consideration of this request, and stand ready to provide any additional information or assistance that the Commission might find useful. Should you have any questions, please do not hesitate to contact Tim Cameron at 212-313-1389 or Matt Nevins at 212-313-1176.

Sincerely,



Timothy W. Cameron, Esq.
Managing Director, Asset Management Group
Securities Industry and Financial Markets Association



Matthew J. Nevins, Esq.
Managing Director and Associate General Counsel, Asset Management Group
Securities Industry and Financial Markets Association

cc: Hon. Gary Gensler, Chairman, Commodity Futures Trading Commission
Hon. Jill E. Sommers, Commissioner, Commodity Futures Trading Commission
Hon. Bart Chilton, Commissioner, Commodity Futures Trading Commission
Hon. Scott O'Malia, Commissioner, Commodity Futures Trading Commission
Hon. Mark Wetjen, Commissioner, Commodity Futures Trading Commission

Certification Pursuant to CFTC Regulation 140.99(c)(3)

As required by CFTC Regulation 140.99(c)(3), we hereby (i) certify that the material facts set forth in the attached letter dated April 9, 2013 are true and complete to the best of our knowledge; and (ii) undertake to advise the CFTC, prior to the issuance of a response thereto, if any material representation contained therein ceases to be true and complete.

Sincerely,



Timothy W. Cameron, Esq.
Managing Director, Asset Management Group
Securities Industry and Financial Markets Association



Matthew J. Nevins, Esq.
Managing Director and Associate General Counsel, Asset Management Group
Securities Industry and Financial Markets Association