



March 8, 2013

Transmitted Via Email

Mr. Gary Barnett, Director
Division of Swap Dealer and Intermediary Oversight
Commodity Futures Trading Commission
1155 21st Street, NW
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gbarnett@cftc.gov

With copies to:

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Re: Request for Extension of Time for CPO Registration in Relation to
Securitization Vehicles

Dear Mr. Barnett:

The Securities Industry and Financial Markets Association ("SIFMA")¹ requests that the Division of Swap Dealer and Intermediary Oversight (the "Division") provide an extension of the time limited no-action relief granted in the Division's Letter 12-45, dated December 7, 2013, with respect to CPO registration in relation to certain securitization vehicles.

First, we wish to again express our appreciation for the interpretative and no-action letters issued by the Division in the fall of 2012 with respect to securitization. Letters 12-14 and 12-45 collectively provided regulatory certainty for many securitizations that they would not be

¹ SIFMA brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA's mission is to support a strong financial industry, investor opportunity, capital formation, job creation and economic growth, while building trust and confidence in the financial markets. 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 www.sifma.org.

considered to be commodity pools, regulatory relief for the category of securitizations that qualified as "legacy transactions," and an extension, until March 31, 2013, of the time for registration of persons that were operators of securitization vehicles and were not able to rely upon the interpretative exclusions or legacy no-action relief.

In particular, in Letter 12-45, the Division expressed its willingness to continue to discuss with market participants whether additional structures, not specifically within the interpretations or no-action relief already given to securitizations, might not be considered to be commodity pools, or might be treated as exempt pools. It was in view of those ongoing discussions that the Division believed it appropriate to grant time limited no-action relief for failure of the operator of a securitization vehicle to register until March 31, 2013. Securitization market participants also had advised the Division and the Commission that there were significant interpretive and other problems raised by the Commission's Part 4 rules if they were to be applied to securitizations, that would have to be resolved before the operators of any such vehicles that were determined to be required to register would be able to meaningfully comply.

As you know, the dialogue with market participants and industry representatives has been ongoing. In addition to pending questions raised about the characterization of particular structures, securitization market participants continue to be actively engaged in a dialogue with the Division regarding the Part 4 rules and the many respects in which the disclosures they mandate, actions they require or information they seek are problematic in the securitization context. Although the issues are many, they fall into three main categories:

(1) whether there are other securitization structures, in addition to those addressed in the 2012-14 and 2012-45 letters, that may be properly considered not to be commodity pools;

(2) interpretive issues, the resolution of which could determine whether a particular transaction would qualify as an exempt pool under the Commission's Rule 4.13(a)(3), and therefore would not be required to have a registered CPO or to meet the extensive disclosure and reporting requirements of Part 4; and

(3) specific disclosure, reporting and record-keeping requirements under Part 4 that in SIFMA's view are, variously, (i) ambiguous in the securitization context, such that interpretive guidance is needed, (ii) impossible to determine or completely inapplicable in the securitization context, (iii) irrelevant to the structures in question, such that an attempted response could be confusing or even misleading to investors, or (iv) unworkable in the securitization markets.²

² We have not reiterated in this letter the numerous specific issues referred to in clauses (2) and (3) above that have been raised in discussions to date with the Division. However, as you aware, the threshold issues relating to whether registration is required include interpretive issues relating to the status of series issuers and calculation of the *de minimis* test under Rule 4.13(a)(3). The issues with respect to the disclosure, reporting and record-keeping requirements under Part 4 cover a wide range, including the irrelevance of NAV to most securitization structures, and the practical difficulties of determining it if that requirement were to be imposed; the irrelevance of break-even calculations to deals that do not permit redemptions;

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In light of the continuing discussions over these issues, including threshold issues that determine whether registration of a person as a CPO even would be required in respect of certain structures, SIFMA requests that the Division extend until September 30, 2013, the date through which the no-action relief initially granted in Section "C" of Letter 12-45 would be available.

We greatly appreciate your consideration of this request, and look forward to the opportunity to discuss these matters further with the Division, and to answer any questions you may have. Please contact Chris Killian at (212) 313-1126 or ckillian@sifma.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Killian", with a stylized flourish at the end.

Christopher B. Killian
Managing Director

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inaccuracy of certain required disclosures that refer to actions that most securitizations, even of the non-standard varieties, do not take; audited financial statements, which the SEC does not require with respect to securitizations; disclosure updating requirements that are inconsistent with SEC requirements and/or market practice; and many other specific requirements that are unclear, inapplicable or otherwise problematic in the securitization context.