



October 9, 2018

Mr. Christopher Kirkpatrick
Secretary
U.S. Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

Re: Notice of Proposed Rulemaking on the Exemption from Derivatives Clearing Organization Registration (RIN 3038-AE65)

Dear Mr. Kirkpatrick:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ greatly appreciates the opportunity to provide the Commodity Futures Trading Commission (“CFTC” or “the Commission”) with comments on its proposed rule regarding exemptions from derivatives clearing organization (“DCO”) registration (the “Proposal”).² We further appreciate the continuing efforts of the Commission and its staff to review rules, regulations and practices, including those covered by the Proposal, to identify areas that can be simplified and made less burdensome and costly, as part of the Commission’s Project KISS, and other similar initiatives.³ We understand this proposal stems from the Commission’s Project KISS initiative, and generally seeks to codify the existing policies and procedures the Commission is currently following with respect to granting exemptions for non-U.S. clearinghouses from DCO registration. SIFMA and other market participants have engaged in significant dialogue with regulators to consider possible approaches to address the complex issues relating to access to non-U.S. clearinghouses. In December 2017, SIFMA

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly 1 million employees, we advocate on legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. 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 83 Fed. Reg. 39923 (August 13, 2018).

³ See Press Release, available at: <http://www.cftc.gov/PressRoom/PressReleases/pr7555-17>.

published with the Futures Industry Association a white paper on non-U.S. trading platforms and clearinghouses that addresses these complex issues.⁴

Since the Proposal was published for comment, however, CFTC Chairman Giancarlo has been speaking about and subsequently released a comprehensive white paper on cross-border regulation.⁵ While we are still reviewing the white paper, we believe some of its recommendations may impact subjects also addressed in the pending Proposal. Therefore, we respectfully request an extension of 60 days to the Proposal's comment period so that we may review the Chairman's white paper in more detail and consider the potential impact on the Proposal and member views.⁶

We appreciate your consideration of this extension request on this important topic. With the comment deadline approaching, we kindly ask that you respond to our request as soon as possible. Please do not hesitate to contact the undersigned at 212-313-1280 or kbrandon@sifma.org if you have any questions.

Regards,



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⁴ See SIFMA/FIA white paper, "Promoting U.S. Access to Non-U.S. Swaps markets: A Roadmap to Reverse Fragmentation" (Dec. 14, 2017), available at: <https://www.sifma.org/resources/submissions/non-us-trading-platform-and-ccp-white-paper/>.

⁵ J. Christopher Giancarlo, Chairman, Commodity Futures Trading Commission, "Cross-Border Swaps Regulation 2.0: A Risk-Based Approach with Deference to Comparable Non-U.S. Regulation" (Oct. 1, 2018), available at: https://www.cftc.gov/sites/default/files/2018-10/Whitepaper_CBSR100118.pdf.

⁶ We note that FIA submitted a similar request for a 60-day comment extension and join them in requesting the same.