

MEMO# 28514

November 10, 2014

Draft ICI and ICI Global Comment Letters to Prudential Regulators and CFTC on Proposed Margin Requirements for Uncleared Swaps; Member Feedback Requested by Monday, November 17

[28514]

November 10, 2014

TO: DERIVATIVES MARKETS ADVISORY COMMITTEE No. 76-14

ICI GLOBAL MEMBERS No. 48-14

INTERNATIONAL COMMITTEE No. 38-14 RE: DRAFT ICI AND ICI GLOBAL COMMENT LETTERS TO PRUDENTIAL REGULATORS AND CFTC ON PROPOSED MARGIN REQUIREMENTS FOR UNCLEARED SWAPS; MEMBER FEEDBACK REQUESTED BY MONDAY, NOVEMBER 17

Recently, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Farm Credit Administration, and the Federal Housing Finance Agency (together, the “Prudential Regulators”) and the Commodity Futures Trading Commission (“CFTC”) re-proposed margin requirements for uncleared swaps and security-based swaps. * We have prepared draft comment letters, which are attached, for your review.

The draft ICI comment letter responds to both the Prudential Regulators Proposal and the CFTC Proposal and discusses concerns with the substantive provisions of the margin requirements. If you have any comments on the draft ICI letter, please provide them in writing to Sarah Bessin at sarah.bessin@ici.org (phone: (202) 326-5835).

The draft ICI Global comment letter responds to the approaches proposed for the cross-border application of the margin rules by the Prudential Regulators and the CFTC. If you have any comments on the draft ICI Global comment letter, please provide them in writing to Jennifer Choi at jennifer.choi@ici.org (phone: (202) 326-5876).

We are requesting member comments by Monday, November 17.

Jennifer S. Choi
Senior Associate Counsel Securities Regulation

[Attachment](#)

endnotes

*See Margin and Capital Requirements for Covered Swap Entities; Proposed Rule, 79 Fed. Reg. 57348 (Sept. 24, 2014), available at <http://www.gpo.gov/fdsys/pkg/FR-2014-09-24/pdf/2014-22001.pdf> (“Prudential Regulators Proposal”); Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 79 Fed. Reg. 59898 (Oct. 2, 2014), available at <http://www.gpo.gov/fdsys/pkg/FR-2014-10-03/pdf/2014-22962.pdf> (“CFTC Proposal”). For a summary of the Prudential Regulators Proposal, see IC IMemorandum No. 28371 (Sept. 11, 2014), available at http://www.ici.org/my_ici/memorandum/memo28371; for a summary of the CFTC Proposal, see ICI Memorandum No. 28416 (Sept. 30, 2014), available at http://www.ici.org/my_ici/memorandum/memo28416.

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.