

**MEMO# 35406**

August 17, 2023

# **ICI Submits Additional Comments to SEC's Large Security-Based Swap Position Reporting Proposal**

[35406]

August 17, 2023

TO: ICI Members

Derivatives Markets Advisory Committee SUBJECTS: Derivatives

Trading and Markets RE: ICI Submits Additional Comments to SEC's Large Security-Based Swap Position Reporting Proposal

ICI has filed the attached comment letter on the Securities and Exchange Commission's (SEC) large security-based swap position reporting proposal. In June, the SEC reopened the comment period to the proposal[\[1\]](#) with additional economic analysis separately submitted by the Division of Economic Risk and Analysis (DERA) staff that analyzes the scope of reportable equity-based security-based swap positions.[\[2\]](#) This letter, which is based on a review of that additional analysis, supplements ICI's prior comments to the proposal.[\[3\]](#)

ICI's letter (1) reiterates that the SEC's economic analysis still needs to reflect the scope of participants and positions to which the proposed rule would apply more comprehensively, including the extent of required aggregation; (2) points out that DERA's analysis in this respect is incomplete based on the limited sources of additional data (more recent SBSDR and Schedule 13D data) used; and (3) recommends that the SEC extend its analysis to other categories of security-based swaps and use that data to further inform any final rule.

Sarah A. Bessin  
Deputy General Counsel - Markets, SMAs & CITs

Nhan Nguyen  
Assistant General Counsel, Securities Regulation

## Notes

[1] Reopening of Comment Period for Position Reporting of Large Security-Based Swap Positions, Exchange Act Release No. 34-97762 (June 20, 2023), 88 Fed. Reg. 41338 (June 26, 2023), available at <https://www.federalregister.gov/d/2023-13447>.

[2] Memorandum of the Staff of the Division of Economic and Risk Analysis, Supplemental data and analysis

regarding the proposed reporting thresholds in the equity security-based swap market (June 20, 2023), available at <https://www.sec.gov/comments/s7-32-10/s73210-207819-419422.pdf>.

[3] See Letter from Sarah A. Bessin, Associate General Counsel and Nhan Nguyen, Assistant General Counsel, ICI, to Vanessa Countryman, Secretary, Securities and Exchange Commission (Mar. 21, 2022), available at <https://www.sec.gov/comments/s7-32-10/s73210-20120723-272883.pdf>; Letter from Sarah A. Bessin, Associate General Counsel and Nhan Nguyen, Assistant General Counsel, ICI, to Vanessa Countryman, Secretary, Securities and Exchange Commission (May 16, 2022), available at <https://www.sec.gov/comments/s7-32-10/s73210-20128791-294590.pdf>.

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