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- **17 CFR Part 23**
- **RIN Number 3038–AC96**
- **Orderly Liquidation Termination Provision in Swap Trading Relationship Documentation for Swap Dealers and Major Swap Participants**

Dear Mr. Stawick.

Thank you for giving us the opportunity to comment on your notice of proposed rulemaking: Orderly Liquidation Termination Provision in Swap Trading Relationship Documentation for Swap Dealers and Major Swap Participants.

You are proposing regulations to implement new statutory provisions established under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). Section 731 of Dodd-Frank added a new section 4s(i) to the Commodity Exchange Act (CEA), which requires the CFTC to prescribe standards for swap dealers and major swap participants related to the timely and accurate confirmation, processing, netting, documentation, and valuation of swaps. The proposed rule would set forth parameters for the inclusion of an orderly liquidation termination provision in the swap trading relationship documentation for swap dealers and major swap participants.

My first comment refers to the wording of the orderly liquidation termination provision. You mention that the “language of proposed § 23.504(b)(5)(i) very closely tracks the statutory language of section 210(c)(10)(B) of the Dodd-Frank Act and section 11(e)(10)(B) of the FDIA”.<sup>1</sup> To avoid anomalies or confusion, it would be preferable to use identical language rather than language that “very closely tracks” the statutory language.

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<sup>1</sup> The Federal Deposit Insurance Act (FDIA).

Please note that the comments expressed herein are solely my personal views

My second comment is that I am not sure that we really need this provision. The authority of the FDIC is statutory in nature, and so would automatically apply to the relevant swaps, overriding current practice. Given this point, I would therefore argue that the provision is redundant.

Yours sincerely

Chris Barnard