



February 28, 2011

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

RE: *Confirmation, Portfolio Reconciliation and Portfolio Compression Requirements for Swaps Dealers and Major Swaps Participants*

Dear Mr. Stawick:

IntercontinentalExchange, Inc. (“ICE”) appreciates the opportunity to comment on the Commodity Futures Trading Commission’s (“CFTC” or “Commission”) proposed rulemaking (the “Proposal”) setting forth new rules on Confirmation, Portfolio Reconciliation, and Portfolio Compression Requirements for Swaps Dealers and Major Swaps Participants.

As background, ICE operates five clearinghouses: ICE Trust, ICE Clear Europe, ICE Clear US, The Clearing Corporation, and ICE Clear Canada. ICE also operates an electronic confirmation service for commodity swaps: ICE eConfirm and an electronic trade processing and affirmation service for credit default swaps: ICE Link. In this regard, ICE has experience in swap confirmation and portfolio compression services.

In response to the Proposal, ICE has two comments. The Proposal requires that parties confirm swaps within 15 minutes (if the transaction has been executed and processed electronically) or within 30 minutes (for swaps that have not been executed electronically). The Commission should revise this requirement in light of post execution allocation of trades. Asset managers may allocate a swaps trade to different funds after execution. In this circumstance, the parties are not known until the trade is allocated, making confirmation within 15 or 30 minutes impossible. Currently, the Commission does not have any rules for when the post execution allocation of futures trades¹ take place. While no time requirement may defeat the Commission’s goals of timely confirmation of swaps trades, the Commission should seek a middle ground. ICE Link requires that trades be allocated within two hours of execution, thus allowing for same day confirmation. ICE suggests that the Commission adopt a similar standard.

¹ CFTC Rule 1.35(a-1)(5).



Second, the Proposal asks whether "executing a swap on a SEF or DCM be deemed to satisfy the confirmation requirement?"² The Commission should follow the current practice and deem cleared electronically traded swaps to satisfy the confirmation requirement. This would ease the regulatory burdens for swaps market participants by adopting a practice that commodity swaps participants use today.

We appreciate the opportunity to comment on the Proposal. Please do not hesitate to contact the undersigned at 770.916.7832 or at trabue.bland@theice.com if you have any questions regarding our comments.

Sincerely,

A handwritten signature in black ink that reads "Trabue Bland". The signature is written in a cursive, flowing style.

R. Trabue Bland
IntercontinentalExchange, Inc.

² Note that rules recently proposed by the Commission seem to answer this question by stating that an electronically traded and cleared transaction is deemed confirmed.
<http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/federalregister022411b.pdf>