



F&C Management Limited

Exchange House
Primrose Street
London EC2A 2NY

Telephone +44 (0)20 7628 8000

Facsimile +44 (0)20 7628 8188

www.fandc.com

The Honourable Gary Gensler
Chairman
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

12 July 2013

Dear Chairman Gensler,

Re: Draft Final Guidance regarding Compliance with Certain Swap Regulations (RIN 3038-AD85)

This letter is respectfully submitted by F&C Management Ltd ("FCM"). FCM is authorised and regulated by the Financial Conduct Authority in the UK. FCM is a regulated subsidiary of F&C Asset Management plc ("F&C"). F&C is a diversified asset management group which is exclusively focused on providing investment solutions to our clients. We manage portfolios across multiple asset classes on behalf of a wide range of clients including insurance funds, pension schemes, public authorities and charities as well as private individuals through savings schemes, investment trusts and mutual funds. We are both independent (i.e. not part of a bank, insurance company or conglomerate) and we are also publicly listed. Our shares are traded on the London Stock Exchange and we are a constituent of the FTSE 250 and FTSE All-Share indices.

We manage combined assets of £98.8 billion as at 31 March 2013 across major asset classes and we use OTC derivatives in client and fund portfolios where appropriate.

As you will be aware, European asset managers and their clients will be subject to the requirements of the European Market Infrastructure Regulation (EMIR) covering clearing of OTC derivatives, reporting obligations for derivatives and risk mitigation requirements for non-cleared OTC derivatives, and in due course MiFID/MiFIR will deal with the trading of OTC derivatives on trading venues. Other jurisdictions are also putting in place similar requirements to conform to the G20 commitments.

We are members of the UK Investment Management Association (IMA) and the Alternative Investment Management Association (AIMA) and we are writing to express our support for the detailed comments made by these bodies on behalf of their members.

In our view it is essential that regulatory regimes in the context of OTC derivatives are clear and unambiguous and do not result in dual regulation with potentially conflicting sets of requirements.

With this in mind, we also support the concerns raised by the Investment Company Institute (ICI) and ICI Global in their letter to you dated 5 July 2013 regarding the way in which the Commodity Futures Trading Commission ("CFTC" or "Commission") is developing its guidance on the cross-border application of the Dodd-Frank Act Part VII provisions.

In particular, we strongly believe that we should be able to rely on substituted compliance. This would avoid confusion and conflicting regulation. Furthermore, in these circumstances we support ICI's recommendation

F&C Management Limited is authorised and regulated by the Financial Conduct Authority (FCA) FRN:119230
Limited by shares. Registered in England and Wales, No. 517895. Registered address and Head Office: Exchange House, Primrose Street,
London EC2A 2NY.

F&C Asset Management plc is a listed holding company of the F&C group.

F&C Management Limited is a member of the F&C Group and a subsidiary of F&C Asset Management plc.



that a one year compliance period should be provided in order to ensure that comparable derivatives regimes in applicable jurisdictions have time to develop, and that grandfathering be made available under the final cross border guidance.

Yours faithfully

A handwritten signature in blue ink, appearing to be 'P. Hall', written over a faint circular stamp or watermark.

Philippa Hall

Head of Regulatory Strategy

Direct Line: +44(0)20 7011 5143

Email: philippa.hall@fandc.com