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INTL FCStone Inc.
708 Third Avenue
New York, New York 10017

December 2, 2014

Christopher Kirkpatrick, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: ***Margin Requirements for Swap Dealers and Major Swap Participants**,*
79 Fed. Reg. 59898 (October 3, 2014); RIN 3038-AC97

Dear Mr. Kirkpatrick:

INTL FCStone, Inc. and its affiliates (collectively, "**INTL FCStone**" or the "**Company**") thank the Commodity Futures Trading Commission (the "**Commission**" or "**CFTC**") for the opportunity to comment on the proposed rule regarding Margin Requirements for Swap Dealers and Major Swap Participants (the "**Proposed Margin Rules**" or "**Proposed Rules**").[1]

INTL FCStone is a financial services company that provides its 20,000 plus customers across the globe with execution and advisory services in commodities, capital markets, currencies, and asset management. INTL FCStone Markets, LLC ("**IFM**") is a wholly-owned subsidiary of INTL FCStone and a provisionally registered swap dealer.

Through its international network of more than 1,000 employees, IFM's core business is helping mid-sized commodity producers, processors, merchants and end-users understand and mitigate their commodity price risk. Unlike many of the big banks and other financial institutions that have and are likely to register as swap dealers, IFM's counterparties are largely farmers, elevators, processors and merchants of agricultural commodities. Mitigation of commodity price risk is critical to the success of these market participants and non-centrally cleared swaps play an important role in these mitigation strategies. For a number of reasons, including the relatively smaller size of their commercial operations and related hedging transaction needs, and their dispersed geographic locations, these mid-market commercial clients typically do not have access to the risk management services of swap dealers that are affiliated with Bank Holding Companies. Nevertheless, this mid-sized commercial customer base in aggregate produces, processes, merchandises and/or uses a significant portion of U.S. domestic agricultural production. Without the changes to the Proposed Margin Rules discussed in this letter, the risk

[1] Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants; Proposed Rule, 79 Fed. Reg. 59898 (October 3, 2014).

management services provided by IFM and other mid-market non-bank Swap Dealers may be too cost prohibitive to the smaller and mid-market end users. As a result, many of the risks of these end-users are likely to remain un-hedged.

For the reasons explained in greater detail below, IFM respectfully requests that the Commission make the following specific revisions to, or clarifications of, the Proposed Margin Rules:

- **Calculation of Initial Margin**. The Commission should limit the posting and segregation of excess margin by allowing swap dealers and major swap participants (collectively, "**Covered Swap Entities**" or "**CSEs**") to submit margin methodology filings as self-executing filings if the methodologies have previously been approved on behalf of their affiliates by other regulators, including foreign regulators that have implemented margin regimes consistent with the BCBS-IOSCO Margin Requirements for Non-Centrally Cleared Derivatives (the "**BCBS-IOSCO Framework**").[2] In addition, the Commission should encourage the use of standardized models developed by industry groups by allowing CSEs to submit such models as self-executing filings if they have been approved for use by another market participant.

- **Threshold for Material Swaps Exposure:** The Proposed Rules incorporate a "material swaps exposure" ("**MSE**") threshold of $3 billion, which is substantially lower than the $11 billion (€8 billion) volume-based exception included in the BCBS-IOSCO Framework and the margin proposal issued by the European Supervisory Authorities (the "**European Proposal**").[3] We do not believe that the analysis contained in the Proposed Rules provides sufficient support for this difference because the analysis implicitly assumes that financial end users trade with only a single counterparty, when in practice such concentration of trading activity is rare. Accordingly, the Commission should conform to the BCBS-IOSCO Framework and European Proposal or, in the alternative, defer final adoption of the MSE definition until the Commission has conducted a more thorough analysis of the uncleared swap markets.

- **Re-Use of Posted Margin**. The Proposed Rules do not permit initial margin, which must be held by a third-party custodian, to be rehypothecated, re-pledged, or reused. The margin rules should instead provide that reuse of posted margin is acceptable if the relevant model were to meet the standards proposed in the BCBS/IOSCO Framework. In addition, the Department of the Treasury, the Federal Reserve and other prudential regulators (the "**Prudential Regulators**") and the Securities and Exchange Commission

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[2] Basel Committee on Banking Supervision and Board of the International Organization of Securities Commissions, Margin Requirements for Non-Centrally Cleared Derivatives, September 2013, available at http://www.bis.org/publ/bcbs261.pdf.

[3] Consultation Paper on the Draft regulatory technical standards on risk-mitigation techniques for OTC-derivative contracts not cleared by a CCP under Art. 11(15) of Regulation (EU) No 648/2012 published by the European Securities and Markets Authority, the European Banking Authority and the European Insurance and the Occupational Pensions Authority on April 14, 2014.

may permit reuse of posted margin,[4] and if so, a prohibition by the Commission will create a competitive disadvantage for market participants subject to the Commission's rules.

- **Cross-Border Application**. The Commission should apply the Proposed Rules as transaction-level requirements under the CFTC's previously published Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations (the "**Cross-Border Guidance**"),[5] consistent with its statements in the Cross-Border Guidance, to prevent differences in the extraterritorial application of the clearing rules and the margin rules. In addition, the Commission should not apply the Proposed Rules to swaps that are cleared by foreign clearinghouses that have been determined to be in compliance with the CPSS-IOSCO Principles for Financial Market Infrastructures (the "**PFMIs**"),[6] in order to avoid over-margining and a potential flight from such clearinghouses.

Discussion

I. Calculation of Initial Margin

While it is important to require the posting of margin in amounts that are sufficient to mitigate risk and protect market integrity, requiring the posting and segregation of excess margin as proposed in the rule will have the counterproductive effect of reducing market liquidity at the very times when liquidity is key to the continued functioning of the global financial markets. The BCBS-IOSCO quantitative impact study[7] estimates that using a standardized schedule for calculating initial margin would require the posting and segregation of 11 times more initial margin ("**IM**") than that required under a models-based calculation approach.[8]

Use of models would prevent excessive amounts of liquid assets from being unavailable for use in the markets generally, as sophisticated models are generally better able to determine risk levels of particular transactions and when netting is appropriate. Of course, this does not mean that CSEs should be permitted to use internal models that have not been reviewed by a regulator. However, when one regulator has approved the use of a model, it would be an inefficient use of resources both at the regulator level and at the market participant level to prohibit that model's use by other market participants until it has been reviewed and approved by a second regulator.

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[4] See Margin and Capital Requirements for Covered Swap Entities; Proposed Rule, 79 Fed. Reg. 573458 at 57374 (September 24, 2014).

[5] 78 Fed. Reg. 45292 (July 26, 2013).

[6] Committee on Payment and Settlement Systems and Technical Committee of the International Organization of Securities Commissions, Principles for Financial Market Infrastructures, April 2012, available at http://www.bis.org/cpmi/publ/d101a.pdf.

[7] See BCBS-IOSCO, Second Consultative Document, Margin requirements for non-centrally cleared derivatives (Feb. 2013).

[8] It is also important to note that the BCBS-IOSCO study was conservative in its calculations, given that it assumed an €8 billion standard exposure threshold for financial end users rather than the Commissions proposed $3 billion threshold.

For this reason, we recommend that the Commission allow CSEs to submit margin methodology filings as self-executing filings if the methodologies have already been approved on behalf of their affiliates by other regulators, including foreign regulators that have implemented margin regimes consistent with the BCBS-IOSCO Framework. This would further Congress' stated goal, as described in the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), that the margin requirements of the Commission, the Prudential Regulators, and the Securities and Exchange Commission be comparable.[9] Such comparability would be undermined if all regulators did not accept the same margin methodologies.

Allowing for automatic approval of margin methodologies that have already been vetted and approved by another regulator would allow affiliated groups to maintain the consistency of their risk management programs – for example, an affiliated swap dealer and security-based swap dealer should be permitted to use the same margin methodology, whether the agency that reviewed the methodology is the Commission or the SEC. Permitting affiliated entities to use the same margin calculation model would further the stated goals of the Internal Business Conduct Standards, which require CSEs to have a risk management program related to swaps activity that is integrated into risk management at the consolidated entity level.[10]

We also recommend that the Commission take steps to facilitate the use of standardized models for the calculation of IM. The use of such models would increase transparency as all market participants will have access to the model's calculation methodologies, and market participants that are not otherwise regulated would not have to rely on their regulated counterparties to produce appropriate models. In addition, the use of standardized models would reduce the potential for disputes among market participants using such a model. Thus, we suggest that the proposed rule be modified to allow that a model that has been developed by industry groups and the Commission or another regulator and has been approved for use by one market participant, such model should be automatically approved for all market participants.

Finally, we recommend that CSEs be permitted to determine IM by netting based on risk sensitivities of their portfolios, instead of based on specific types of asset class. Requiring netting based on asset class could present operational difficulties for CSEs – for example, an OTC swap could have exposure to both rates and foreign exchange risk, and there would be no guidance for the CSE to classify that swap – or to ensure that its counterparties classified the swap in the same manner. Requiring netting based on a rigid set of asset-class based categories could cause market participants to forego swaps that are difficult to categorize, leading to imperfect hedging and increased overall risks in the financial markets.

II. Material Swaps Exposure Threshold

The Proposed Rules would define MSE as $3 billion in average monthly gross notional amount of swaps, SBS, FX swaps and FX forwards. This represents a decrease of almost 75% from the €8 billion ($11 billion) month-end gross notional amount threshold contained in the BCBS-IOSCO Framework and the European Proposal, thereby substantially expanding the class

[9] Commodity Exchange Act §4s(e)(3)(D)(ii).
[10] 17 C.F.R. 23.600.

of U.S. financial end-users that are subject to the IM rules. In the Proposed Rules, the Commission explains that the lower threshold is based on a rough comparison of the amount of margin required for certain cleared swap portfolios against the proposed $65 million IM threshold.[11] Based on this comparison, the Commission expressed concern that the BCBS-IOSCO Framework's €8 billion aggregate gross notional threshold would exclude financial end users whose IM requirements would exceed the $65 million "minimum collection amount" ("**MCA**") threshold.[12]

We believe that the Proposed Rules diverge from international standards in the use of MCA to calculate MSE. An analysis by the Commission found that financial end-users with total MSE exceeding $3 billion and less than $11 billion would, on average, be required to post more than the $65 million MCA. The Commission reasoned that the Basel Committee intended the MSE threshold to be aligned with the MCA threshold, so they lowered the $11 billion MSE threshold to $3 billion.

However, we consider the two thresholds as distinct in their scope and purposes and believe that the Commission (and the Prudential Regulators) have, in fact, adopted an approach inconsistent with the BCBS-IOSCO Framework, which does not reflect the intent to align these two thresholds.

The IM threshold of $65 million or MCA is a bilateral threshold which is intended to alleviate the operational burdens related to collecting and posting small amounts of IM for all parties subject to the IM requirements. In contrast, the MSE threshold is an entity threshold meant to identify and exclude from the margin requirements those financial end users whose swaps activity is limited and who do not pose systemic risk to the financial markets. The BCBS/IOSCO Framework defined and provided levels for the two different thresholds and did not relate the two.

The MCA threshold ensures that IM is only exchanged for large exposures between counterparties. For example, two large swaps dealers are not required to exchange IM until their exposures to one another exceed the level where the failure of one entity could deplete the capital of the other entity by this specified amount. As an entirely separate matter, a financial end-user that uses only $3 billion total in non-cleared swaps to hedge risk does not comprise meaningful proportion of the total non-cleared swaps market and thus its hedging costs should not be increased by a minimum IM requirement. Thus, the Basel Committee thought that the $11 billion threshold was the right threshold for imposing initial margin requirements. Thus, given the materially different motivation behind each threshold, the BCBS-IOSCO Framework reflects no need to align them; one exempts small exposures between two covered swaps entities and the other exempts financial end-users with minimal total swaps exposure.

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[11] The Prudential Regulators made a similar calculation. 79 Fed. Reg. 573458 at 57367 (September 24, 2014).

[12] The BCBS-IOSCO Framework, the European Proposal and the Proposed Rules do not require entities to actually exchange IM collateral until their non-cleared swaps exposures to one another would necessitate $65 million in IM.

For this reason, we recommend that the Commission revise the MSE threshold of $3 billion, so that it is consistent with the BCBS-IOSCO Framework and the European Proposal of $11 billion. If the Commission fails to make this change, U.S. financial entities that seek to use non-cleared swaps to hedge financial risks will have increased hedging costs and be at a competitive disadvantage to foreign financial entities. Practically speaking, applying a lower MSE threshold to US CSEs will cause harm to both financial end users based in the United States and those US-based CSEs. US financial end users that fall under the $11 billion notional threshold but exceed a $3 billion threshold, if they continue to transact with US CSEs, will face higher hedging costs than their foreign counterparts, since those foreign counterparts will not be required to post margin in their trades with foreign swap entities. However, if US financial end users view the increased margin costs as prohibitive, they could also turn to unregulated entities in order to avoid compliance with the margin rules entirely, or could cease to hedge certain risks, thus increasing overall systemic risk.

We are also concerned that a lower MSE threshold will increase the pro-cyclicality of the margin requirements. In times of stress in the financial markets, volatility rises, which results in increased demand for IM, leading to increased demand and prices for eligible collateral, adding to the stress in the financial markets. The risk of pro-cyclicality will be even greater with a MSE threshold of $3 billion instead of $11 billion. The number of counterparties that will be subject to the margin requirements will be greater with the lower threshold and the population on the cusp that moves above the threshold in any given period will be greater, compounding the pro-cyclicality risk. For this reason, we support ISDA's request for a study to be performed to determine the pro-cyclical effects of using a threshold of $3 billion instead of $11 billion.

The Commission has time to conduct this analysis because the MSE exception will not become relevant until the last compliance date for IM requirements. The Commission, therefore, should defer adoption of a final volume-based exception until after it has also completed a study of the liquidity and cost impact of different exceptions and a related cost-benefit-analysis. This approach would be similar to the one taken by the Commission when it adopted its final Swap Dealer *de minimis* exception.

In addition to the foregoing, we recommend that the Commission make several technical clarifications related to the calculation of material swaps exposure. First, the Commission should use its standard definition of "affiliate" to determine whether an entity and its affiliates collectively have material swaps exposure, looking to majority ownership.[13] The definition used by the Commission in the Proposed Rules reaches to a broader universe, stating that control of 25% of an entity's voting securities leads to affiliate status. The Notice of Proposed Rulemaking does not explain this departure, and it creates several issues that the Commission must address either by returning to its original definition or clarifying the Proposed Rules.[14]

The Proposed Rules do not make clear how entities should be treated if they are 25% owned or controlled by more than one entity. For example, should the swap transactions entered into by a joint venture that is 25% controlled by four otherwise unaffiliated financial end users be

[13] For example, see the Inter-Affiliate Exemption, 17 C.F.R. 50.52(a)(1)(i).

[14] Note that this is also a departure from the BCBS-IOSCO Framework, which determines material swaps exposure and other thresholds on a consolidated group basis.

taken into account by all four financial end users? Using the Commission's standard majority-based definition would negate this lack of clarity. If the Commission does not wish to use the standard definition, we recommend that the swaps exposure of affiliates where no majority ownership is present be taken into account only where the swap transactions of the less-than-majority-owned affiliate are guaranteed by its purported affiliate. Otherwise, taking into account exposures of the same entity multiple times would result in financial end users having to post and collect excessive amounts of margin.

Another technical issue that the Commission must address is how a CSE will identify counterparties that have material swaps exposure. We recommend that the Commission clarify that a CSE may rely on representations by its counterparties as to their material swaps exposure. CSEs should not be responsible for making this calculation, as it is possible that the required information will not be publicly available. Permitting such reliance would be consistent with other Commission regulations, where CSEs are permitted to reasonably rely on counterparty representations as to end user status[15] and special entity safe harbor status,[16] unless the CSE has reason to believe such representations are incorrect. In addition, CSEs should be permitted to rely on counterparty representations regarding the identity of a financial end user's affiliates, which is an integral portion of the calculation of material swaps exposure.

III. Re-use of Posted Margin

According to the BCBS-IOSCO Framework,[17] IM collateral that has been posted to a CSE may be re-used by the CSE to finance a hedge position associated with a counterparty's transaction, so long as applicable insolvency law gives the posting counterparty protection from risk of loss of IM in the event the CSE becomes insolvent. If such protections exist, and a financial end-user consents to having its IM reused, then a CSE may re-use IM provided by a financial end-user or another CSE one time to hedge the CSE's exposure to the initial swap transaction.

The reuse of IM collateral can efficiently reduce the cost of non-cleared swaps for U.S. financial end-users, because it allows CSEs to hedge their exposures. For example, a CSE selling non-cleared credit swap protection to a financial end-user counterparty could re-use the IM that it receives from that transaction to buy noncleared credit swap protection from another counterparty. As a result, allowing for the reposting of IM can reduce the liquidity burden on CSEs when they enter into offsetting positions, thereby reducing transaction costs for derivatives users. Moreover, because U.S. bankruptcy laws protect U.S. financial entities in the case of an insolvency of the covered swaps entity, and the collateral may only be reused once for hedging purposes, aligning the Proposed Rules with the BCBS-IOSCO Framework in this respect would not expose U.S. financial entities to any undue risk.

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[15] For an example, see the End-User Exception to the Clearing Requirement for Swaps, 77 Fed. Reg. 42560 at 42570 (July 19, 2012).

[16] 15 C.F.R. 23.450(d).

[17] See Basel Committee on Banking Supervision and Board of the International Organization of Securities Commissions, Margin Requirements for Non-Centrally Cleared Derivatives, September 2013, available at http://www.bis.org/publ/bcbs261.pdf.

The ability to reuse margin in this manner is particularly important for mid-market non-bank swap dealers like IFM. Such mid-market swap dealers would not reuse margin to engage in proprietary trading or securities lending, but need the ability to use margin to finance hedges directly related to their client-facing trades. Such hedges are beneficial to clients, as they are entered into in order to enable the swap dealer to fulfill its obligations under client-facing transactions. Thus, we believe that a restriction on re-use of posted margin will actually add to market risk. On the other hand, if mid-market swap dealers are permitted to use IM to finance hedge activity, on the condition that the hedge is directly related to the underlying client and the specific trade at hand, then this activity will mitigate transaction risk and market risk.

If mid-market non-bank swap dealers are required to independently post IM to an exchange or counterparty, rather than utilize clients' IM, then such swap dealers would have to borrow from external sources, at a cost, in order to fund the posting of the IM. The cost to the swap dealers, would in turn, be passed on to their counterparties. Although the margin rule is intended to manage systemic risk, an unintended consequence of the rule for mid-market swap dealers and their end-user clients would be that transaction costs will increase. As a result, the Proposed Rules may cause certain market participants to be squeezed out or otherwise unwilling to tie up capital, leaving those market participants with un-hedged risk.

For the forgoing reasons, we suggest that the Commission revise the Proposed Rules to be consistent with the BCBS-IOSCO Framework and permit the reuse of IM under certain circumstances, in particular, where the counterparty consents, applicable insolvency law gives the counterparty protection from risk of loss of IM in the case that the covered third party becomes insolvent, where the hedge is directly related to the underlying client and the specific trade at hand, and where the reuse is not in connection with proprietary trading.

IV. Cross-Border Application

A. The Commission should apply the Proposed Rules as transaction-level requirements under the Cross Border Guidance.

The reach of Dodd-Frank extends not only to activities that take place in the US markets, but also to activities that "have a direct and significant connection with activities in, or effect on, commerce of the United States" or that "contravene such rules or regulations as the Commission may prescribe or promulgate as are necessary or appropriate to prevent the evasion" of the Dodd-Frank regulatory regime.[18] Thus, the Commission has the authority to regulate swap transactions outside the United States, but must consider whether such activities meet the thresholds described in Dodd-Frank.

In its Cross-Border Guidance, the Commission divided the major Dodd-Frank requirements into "entity-level" requirements and "transaction-level" requirements.[19] The entity-level requirements are obligations that would be difficult to separate out on a transaction-by-transaction basis, such as risk management, capital adequacy, having a chief compliance

[18] Commodity Exchange Act § 2(i).
[19] Cross-Border Guidance, 78 Fed. Reg. 45292 at 45331 (July 26, 2013).

officer, and reporting requirements for which registered entities are likely to have set up automated processes. The transaction-level requirements are more easily separated by transaction, and include clearing and execution, trade confirmation, and the external business conduct standards (such as the requirement to provide a daily mark or scenario analysis). The Cross-Border Guidance correctly classified margin as a transaction-level requirement.[20] As with the clearing requirement, it is practicable to separate out transactions which are subject to the margin requirements and transactions which are not.

The fact that the clearing and trade execution requirements were determined to be transaction-level, and not entity-level, requirements should inform the Commission's decision regarding the classification of the margin requirement. Dodd-Frank requires the posting of margin for uncleared swaps to make up for the fact that such swaps are not able to take advantage of the risk mitigation that clearing offers. It would be an odd result if the Commission were to determine that the reach of the clearing requirement was not as great as that of the margin requirement, given that both requirements are intended to address counterparty credit risk.

It is also instructive to review the transactions which would be subject to the Proposed Rules, were they treated as an entity-level requirement, in contrast to the transactions that would be subject to the Proposed Rules as a transaction-level requirement. For example, if the Proposed Rules were treated as an entity-level requirement, they would apply (with substituted compliance available only if the Commission so determined) to transactions between non-US CSEs and their non-US counterparties, whether or not those non-US counterparties were affiliated with or guaranteed by a US person.[21]

It is difficult to conclude that transactions between two non-US entities would have the direct and significant effect on US commerce necessary to invoke the Commission's authority on such transactions. While, for example, a non-US swap dealer's failure at the entity level to maintain adequate capital or to have in place a proper risk management policy could have a significant impact on its US counterparties, thus necessitating the application of those rules at the entity level, a non-US swap dealer's failure to margin transactions with its non-US counterparties should not have a similar direct and significant impact as long as the swap dealer is otherwise complying with the entity-level requirements for capital adequacy and risk management.

B. Swaps that are cleared by foreign clearinghouses that have been determined to be in compliance with the PFMIs should not be subject to the Proposed Rules.

In a number of circumstances, the Commission has acknowledged that US parties may satisfy their clearing obligations by using clearing organizations that are compliant with the PFMIs. For example, in the Clearing Exemption for Swaps Between Certain Affiliated Entities (the "**Inter-Affiliate Exemption**"),[22] the Commission requires electing affiliates to clear all

[20] Cross-Border Guidance, 78 Fed. Reg. 45292 at 45334 (July 26, 2013).
[21] 79 Fed. Reg. 59917.
[22] 78 Fed. Reg. 21750 (April 11, 2013).

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outward-facing swaps on a registered DCO or a clearinghouse that is subject to supervision by appropriate government authorities in the clearinghouse's home country and has been assessed to be in compliance with the PFMIs.[23] Similarly, all contracts that an FBOT makes available for trading by direct access in the United States are subject to a clearing requirement. This clearing requirement can be satisfied either by the FBOT's clearing through a registered DCO or through another clearing organization that is in good regulatory standing in its home country and observes the PFMIs.[24]

Given that Principle 6 of the PFMIs includes margin requirements very similar to the requirements of the Proposed Rules,[25] the Commission should not subject parties that elect to use such clearing organizations to additional margin requirements. The costs of such excessive margining would clearly outweigh its benefits. First, requiring the posting of margin in addition to that required by the related clearing organization would result in an unnecessary drain on liquidity in markets. And more importantly, counterparties could determine that the costs of clearing (including posting the margin required by such clearing agencies) in addition to posting bilateral margin are too great and turn to uncleared swaps in order to avoid the additional costs. This would result in increased risk to the financial system, rather than avoiding risk in accordance with the goals of Dodd-Frank.

V. Conclusion

INTL FCStone and IFM generally support the Proposed Margin Rules and are grateful that the Commission is again consulting the public on the implementation of margins for uncleared swaps. IFM welcomes the progress that has been made on this issue but urges the Commission to reconsider its position on the threshold for material swaps exposure, rehypothecation, the calculation of initial margin and the application of the Proposed Rules to cross-border transactions as described in this letter.

If you have any questions about any of the comments outlined in this letter, please do not hesitate contact me for more information at 212.379.5449 and email at Catherine.Napolitano@intlfcstone.com.

Sincerely,

Catherine E. Napolitano
Deputy General Counsel

[23] 17 C.F.R. 50.52(b)(4)(B).

[24] 17 C.F.R. 48.7(d).

[25] Committee on Payment and Settlement Systems and Technical Committee of the International Organization of Securities Commissions, Principles for Financial Market Infrastructures, April 2012, available at http://www.bis.org/cpmi/publ/d101a.pdf.