	ISO/TC 68 AG2 Standards Advisory Group
	22 February 2016

Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Comments on Draft Technical Specifications for Certain Swap Data Elements

The members of the ISO Technical Committee 68 (Financial Services) Standards Advisory Group ("SAG") is appreciative of the opportunity to provide feedback to the Commodity Futures Trading Commission (the "CFTC" or "Commission") with respect to the above mentioned Draft Technical Specifications.

TC68 had established the Standards Advisory Group (SAG-TC68/AG2), which mandate is to engage with regulators on financial services standards requirements, for the use and development of financial services standards. The answer to this consultation has therefore been made by the SAG.

In this capacity, we wish to offer commentary on the ISO standards that may be utilized to increase the quality of and efficiency in reporting data to the CFTC. It is, however, not the intention of the ISO TC 68 Standards Advisory Group to opine on the implementation of the standards that are put forward for consideration, and we have confined ourselves to commentary primarily in regard to the data attributes of ISO 17442.

Counterparty-Related Data Questions

1. Are there challenges associated with identifying the Ultimate Parent and/or Ultimate Guarantor of a swap counterparty? If so, how might those challenges be addressed?

Some jurisdictions do not allow information regarding Ultimate Parent/Guarantor to be readily shared, where in other areas this information is not readily available publically for verification purposes. As noted in other questions, a singular parent/guarantor is not always the ultimate, as in the case of joint ventures, or varying ownership percentages.

It is the belief of the SAG that such information should be provided by the LEI registrant at the time of registration, and that this data be retained as part of the LEI record, rather than as part of the swap record on a transactional basis.

2. Are there any additional counterparty-related data elements that should be included to evaluate the risk undertaken by the Ultimate Parent and Ultimate Guarantor?

No commentary.

3. When a swap counterparty has more than one Ultimate Parent, including, but not limited to, situations in which an entity is a joint venture, how might this be reflected in a single data element?

Assuming that the Commission is considering reflecting this data element utilizing the Legal Entity Standard, it is the opinion of the SAG that this should also be reflected in the static data held by the Global Legal Entity Identifier Foundation (GLEIF). No concatenation of LEI's should be considered.

4. Are there situations in which a natural person is the Ultimate Parent of a swap counterparty? If so, is it clear who should and should not be reported?

5. Should the allowable values for Counterparty ID be modified for counterparties that are natural persons? If so, how?

While there may be situations (family-owned businesses) where a natural person is the Ultimate Parent, it is not clear how such situations would fit into accounting hierarchies currently being proposed for usage for Ultimate Parent/Guarantor capture.

It is the opinion of the SAG that the ISO 17442 standard could be modified to allow for natural persons within as-yet-to-be-defined situations, as any unique identifiers for natural persons have significant privacy and data portability issues. As part of implementation, certain fields (address?) may need to be suppressed from public files.

6. Is there an alternative definition that would more appropriately capture all forms of prime brokerage relationships and transactions in the swap markets?

No commentary.

7. Please provide feedback on any aspect of the draft technical specifications for the data elements presented below.

The ISO SAG will not comment on the implementation of the standard as relates to the proscription of "only current and valid LEIs", but notes that LEIs by the nature of the standard are meant to identify a legal entity in perpetuity regardless of the status of the record. The ISO SAG also recognizes that the quality of the identifying information and its association with an entity may decline over time in the absence of regular recertification.

We thank the Commission for providing this opportunity to comment. We would be pleased to provide for clarification or expansion on our commentary, should there be a need. Such requests should be directed to Christine Jozet, Secretary of the TC68/AG2 SAG (christine.jozet@ecb.europa.eu)

Yours faithfully,
Allie Harris / François Laurent
ISO/TC68 AG2 Co-Chairs