



Dated: February 24, 2017

Chris Kirkpatrick
Secretary
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

Re: Capital Requirements for Swap Dealers and Major Swap Participants;
RIN 3038-AD54; Extension Request

Dear Mr. Kirkpatrick:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ is writing to request that the Commodity Futures Trading Commission (the “Commission”) extend the comment period as to the Commission’s repropose capital requirements, liquidity requirements, and related financial reporting and recordkeeping requirements² rules for swap dealers (“SDs”) and major swap participants (“MSPs”) (the “Proposal”). In light of the importance and the complexity of the Proposal, we respectfully request that the Commission extend the comment deadline for a period of 60 days so that SIFMA’s member firms may more appropriately evaluate the Proposal’s potential impacts.

SIFMA and its members recognize the importance of the request for comment on this topic and we are working diligently to provide useful feedback prior to the existing comment deadline. However, given the significance and the intricacy of the Proposal’s issues, we believe more time is necessary in order to provide a thorough and constructive response.

The requirement of an extended comment period on the Proposal results from the work that must be done in order for the firms to calculate the effects on their activities of the different types of capital requirements. For many firms, this requires doing calculations under both capital methodologies proposed by the Commission; additionally, firms must calculate the effect of the use of models as opposed to standardized charges. The difficulty of getting this done has been compounded by the timing of the issuance of the Proposal. Most significantly, the Proposal was issued just before year end and the time for comment largely overlaps with the period in which

¹ SIFMA is the voice of the U.S. securities industry. We represent the broker-dealers, banks and asset managers whose nearly 1 million employees provide access to the capital markets, raising over \$2.5 trillion for businesses and municipalities in the U.S., serving clients with over \$20 trillion in assets and managing more than \$67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

² See 81 Fed. Reg. 91252 (Dec. 16, 2016). See also 76 Fed. Reg. 27802 (May 12, 2011) (Original Capital Proposal). The new rules would be adopted pursuant to Sections 4s(e) and (f) of the Commodity Exchange Act (the “CEA”), as added by section 731 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”).

the relevant financial professionals at most firms are fully engaged with year-end accounting and reporting. In addition, the Commission's original deadline for the collection of margin fell during this comment period. This deadline was, and continues to be, a significant drain on relevant resource. As you can well appreciate, the rules are complex and understanding their combined impact on a number of products, transaction types and customer types will require significant time beyond March 16, 2017.

SIFMA appreciates the Commission Staff's willingness to consider an extension of time to respond to these important rules in a deliberate and effective manner. We kindly ask that you respond to this request as soon as possible in light of the proximity of the comment deadline and the length and complexity of the Proposal. Timely action on this relief will enable commenters to allocate their limited resources appropriately over the next few months. Please contact Mary Kay Scucci at 212-313-1331, or Steve Lofchie, of Cadwalader, Wickersham & Taft LLP at 212-504-6700 if you have any questions about the relief requested herein.

Respectfully submitted,

A handwritten signature in blue ink that reads "Mary Kay Scucci". The signature is written in a cursive, flowing style.

Mary Kay Scucci, PhD, CPA
Managing Director
SIFMA

cc: Eileen T. Flaherty, Director, Division of Swap Dealer and Intermediary Oversight
Thomas Smith, Deputy Director, Division of Swap Dealer and Intermediary Oversight
Steven Lofchie, Partner, Cadwalader, Wickersham & Taft LLP