



July 24, 2017

Mr. Christopher Kirkpatrick  
Secretary  
U.S. Commodity Futures Trading Commission  
1155 21st Street, NW  
Washington, DC 20581

**Re: Commodity Futures Trading Commission Request for Public Input on Simplifying Rules (Project KISS); Extension of Certain Time-Limited No-Action Relief**

Dear Mr. Kirkpatrick:

The Institute of International Banking, International Swaps and Derivatives Association, Inc. and Securities Industry and Financial Markets Association (together, the “Associations”)<sup>1</sup> greatly appreciate the continuing efforts of the Commodity Futures Trading Commission (“CFTC” or “Commission”) and its staff to review rules, regulations and practices to identify those areas that can be simplified and made less burdensome and costly, including as part of the Commission’s Project KISS initiative.<sup>2</sup> As the Commission has implemented many important and significant requirements under the Dodd Frank Act’s Title VII, such a review is timely as both the Commission and market participants have a better understanding of the resulting impacts of such efforts, helping to inform where changes are necessary and appropriate. It is our intention to provide helpful feedback to the Commission throughout this process, identifying areas for review and offering recommendations on how to apply them in ways that are simpler, less burdensome and less of a drag on the American economy.

As the Commission is aware, due to the rapid pace of finalizing and implementing its Title VII regime, staff routinely issued guidance and no-action relief to address difficulties presented by new rules, including unachievable compliance dates and problematic requirements. Over the years, many of these welcome and necessary no-action letters have been extended (in some cases, several times) because the underlying practical or market issues that required the relief remain unresolved. This has resulted in a continuous cycle of market participants submitting extension requests, dialogue between Commission staff and industry participants

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<sup>1</sup> For a description of each Association, please see page 3 of this letter.

<sup>2</sup> See Press Release, available at: <http://www.cftc.gov/PressRoom/PressReleases/pr7555-17>.

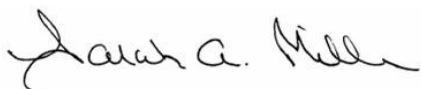
regarding the necessity for such extensions and deliberation and resource allocation by the Commission - leading to Commission staff granting the requested extensions as a temporary, but necessary, fix. Ultimately, however, the underlying issues that many no-action letters intend to address require Commission action to resolve.

The Associations and their members appreciate the Commission and staff's continued attention to these issues. Nevertheless, the cycle of requesting, discussing and granting extensions of relief results in unnecessary uncertainty and resource consumption for both market participants and staff. These negative impacts can be avoided by removing the time limitations on certain no-action relief where persisting issues remain difficult, if not impossible, to remedy under current circumstances. This approach was taken in the recent extension of two no-action letters<sup>3</sup>, which the Associations support and hope to see expanded in other areas. Extending relief until the effective date of related changes in regulation will have a positive impact, providing certainty for markets and market participants alike. The CFTC will also benefit, as it will not need to dedicate resources to rolling relief, and will provide the Commission with further time to develop workable, permanent solutions to address the underlying issues necessitating relief in ways which meet its regulatory goals.

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The Associations believe the extension of the relief provided by no-action letters referenced in the attachment would be a beneficial early step as part of the Commission's Project KISS initiative. Please feel free to reach out to the undersigned should you have any questions.

Sincerely,



Sarah A. Miller  
Chief Executive Officer  
Institute of International Bankers



Steven Kennedy  
Global Head of Public Policy  
ISDA



Kyle Brandon  
Managing Director, Head of Derivatives  
SIFMA

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<sup>3</sup> See CFTC Letter 17-27 ("The relief shall expire on the effective date of any changes in the regulations."), available at: <http://www.cftc.gov/idc/groups/public/@lrllettergeneral/documents/letter/17-27.pdf>; also see CFTC Letter 17-17 ("The relief shall expire on the effective date of any changes in the regulation), available at: <http://www.cftc.gov/idc/groups/public/@lrllettergeneral/documents/letter/17-17.pdf>.

## Description of the Associations

The Institute of International Bankers (**IIB**) is the only national association devoted exclusively to representing and advancing the interests of the international banking community in the United States. Its membership is comprised of internationally headquartered banking and financial institutions from over 35 countries around the world doing business in the United States.

The IIB's mission is to help resolve the many special legislative, regulatory, tax and compliance issues confronting internationally headquartered institutions that engage in banking, securities and other financial activities in the United States. Through its advocacy efforts the IIB seeks results that are consistent with the U.S. policy of national treatment and appropriately limit the extraterritorial application of U.S. laws to the global operations of its member institutions. Further information is available at [www.iib.org](http://www.iib.org).

Since 1985, **ISDA** has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 850 member institutions from 68 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, clearing houses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org).

The Securities and Financial Markets Association (**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 \$18.5 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>.

**APPENDIX**

No-Action Letter ("NAL") #	Previous NAL(s)	Division(s)	NAL Title	Relevant Rule / CEA Reference	Current NAL Expiry Date
16-64	13-71 14-01 14-74 14-140 15-48	DSIO; DCR; DMO	Extension of No-Action Relief: Transaction-Level Requirements for Non-U.S. Swap Dealers	17 CFR 23.202, 23.205, 23.400 to 23.451, 23.501 to 23.506, 23.610, 23.701 to 23.704, and parts 37, 38, 43, and 50	Earlier of September 30, 2017 or the effective date of any Commission action with respect to issues that are the subject of the NAL.
16-79	13-75 14-141 15-61	DMO	Extension of time-Limited No-Action Relief from Certain Requirements of Part 45 and Part 46 of the Commission's Regulations, for Certain Swap Dealers and Major Swap Participants Established under the Laws of Australia, Canada, the European Union, Japan or Switzerland	17CFR Parts 45 and 46	Earlier of December 1, 2017 or 30 days following the issuance of a comparability determination by the Commission with respect to the SDR Reporting Rules for the jurisdiction in which the non-U.S. SD or non-U.S. MSP is established.
16-76	14-12 14-62 14-137 15-55	DMO	Extension of No-Action Relief from the Commodity Exchange Act Sections 2(h)(8) and 5(d)(9) and from Commission Regulation § 37.9 and Additional No-Action Relief for Swap Execution Facilities from Commission Regulation § 37.3(a)(2) for Swaps Executed as Part of Certain Package Transactions.	CEA sec 2(h)(8), 5(d)(9), and 17 CFR 37.9 and 37.3(a)(2)	11:59 p.m. EST November 15, 2017

No-Action Letter ("NAL") #	Previous NAL(s)	Division(s)	NAL Title	Relevant Rule / CEA Reference	Current NAL Expiry Date
16-74	14-118 15-60	DMO	Extension of No-Action Relief for Swap Execution Facilities from Certain "Block Trade" Requirements in Commission Regulation 43.2	17 CFR 43.2	Earlier of November 15, 2017 at 11:59 pm EST or the effective date of any Commission action with respect to issues covered by the NAL
15-68	No previous NAL, but issue seems to require Commission action for permanent resolution	DMO	No-Action Relief for Swap Execution Facilities from Certain Audit Trail Requirements in Commission Regulation 37.205 Related to Post-Trade Allocation Information	17 CFR 37.205	11:59 p.m. (EST) on November 15, 2017
16-80	14-26 14-136 15-62	DMO	Extension of Time-Limited No-Action Relief from the Commodity Exchange Act Section 2(h)(8) for Swaps Executed Between Certain Affiliated Entities that are Not exempt from clearing under Commission Regulation § 50.52	17 CFR 50.52, CEA 2(h)(8)	11:59 p.m. EST, December 31, 2017

No-Action Letter ("NAL") #	Previous NAL(s)	Division(s)	NAL Title	Relevant Rule / CEA Reference	Current NAL Expiry Date
16-81	14-25 14-135 15-63	DCR	Time-Limited No-Action Relief from Certain Provisions of the Treatment of Outward-Facing Swaps Condition in the Inter-Affiliate Exemption	17 CFR 50.52	Earlier of 11:59 p.m. EST, December 31, 2017 or 60 days after the date on which the Commission announces that it has made a comparability determination described in regulation 50.52(b)(4)(i)
16-84	This NAL is similar to 16-81, but for additional jurisdictions	DCR	No-Action Relief from Regulation 50.52(b)(4)(ii) for Swaps with Eligible Affiliate Counterparties Located in Australia or Mexico	17 CFR 50.52(b)(4)(ii)	11:59 pm (eastern), December 31, 2017
16-85	No previous NAL, but issue seems to require Commission action for permanent resolution	DMO	No-Action Relief from Certain Reporting Obligations for Counterparties Clearing Swaps through Derivatives Clearing Organizations Acting under Exemptive Orders or No-Action Relief	17 CFR 45	Earlier of January 31, 2018 or effective date of Commission action addressing the issues covered by the NAL or the revocation or expiration of the exemptive order or NAL issued to the Relief DCO