CME Group

May 22, 2020

Via Electronic Submission

Mr. Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

RE: **Real Time Public Reporting Requirements RIN Number 3038-AE60; Swap Data Recordkeeping and Reporting Requirements RIN Number 3038-AE31**

Dear Mr. Kirkpatrick:

      CME Group Inc. ("CME")[1] appreciates the opportunity to provide the Commodity Futures Trading Commission ("CFTC" or the "Commission") with comments regarding the proposed revisions to Parts 43, 45, 46 and 49 of the Commission's regulations ("Proposed Regulations")[2] and the related draft technical specifications published by the Commission.[3] CME is currently operational as a provisionally registered Swap Data Repository ("SDR"), is also registered with the CFTC as a derivatives clearing organization ("DCO") and is one of the largest central counterparty clearing services in the world. CME also has been designated as a systemically important financial market utility under Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

      CME supports the Commission's efforts to promote the accurate and complete reporting of swap transaction data and to streamline its reporting requirements. We appreciate the efforts of the CFTC and its staff over the years to engage with market participants to improve the efficiency of its swap data reporting requirements and to harmonize its requirements with those of other international regulators. While the Proposed Regulations will primarily impact CME in its capacity as an SDR, certain aspects of the Proposed Regulations also will impact CME in its capacity as a DCO. As a result, the comments set forth below address CME's concerns from both of these perspectives.

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[1] CME Group is the parent company of four U.S.-based designated contract markets ("DCMs"): Chicago Mercantile Exchange Inc. ("CME"), the Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX") and the Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges").

[2] See Real Time Public Reporting Requirements 85 Fed. Reg. 21516 (April 17, 2020; Swap Data Recordkeeping and Reporting Requirements 85 Fed. Reg. 21578 (April 17, 2020).

[3] See Technical Specification Document for Part 43 and Part 45 Reporting published by the Commission on February 20, 2020 (the "Draft Technical Specifications"). CME's general comments on the Draft Technical Specifications are included in the body of this letter. CME's technical comments on the Draft Technical Specifications are attached hereto as Exhibit A.

I.   Part 43.2 – Definitions

Proposed § 43.2 would add a definition of "execution date" and define this term to mean "the date, determined by reference to eastern time, on which swap execution has occurred." We believe the CFTC should require a common time zone reference for all date and date/time fields. Defining "execution date" in reference to Eastern time when all other date and date/time fields are reported in Coordinated Universal Time ("UTC") creates multiple reference times which can make review and reporting of the data complex. The "execution timestamp" (data element 86) in the Draft Technical Specifications references UTC. Further, the "execution date" is not a field reported to the SDR, rather its used exclusively as a deadline for the reporting of post-priced swaps.

Thus, for the Commission to determine whether a post-priced swap was submitted by the required deadline, it would need to convert the execution timestamp submitted by the reporting entity into Eastern time. This would seem to be an unnecessary calculation. If instead the Commission were to define "execution date" by reference to UTC, no conversion would be necessary. Additionally, the use of Eastern time has the potential to result in a reporting entity having to covert data between three time zones (i.e., home time zone, Eastern time and UTC). Further, the need for market participants to account for daylight savings time for a portion of the year can add another layer of complexity to reporting which increases the potential for errors.

II.   Part 43.3 – Method and Timing for Real-Time Public Reporting

A.   Post-Priced Swaps

The Proposed Regulations would add a new § 43.3(a)(4) to address issues market participants face in reporting Post-Priced Swaps ("PPSs").[4] Proposed § 43.3(a)(4)(i) would permit the reporting counterparty to delay reporting a PPS to an SDR until the earlier of (a) the price being determined and (b) 11:59:59 pm Eastern time on the execution date.[5] The regulation would further provide that if the price of a publicly-reportable swap transaction ("PRST") that is a PPS is not determined by 11:59:59 pm Eastern time on the execution date, the reporting counterparty shall report to an SDR by 11:59:59 pm Eastern time on the execution date, all swap transaction and pricing data ("STAPD") for such PPS other than the price and any other then undetermined variable terms and shall report each such

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[4] The Proposed Regulations define the term "Post Priced Swap" as *"….an off-facility swap for which the price has not been determined at the time of execution*." Examples of swaps where the price of the swap is not determined at the time of execution would be those tied to a reference price that is not yet determined at the time of the trade (i.e., daily settlement price of a stock index or crude oil future or a benchmark, etc.), and those swaps where the price is not determined until the dealing counterparty is able to hedge its exposure, etc.

[5] Footnote 69 states that by "11:59:59 pm eastern time on the execution date," the Commission means 11:59:59 pm in the eastern time zone of the United States on the date the relevant swap is executed, irrespective of where either counterparty's headquarters or personnel or office involved in executing the swap are located and irrespective of any other factors. This could result in the reporting counterparty having more or less time to report a swap depending on how close it is to 11:59:59 pm eastern time at the time of execution in any time zones relevant to the reporting counterparty reporting the swap transaction and pricing data.

undetermined item as soon as technologically practicable ("ASATP") after such item is determined.6 Proposed § 43(a)(4)(ii) would provide that the more lenient proposed reporting deadline in § 43.3(a)(4)(i) would not apply to PRSTs with respect to which the price is known at execution, but one or more other variable terms are not yet known at the time of execution.7   Reporting parties remain obligated to report the swap ASATP after execution, even without the as-of-yet undetermined terms.

CME's responses to certain of the Commission's questions regarding Proposed 43.3 are as follows:

Question 2: Instead of permitting a delay for PPS, should reporting counterparties be required to submit PPSs ASATP after execution, using the PPS indicator (59) and leaving the price empty and be required to update it after the price is determined?

CME Response: Given the stated purpose of Part 43 is to enhance transparency and price discovery, requiring reporting counterparties to submit PPSs ASATP after execution without the price would not seem to further the stated purpose. As such, we are of the opinion that the Commission should not require reporting counterparties to report a PPS until the price is known.

Question 3: Should the Commission permit an indefinite delay for reporting STAPD for PPS? In other words, should reporting such data be required only once the price and/or other variable terms is/are known regardless of how long that takes? The Commission notes that such swaps could be flagged on the public tape as PPS once reported. Alternatively, should the Commission set a shorter deadline for reporting STAPD for PPS?

CME Response: As noted in our response to question 2, we do not see any value in requiring the reporting of PPS data until such time as the price(s) as well as all other variable terms is/are known. Our position on this matter does not depend on the reasons that such terms are unknown at the time of execution.

Questions 6 & 7: Should the Commission modify its PPS indicator in Appendix C to Part 43 ("Appendix C"), or add another indicator, to require market participants to indicate whether a swap is a PPS because it is contingent upon the outcome of swap dealer hedging? Should the Commission modify its PPS indicator, or add another indicator, to require market participants to indicate whether a swap is a PPS based on other common reasons, such as the price being determined based on the volume-weighted average price of an index level at market close?

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[6] Footnote 70 states that while the proposed definition of "post-priced swap" would be a swap for which the price has not been determined at the time of execution, such a swap with additional terms that are also not determined at the time of execution would also fall within the proposed "post-priced swap" definition. Consequently, if a PPS also has non-price terms that are not determined at the time of execution, a value for such non-price terms must be reported ASATP after it is determined. If a placeholder value that satisfies the allowable values parameters for an unknown variable term was previously reported, then such STAPD must be corrected ASATP after it is determined.

[7] In Footnote 71, the Commission notes that when the price is known at execution, but one or more variable terms are not yet known, the reporting party must report the swap ASATP and then amend the swap later to report the variable terms.

CME Response: We do not believe any of the information described above would be of value to market participants. Thus, we do not believe the Commission should make any amendments or additions to Appendix C in relation to PPS.

Question 28: What percentage of PPSs have their prices determined by midnight on the date of execution (by asset class and overall)? What percentage of swaps with variable terms have their prices determined by midnight on the date of execution (by asset class and overall)? Do market participants have trouble reporting, and do SDRs have difficulty disseminating, PPS trades because the placeholder terms of the swaps (including, but not limited to, placeholder values such as zero or blank fields) are inconsistent with SDRs' allowable values?

CME Response: Proposed § 43.3(a)(4)(ii) states the post-priced swap reporting delay set forth in paragraph (a)(4)(i) does not apply to PRST for which the price is known at execution but one or more other economic or other terms are not known at the time of execution. We note that the Commission has not identified all such fields in the draft technical specifications that would be considered "…other economic or other terms…" Thus, it is not clear that a PPS could be submitted missing variable terms and pass the validations the Commission is requiring be implemented by the SDRs. For example, the Commission specifically called out "quantity" as a variable term. The following are the data element related to quantity: Notional quantity (35); Quantity frequency (36); Quantity frequency multiplier (37); Quantity unit of measure (38); and Total notional quantity (39). 'Quantity of measure' and 'Total notional quantity' are mandatory fields for the equity and commodity asset classes and as such would need to be populated for any swap in those asset classes. 'Total notional quantity' appears to allow submission with a dummy value[8] which, provided the Commission confirms it can be utilized for PPS for which the term is not yet known, should not present an issue. However, as drafted, 'Quantity of measure' is a required field for the foregoing asset classes. Thus, the reporting counterparty would either need to populate an inaccurate value as the quantity of measure or it would be unable to pass the SDRs validations until the actual term is known.

As noted in response to question 3, we see little value to the market place in publicly disseminating a transaction until such time as the price(s) as well as all the other variable terms is/are known. However should the Commission decide to proceed as proposed, we believe one of the following changes will need to be made: (1) identify all data fields in the Draft Technical Specifications which comprise the variable terms and elements for any swap for which the PPS indicator is 'TRUE' and modify the validations as needed to permit submission of the transaction without populating one or more of the data elements; (2) 8 establish dummy values that may be populated for each of the variable terms; or (3) remove all validations for all data elements when the PPS indicator is 'TRUE'.

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[8] "99999999999999999999.99999" is accepted when the value is not available.

B.   Mirror Swaps

.   Under proposed § 43.3(a)(6), a "mirror swap"[9] effected in connection with a prime brokerage transaction would not be reportable under Part 43 if it satisfies certain conditions. CME supports this proposal and does not believe that publishing information regarding mirror swaps would provide any information of value to market participants.

C.   Data Standards

Proposed § 43.3(d)(1) would require reporting counterparties, SEFs, and DCMs to report the STAPD elements in Appendix C in the form and manner provided in the technical specifications published by the Commission.[10]   The Commission has asked whether, in order to ensure data quality, the Commission should mandate a certain standard for reporting to the SDRs?[11]

CME believes that the Commission should not mandate any particular standard as doing so could impose additional costs on those SDRs and reporting parties who currently utilize another standard. Moreover, for some SDRs, particularly those with affiliated clearinghouses, existing infrastructure may more readily lend itself in part or whole to a given standard and as such would be less costly for an SDR to implement. Those cost savings could result in lower costs to the SDR's users. We acknowledge allowing the use of different standards for submissions to an SDR may require an SDR to transform or map the data to get it into the format requested by the Commission, and that this, in turn, has the potential to affect data quality if such actions are done incorrectly. However, it is our belief the cost savings, to SDRs and reporting parties alike, from permitting an SDR to select the standard they utilize would far exceed the potential negative impact to data quality that may arise from the SDR's transformation or mapping of data.

We would note that while we recommend the Commission not mandate a standard, should it choose to do so it should ensure whatever standard is selected supports the input data specifications proposed in the Draft Technical Specifications.[12] Moreover, should the Commission decide to require a particular standard, in order to reap the full benefits of mandating a standard, that same standard would need to be utilized on the outbound reports the SDR provides to the Commission. Otherwise, the

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[9] A "mirror swap" is proposed to be defined as a swap: (1) to which a prime broker is a counterparty or both counterparties are prime brokers; (2) that is executed contemporaneously with a corresponding trigger swap; (3) that has identical terms and pricing as the contemporaneously executed trigger swap (except that a mirror swap, but not the corresponding trigger swap, may include any associated prime brokerage service fees agreed to by the parties and except as provided in the final sentence of this "mirror swap" definition); (4) with respect to which the sole price forming event is the occurrence of the contemporaneously executed trigger swap; and (5) the execution of which is contingent on, or is triggered by, the execution of the contemporaneously executed trigger swap.

[10] The Commission is proposing to conform the parallel requirement in § 45.13(a).

[11] Question 45, 85 Fed. Reg. at 21530.

[12] For example, Action Type (24) in the Draft Technical Specifications uses enum based values, but ISO 2022 standards treats each action type as a defined element and in FIXML action is currently identified based on a numeric code under the element TransTyp (e.g., allowable values 0,1,2, ..).

Commission itself would have to transform or map the data provided by the three SDRs. The failure to use the same standard on inbound and outbound messages could create the very data quality issues that the Commission is seeking to avoid.

D. DCO reporting

Proposed § 43.3(a)(5) would require CME, in its capacity as a DCO, to report clearing swaps that are PRSTs under Part 43 for which there is no original swap ASATP after execution. The Commission discusses a PRST used to manage the default of a clearing member as an example of a clearing swap that the DCO must report today under Part 45 but not Part 43. Default management-related swaps would appear to be the only category of clearing swap the would impact CME's DCO since clearing swaps created as a result of an original swap being accepted for clearing by CME's DCO are not subject to Part 43 public reporting requirements, and CME's DCO business does not otherwise enter into PRSTs in its day-to-day operations.

The Commission's stated aim is to align the Part 43 and 45 requirements for a DCO to report clearing swaps. However, CME's view is that aligning § 43.3(a)(5) and Part 45 for swap transactions entered into by the DCO in connection with its default management processes ("default management transactions") is unnecessary and potentially undercuts other important public policy considerations. CME's respectfully submits that default management transactions should be excluded from the definition of a PRST and associated real-time public reporting requirements under proposed § 43.3(a)(5).

1. CME Default Management Process

CME has various rules and guidelines for its clearing services that together establish its default management process. The default management process is designed to mitigate the systemic risk impacts of a clearing member default, consistent with CME's obligations as a DCO under Section 5b of the Commodity Exchange Act and related Commission Regulations, including the Part 39 Regulations. In each case, the aim is to reduce all market risk associated with the defaulter's portfolios as quickly as reasonably possible.

Upon a clearing member default, CME may procure any swap hedges it deems necessary to contain or mitigate the risk of the defaulted clearing member's portfolio. CME would enter these default management transactions as a direct counterparty, acting in its own name, and only with a counterparty that is a clearing member or a customer of a clearing member. These default management transactions would be booked and subsequently, liquidated, most likely to the winning bidder of an auction process.

The circumstances at the time of default and the composition of the defaulted clearing member's portfolio will determine what steps are necessary and what instruments would offset CME's exposures. However the hedging or liquidation strategies in respect of the defaulted clearing member's portfolio may include CME's execution of swaps – i.e., default management transactions – that would be subject to real-time reporting obligations under proposed § 43.3(a)(5).

2. Countervailing Policy Considerations

It is important that CME be able to conduct its activities to manage a default, including the execution of default management transactions, in a confidential manner. If information about these transactions is disclosed, that could introduce price risk that would adversely impact CME's default management activities.

CME's potential counterparties may be unwilling to execute default management transactions, or to offer more competitive pricing, if they believe their ability to enter into other transactions to reduce their exposure will be compromised by the disclosure of such information, in particular if they are assuming exposure under default management transactions of a size larger than typical in the market. The Commission validated these concerns in its 2013 Block Trade Rule adoption when it recognized that the publication of detailed information about a large swap transaction could expose the counterparties to higher trading costs by alerting the market to the possibility to future market activity and creating an incentive for other market participants to extract a premium from the liquidity provider seeking to hedge its risk. Further, proposed § 43.3(a)(5) could require public reporting of the positions allocated to winning bidders in an auction for default management transactions, enabling competitors to derive the risk position of the winning firm and creating a disincentive for firms to participate in the default management process. CME also has concerns about this ability of market participants to front-run its default management transactions if they are subject to real-time public reporting under Part 43.

Moreover, default management transactions, while executed at arms'-length, are not executed under normal market circumstances in the ordinary course of business. Rather, they are executed by CME during a time of distress, when CME is managing the default or liquidation of a clearing member and the associated market risk, which only exists at the DCO-level due to the clearing member's failure. Publication of transaction and price data on transactions executed under such circumstances will not promote price discovery or transparency in the swap markets in any meaningful way.

If transaction and pricing data for default management transactions is subject to public dissemination, that will increase the CME's costs to manage the default of a clearing member and could complicate CME's efforts to mitigate the systemic risk impacts of the default in a timely manner. Those adverse consequences could impede CME's ability to satisfy it obligations under Commission Regulations § 39.16 and § 39.35 to take prudent and timely action to assure that as a DCO it will meet its obligations on an ongoing basis. To further protect the default management process, CME suggests that default management transactions should be excluded from the definition of a PRST and not be subject to real-time public reporting requirements under the Commission's Part 43 regulations. To be clear, CME does not suggest that default management transactions should be exempt from Part 45 reporting as non-public reporting of swap creation data does not present the same degree or type of risk.

3.   Proposal

The term "publicly reportable swap transaction" ("PRST") is defined in § 43.2 as a swap that is executed as an "arm's-length transaction between two parties that results in a corresponding change in the market risk position between the two parties**."** By its technical terms, the definition appears to cover default management transactions. The Commission's proposal to revise § 43.3(a)(5) also

supports this reading.

The PRST definition provides examples of executed swaps that are outside the definition of PRST, which shows judicious use of the Commission's authority under CEA § 2(a)(13) to exclude these transactions from the definition of PRST. CME believes a similar approach is warranted for default management transactions. Such trades do not have the same price discovery function as other swaps that are reportable under the Part 43 framework. Public disclosure of swap transaction terms may create pricing disadvantages for the liquidity provider. For default management transactions, such disadvantages increase the risk of loss not only to the DCO but to its clearing members and the broader clearing ecosystem as well.

For the foregoing reasons, we believe that exempting DCOs from the obligation to report default management transaction data under § 43.3 would accord with the Commission's mission to promote the resilience of U.S. derivatives markets, and we respectfully suggest either further amending the definition of PRST in § 43.2 to exclude default management transactions.

E. Website Access

Proposed § 43.3(c) would require SDRs to make STAPD available on their websites for a period of at least one year after the initial "public dissemination" of such data and also would require SDRs to make instructions freely available on their websites on how to download, save and search such data. Proposed § 43.3(c) also provides that STAPD that is publicly disseminated must be made available free of charge. We are highly supportive of the Commission's decision to define how long an SDR must make STAPD available on its website and believe one year is a reasonable period of time.

III. Part 43.4 Swap Transactions and Pricing Data to be Publicly Disseminated in Real-Time

A. Rounding

Current § 43.4(g)(8) requires an SDR to round the notional or principal amount of a PRST to the nearest one billion if it is less than 100 billion but equal to or greater than one billion. The CFTC is proposing to amend the required rounding to the nearest 100 million instead of 1 billion. Further, current § 43.4(g)(9) requires an SDR to round the notional or principal amount of a PRST to the nearest 50 billion if it is greater than 100 billion. The CFTC is proposing to amend the required rounding to the nearest 10 billion and to add the words "equal to or" before "greater than 100 billion" in order to include swaps with notional or principal amounts that are exactly 100 billion.

The Commission has asked whether the benefits would be greater or costs reduced if the ranges covered by rounding and the round-off amounts were currency-specific (i.e., different for different currencies) and/or commodity-specific. CME believe that implementing currency and/or commodity specific rounding would be exceedingly complex, and that the costs of implementing such a proposal would greatly outweigh any potential benefit to be gained thereby. Accordingly, CME does not believe that the Commission should adopt this proposal.

Separately, the Commission is proposing to require SDRs to publicly disseminate the following data elements related to notional amounts and quantities: Notional amount (28); Call amount (31); Put

amount (33); Notional quantity (35); and Total notional quantity (39). We note that as written, the Proposed Regulation for rounding and/or capping applies to notional and principal amounts. CME requests that the Commission clarify whether it expects an SDR to round and/or cap other notional amounts or quantities (e.g., call amount, put amount, notional quantity, total notional quantity).

B. Cap Size

The Proposed Regulations would amend § 43.4(g) to change the process for determining cap sizes. Proposed § 43.4(g)(2) would link the cap determination to a subset of newly defined swap categories in proposed § 43.6 and establish the use of the 75- percent calculation described in proposed § 43.6(c)(2). Proposed §§ 43.4(g)(3)-(8) would define new cap sizes for any swap not falling into a swap category defined in proposed § 43.4(g)(2).

In its analysis of the cost-benefit to proposed § 43.4(g), the Commission acknowledges the changes would impose costs on SDRs, as they would be required to adjust their systems to determine when trades within each new swap category would meet the requirements for cap treatment. However, the Commission goes on to note, "[t]he *Commission expects such costs to be minimal given the SDRs already have systems established to identify when swaps are eligible for block and/or cap treatment*." While it is true the SDRs already have such systems in place, the logic utilized by these systems will need to be modified significantly to accommodate this proposal.[13] Thus, we do not believe the Commission should conclude that these costs will be minimal.

C. Recalculation of Cap Sizes

Current § 43.4(h)(2)(i), requires the CFTC to recalculate cap sizes "…no less than once each calendar year…". The CFTC is proposing to delete this annual recalculation requirement and instead adopt a more flexible approach by requiring such recalculation to be made at the times specified by the Commission. CME notes that this would relieve the SDRs from making frequent system updates that may have little practical value and thus supports this proposal.

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[13] Currently, the determination of the time delay for trades denoted as a block or large notional off-facility swap is done pursuant to §43.5, as summarized in Appendix C, the application of which is dependent on whether the trade is a block trade or a large notional off-facility swap, subject to the mandatory clearing requirement or not, the asset class and whether at least one counterparty to the trade is a swap dealer or major swap participant. The proposed changes would significantly simplify the application of the time delays, but they would also include a large change to our systems to accommodate. Currently, § 43.4(h) establishes the cap size as the greater of the initial appropriate minimum block size for the respective swap category in Appendix F of Part 43 or the respective cap sizes in paragraphs (h)(1)(i) through (h)(1)(v). The amendments to the capping rules will remove Appendix F completely and significantly alter when the dollar values specified in the regulation would apply due in large part to the newly defined swap categories. In light of this, it is unlikely that much, if any, of the current code could be used or re-purposed.

D. Implementation Timing

Proposed § 43.4(g)(10) generally provides that any revised cap size published by the Commission would be effective on the first day of the second month following the date of publication. This timing requirement may be problematic for SDRs. Since the Commission has never changed its original cap sizes, the SDRs have had no experience with the process for the publication of cap sizes or the extent of these changes. As a result, it is difficult for an SDR to determine whether the Commission's proposal would give the SDRs enough time to make the necessary changes. Accordingly, we request that the Commission provide further details on how notification of a change to cap sizes would be made. For example, we would want to ensure that an SDR does not have to establish a program to monitor for the posting of revised cap sizes on the Commission's website. Further, we would want to understand if the revisions to the cap sizes are restricted to the values themselves, or whether the actual methodology or swap categories could be modified without going through a formal rulemaking process.

From a practical perspective we note that setting the effective date as a day of the month, without regard to the day of the week on which it falls, presents some issues. More specifically, scheduled deployments typically occur on Saturdays during our maintenance window. Unfortunately, the "…first day of the second month…" may not fall on a Saturday. If the implementation date fell on a weekday, we would need to develop a new process to deploy such changes during the week. This is a complex undertaking that could require us to bring our application down outside of our scheduled maintenance window and would thus reduce the degree of testing we can conduct. As a result, we would request that the Commission remove the reference to a specific date on which revised cap sizes will be effective and instead state that the effective date will be the date determined by the Commission in consultation with the SDRs.

E. Identification of Delivery Points

Proposed § 43.4(c)(4) would require an SDR to identify "…*any specific delivery point or pricing point associated with the underlying asset of such other commodity swap…*" and publicly disseminate it pursuant to Appendix B to Part 43. Our review of the Draft Technical Specifications did not identify any field(s) that would be populated with delivery or pricing points. Assuming we did not overlook any such fields, this would render proposed § 43.4(c)(4) unnecessary unless the Commission anticipates those fields being part of a uniform product identifier which introduces such fields at a later date. If this is the Commission's intention, requiring CME to implement such masking would require the introduction of an additional field that would identify the regions in proposed Appendix B to which the delivery or pricing point map, since the reporting party, not the SDR, would have that information. This field could be added to the Draft Technical Specifications. Alternatively, if the Commission has no need for this information, it could be added as a proprietary field to the SDR's technical specifications for use by it to perform the required masking. This suggestion assumes that the Commission would permit the SDRs to introduce proprietary fields to their individual technical specifications.

IV. Dissemination Requirements

The Proposing Release asks whether SDRs should be require to publicly disseminate any additional data elements related to clearing,[14] including the DCO where the swap is intended to be cleared.[15] While we do not believe market participants would face any challenges reporting this information, it is not clear to us how publishing any additional clearing data elements would enhance transparency and price discovery.

The Proposing Release asks whether the Commission should require SDRs to publicly disseminate additional data elements related to package transactions, and whether any of the Commission's proposed package transaction data elements[16] create implementation challenges for SDRs.[17] We do not believe disseminating the four data elements relating to package transactions proposed by the Commission would create implementation challenges for the SDRs. However, we do not believe SDRs should be required to publicly disseminate additional data elements relating to package transactions as it is unclear how doing so would enhance transparency and price discovery.

V. Part 43.5 - Time Delays for Public Dissemination of Swap Transaction and Pricing Data

The Commission plans to remove current §§ 43.5(c)-(h) and add a new § 43.5(c) that requires SDRs to implement a time delay of 48 hours for disseminating STAPD[18] for each applicable swap transaction with a notional or principal amount above the corresponding appropriate minimum block size ("AMBS"), if the parties to the swap have elected block treatment. Because the time delays in proposed § 43.5(c) would replace the time delays in current Appendix C, the Commission also proposes to remove Appendix C.

While CME has no comment on the length of time the Commission has selected for the delayed dissemination of block transactions, we are highly supportive of the simplified approach proposed by the Commission because it would avoid imposing excess implementation costs on SDRs.

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[14] The Commission is proposing to require SDRs to publicly disseminate one field related to clearing Data element 1, "Cleared".

[15] Question 23, at 85 Fed. Reg. 21543.

[16]The Commission is proposing to require SDRs to publicly disseminate four data elements related to package transactions: Package identifier (40); Package transaction price (41); Package transaction price currency (42); and Package transaction price notation (43).

[17] Question 24, at 85 Fed. Reg. 21543.

[18] This time delay would be a significant change from the current rules, which generally set the length of the delay based on transaction and counterparty characteristics.

VI.   Part 45.1 - Definitions

The Commission is proposing to define the term ''execution date'' as the date, determined by reference to eastern time, on which swap execution has occurred. We believe the CFTC should require a common time zone reference for all dates and times, whether submitted as a data element, used for the determination of a deadline or for any other purpose under the swap reporting rules. Defining "execution date" in reference to eastern time when all other date and date/time data elements are required to be submitted in UTC creates multiple reference times which can make review and reporting of the data complex. As drafted "execution date" is not a field reported to the SDR, rather its used exclusively to determine the deadline for the reporting of post-priced swaps ("PPS") and required swap creation data.[19] Thus, for the Commission to determine whether a PPS or required swap creation data was submitted by the required deadline, they would need to convert "Execution Timestamp" (86) from UTC, as required in the Draft Technical Specifications published pursuant to §43.7 and §45.15, into Eastern time. This would seem to be an unnecessary calculation. If instead the Commission were to define "execution date" in reference to UTC,[20] no calculation would be necessary. Additionally, use of Eastern time means there is a potential that the reporting entity would need to covert data between three time zones (i.e., home time zone, Eastern time and UTC). Lastly, for those executing swaps in other time zones, having to account for daylight savings time for a portion of the year can add another element of complexity to reporting which increases the potential for errors.

In addition, the Commission is proposing to amend the definition of ''business day'' in proposed § 45.1(a). Currently, § 45.1 defines ''business day'' to mean ''the twenty-four hour day, on all days except Saturdays, Sundays, and legal holidays, in the location of the reporting counterparty or registered entity reporting data for the swap.'' The Commission is proposing to replace ''the twenty-four hour day'' with ''each twenty-four hour day,'' and ''legal holidays, in the location of the reporting counterparty'' with ''Federal holidays.'' The Commission believes these changes would simplify the current business day definition by removing the responsibility of determining different legal holidays depending on the reporting counterparty's location, and would be used in connection with the proposed timing requirements for reporting swap creation data and required swap continuation data.

While we are supportive of the Commission's effort to simplify the definition of the term "business day", we have some concerns with the amendments to the definition as proposed. Those concerns stem from the fact that this term is used to determine the deadline by which the following data needs to be reported to an SDR: (1) required creation data for swaps, whether executed on or pursuant to the rules of a SEF or DCM or off-facility, and (2) required swap continuation data. Thus,

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[19] While proposed § 45.4(b)(1) and (c)(1), governing the reporting of continuation data, does not use the term "execution date," a similar issue exists. The proposed regulation states the 11:59 pm eastern time deadline occurs on either the "next business day" or the "second business day" following the day "….as determined according to eastern time, that any life cycle event occurred …". Thus, for the Commission to determine whether required swap continuation date was submitted by the statutory deadline, they would need to convert the "Event Timestamp" (27) from UTC, as required in Draft Technical Specifications published pursuant to §43.7 and §45.15, into Eastern time.

[20] We would suggest that in addition to amending the definition of "execution date" to refer to UTC, the Commission amend proposed § 45.4(b)(1) and (c)(1) to replace the reference to eastern time with a reference to an equivalent UTC date/time.

the effects of the proposed changes could potentially be significant. For instance, in the amended definition "legal holidays, in the location of the reporting counterparty of registered entity reporting data for the swap" has been replaced with "Federal Holidays", which we assume refers to U.S. Federal Holidays. This could have the effect of requiring firms to keep some staff in the office on local holidays in order to meet the reporting requirements set forth in proposed § 45.3(a), § 45.3(b), § 45.4(b)(1); and § 45.4(c)(1) or report earlier than the statutory deadline.

For example, Labour Day 2020 in Germany was Friday May 1st and, under the current definition of "business day," would not be counted as business day because it is a legal holiday. However, under the amended definition being proposed, May 1st would be deemed to be a business day since it is not a "Federal Holiday" in the U.S. Let's assume that a reporting counterparty located in Berlin Germany executed a swap at 4:00 pm CEST on Thursday April 30th (10:00 am EST on Thursday April 30th). Under the amended definition, the 'execution date' would be April 30th and the reporting counterparty would be a required to submit the swap creation data to an SDR "...not later than 11:59 pm Eastern time on the next business day following the execution date". Thus, the reporting counterparty would have until 11:59 pm Eastern time on Friday May 1st. But, as mentioned previously, Friday May 1st in Germany is a legal holiday, so the reporting counterparty either would have only 8 hours to report the swap (from 4:00 pm CEST on April 30th – 12:00 pm CEST on April 30th) or would need to have personnel available to submit the report on the local holiday.

In addition, Saturday and Sunday under the current definition of "business day" are determined by reference the location of the reporting counterparty or registered entity reporting data for the swap. Changing this definition has the effect of changing the determination of whether it is Saturday and Sunday from local time to Eastern time.[21] This creates an inconsistency between the determination of a business day for reporting purposes and the actual business day of the country where the reporting counterparty is established. As mentioned above, this change has the potential to either reduce the time frame for reporting or require the reporting counterparty to ensure personnel are available to report swap creation or related continuation data on Saturday, Sunday and/or holidays in their local time zone.

Lastly, defining "business day"[22] in relation to Eastern time rather than local time, diverges from the way the term is defined in most of the jurisdictions requiring derivatives reporting, which we would view as conflicting with the goal of harmonizing reporting requirements globally.

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[21] § 45.3(a) and (b) is in relation to "execution date," which is defined in eastern time. The reference pursuant to § 45.4(b)(1) and (c)(1) is the business day the lifecycle event occurs with respect to the swap "….as determined according to eastern time….".

[22] **Australia**: Section 1.2.3 of ASIC Derivative Transaction Rules (Reporting) 2013 *defines the term "business day" to mean "...a day that is not a Saturday, a Sunday, or a public holiday or bank holiday in the Relevant Jurisdiction*." **European Union**: TR Question 11(b) of ESMA's EMIR Q&A asks, "How should a "business day" be defined, when the counterparties to the same transaction follow different calendars?" The relevant portion of the response advises *"...for OTC the calendar agreed by the counterparties under their contract. Should there be no common agreement of calendar by the counterparties to an OTC contract, the TARGET calendar should be used, including by the EU counterparty reporting a contract with a non-EU counterparty*." **Canada:** In Canada the term is not defined by in the regulation. **Singapore**: Section 2 of Securities and Futures (Reporting of Derivatives Contracts) Regulations 2013 defines the term to mean "*...any day other than a Saturday, Sunday or public holiday*".

VII.   Part 45.3 - Swap Data Reporting: Creation data.

The Commission is proposing to revise § 45.3(a) to require SEFs and DCMs to provide a single "required swap creation data" report, regardless of whether the swap is intended to be cleared. The Commission is also proposing to revise the § 45.3(a) requirement for SEFs and DCMs to report required swap creation data ASATP following execution and is proposing to revise § 45.3(a) to extend the deadline for SEFs and DCMs to report required swap creation data to T+1 following the execution date. More specifically, revised § 45.3(a) would require that for each swap executed on or pursuant to the rules of a SEF or DCM, the SEF or DCM must report "required swap creation data" electronically to an SDR not later than 11:59 p.m. eastern time on the next business day following the execution date.

Under the Proposed Regulations, the term "required swap creation data" is defined as "means all data for a swap required to be reported pursuant to § 45.3 for the swap data elements in appendix 1 to [Part 45]." Appendix 1 to Part 45 includes fields for valuation, margin and collateral data (data elements 97- 116). According to the Draft Technical Specifications, the creation data submitted by a SEF or DCM would need to include Collateral Portfolio Code (105). Because a SEF or DCM would not know this information, it could not report it to an SDR. Therefore, we request that the Commission clarify that SEFs and DCMs are not required to report information which is not, and could not reasonably be expected to be, in their possession.

Finally, the Commission has asked whether any of the Commission's proposed changes to the timing deadlines for reporting required swap creation data in § 45.3 raise issues with the sequencing of messages for SDRs that could compromise data quality.[23] Generally speaking any difference in reporting deadlines has the potential to result in a message sequencing issue for the SDR.   In addition, while not structural in nature, sequencing issues can occur any time message sequencing must follow a particular order where the reporting counterparty of what should be the later message elects to report closer to execution date/life cycle event and the reporting counterparty for the earlier message reports closer to or at the reporting deadline. We would note that this can occur even when the reporting deadline for the messages is the same (i.e., the deadline for both messages is T+1). Further, this type of sequencing issue could exist under the current regulation as well.

While we do not claim to have conducted an exhaustive review of all possible scenarios, our review has yielded at least one notable example of a structural issue with message sequencing stemming from a change to the reporting deadlines. Proposed § 45.3(b)(2) would require that, for each off-facility swap, non-SD/MSP/DCO reporting counterparties report swap creation data to an SDR not later than T+2 following the execution date. Pursuant to re-designated § 45.4(b), the reporting deadline for the DCO to report required swap continuation data, including termination, of an original swap is T+1 following any life cycle event. By way of example, if a non-SD/MSP/DCO reporting counterparty executes an off-facility swap on May 20th at 4:05 pm Central time and immediately sends it for clearing and the swap is cleared at 4:14 pm Central time, it would have until May 22nd 11:59 Eastern time to submit the original swap to the original swap SDR. The DCO, by contrast, would have to submit the creation data for the clearing swaps and the termination of the original swap by May 21st 11:59 Eastern time.   Under this scenario, the termination of the original swap would have been

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[23] 85 Fed. Reg. 21587.

![CME Group]

reported to the original swap SDR a minimum a full 24-hours before the swap itself was reported.[24] Thus, because the original swap would not have been reported before the termination is reported by the DCO, the termination would be rejected by the original swap SDR until the original swap is finally reported. The simple solution to resolving this issue is to aligning the reporting deadlines (either making them both T+1 or T+2).

VIII. Part 45.4(a), (b) and (c) -- Continuation Data

The Commission is proposing to remove state data reporting (AKA snapshot reporting) as an option for reporting continuation data., and CME's DCO (and any other reporting counterparty who is required to report continuation data) would have to report life cycle event data instead. Under state data reporting, if there were 3 amendments made to a swap during the day, only the last amendment is required to be reported. Lifecycle reporting on the other hand would require all 3 amendments to be reported.

The Commission argues that removing state data reporting it will improve data quality, because it will eliminate "unnecessary swap messages" from being sent to the SDRs without impeding the Commission's ability to fulfill the systemic risk mitigation, market transparency, position limit monitoring, and market surveillance objectives of the Dodd-Frank Act.

CME understands the desire of the Commission to improve data quality and therefore welcomes potential movement towards the reporting of lifecycle events to swaps instead. CME believes, however, that it would be preferable to require the reporting of the final state lifecycle event changes per swap on the day in question to reduce further the submission of unnecessary data. This would provide greater clarity on the status of the swap and would harmonize the Commission's reporting requirements with those of other international regulators.

IX.   Part 45.4(c)(2) - Collateral Data Reporting

Proposed § 45.4(c)(2) would require a DCO to report collateral data to an SDR on a daily basis. As proposed, ''collateral data'' would mean the data elements necessary to report information about the money, securities, or other property posted or received by a swap counterparty to margin, guarantee, or secure a swap, as specified in appendix 1 to Part 45. The Commission has asked whether this requirement is redundant with a DCO's existing Part 39 reporting obligations for cleared swaps.[25]

While CME believes that the Commission intends to implement cohesive DCO reporting obligations between Parts 39 and 45, CME is concerned that its DCO may be subject to inconsistent collateral data reporting requirements under these Parts. Requiring DCOs to report different sets of data under these Regulations could create unnecessary complexity and inefficiencies. Accordingly, CME requests that the Commission clarify that its collateral data reporting requirements for DCOs under proposed § 45.4(c)(2) will be consistent with the reporting requirements for DCOs under CFTC

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[24] This problem would be exacerbated if the DCO elected to report the termination earlier as part of its end of day processes (e.g., T).

[25] Question 6, 85 Fed. Reg. 21591.

Regulation 39.19(c)(1)(i)(A)-(C).[26] Further, to avoid unnecessary uncertainty, CME believes the Commission should consider consolidating its collateral data reporting obligations for DCOs under Part 39.

X.   Part 45.5 - Unique Transaction Identifiers

Currently, § 45.5(b)(1) requires that for off-facility swaps involving SD/MSP reporting counterparties, the reporting counterparty generates and assigns a USI ASATP consisting of a single data field. The single data field is to contain: (i) the unique alphanumeric code assigned to the SD or MSP by the Commission at the time of its registration for the purpose of identifying them with respect to USI creation; and (ii) an alphanumeric code generated and assigned to that swap by the automated systems of the SD or MSP. The Commission is proposing to expand these requirements to include reporting counterparties that are financial entities. In addition, the Commission is proposing to amend § 45.5(c) to provide non-SD/ MSP/DCO reporting counterparties that are not financial entities with the option to generate the UTI for an off-facility swap or to request that the SDR to which required swap creation data will be reported to generate the UTI.

CME supports the changes described above. It has been our experience, as an SDR, that a segment of non-SD/MSP/DCO reporting counterparties desire to generate UTIs, and that their inability to do so has created some operational complexity because the internal reference identifier they use in their bookkeeping systems is different than the transaction identifier utilized in swap data reporting.

XI.   Part 45.5(b) and (c) – UTI Generation

We are supportive of the proposed amendments to UTI generation designed, in part, to align such responsibility with the reporting counterparty as well as provide flexibility to non-financial entities such that they would be permitted to generate UTIs for an off-facility swap should they so choose.   However, we do not believe the proposed amendments go far enough since SDRs would still retain an obligation to generate UTIs for any non-SD/MSP/DCO reporting counterparty that is not a financial entity who makes such a request.[27] As discussed in more detail below, we believe there are several reasons why the SDRs are not well positioned to serve in this role. In addition, we believe that requiring SDRs to continue to generate UTIs will increase costs rather than reducing them.

Our current implementation relies exclusively on a combination submission message that covers off on a reporting counterparty's Part 43 and 45 obligations simultaneously. This approach is possible because, generally speaking, the submission deadlines under the current regulation are closely aligned. However, due to the proposal to extend the timeframe for making Part 45 submissions, it

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[26] By way of example, CME refers the Commission to Appendix 1 to Part 45 that references reporting initial margin pre- and post- haircut, in comparison to the reporting the occurs today of initial margin on deposit pursuant to § 39.19(c)(1)(i)(A) in accordance with the CFTC's Part 39 Reporting Guidebook.

[27] As noted in CME's joint letter with the other SDRs, the three SDRs are of the view that the UTI Technical Guidance should be adopted without modification, after which anyone with an LEI would be able to create a USI, and SDRs would no longer need to generate and transmit UTIs.

would appear to require an SDR to offer separate Part 43 and Part 45 messages. This creates some challenges for an SDR in linking these messages for the same transaction as there is no unique identifier provided on the message. Because of this, while it is possible for the SDR to generated a Unique Transaction Identifier (94) for the first message type submitted (i.e., part 43 or 45) for a given transaction, the SDR would be unable to associate that UTI with the next message type (i.e., part 43 or 45). As a result, the reporting entity would have to consume the UTI generated by the SDR on the first message type and ensure that it includes the same UTI on the next message type (i.e., part 43 or 45). This may generate increased costs for reporting counterparties because they would need to develop a method to consume the UTI generated from the ACK/NACK the SDR sends back to them. In light of this, it is not clear to us that there would be any reporting counterparties who would be interested in having an SDR generate a UTI. Our experience under the current regulation is supportive of this conclusion. As noted above, we have been approached by numerous non-SD/MSP/DCO reporting counterparties wanting to generate their own UTIs as their current inability to do so creates some operational complexity. This is due in large part to the fact that the internal reference identifier they use in their bookkeeping/trading systems is different than the ID utilized in swap data reporting.

Finally, we are aware of certain current practices by reporting counterparties who rely on the SDR to generate a USI which have resulted in the same trade appearing in the SDR with different USIs. By way of example, assume a reporting counterparty submits to CME a file containing 15 new transactions and 10 of the transactions pass our validations and 5 fail. Rather than pulling out the 5 transactions that failed and modifying them to address the reasons they were rejected and resubmitting them, the reporting counterparty resubmits the original file containing all 15 transaction with modifications to the failed transactions. The 10 transactions that passed our validations originally will once again pass validations and will be assign a new UTI.

Assume that of the remaining 5 transactions 3 pass our validations and are assigned a UTI. If the reporting counterparty once again submits the entire file containing 15 transactions (the 13 transactions that have passed validations plus the 2 transactions that failed with modification) and all 15 transactions pass validations, all 15 will be assigned UTIs. In this example, the end result will be the generation of 38 UTIs (i.e., Original submission, 10 UTIs are created, second submission 13 UTIs are created, last submission 15 UTIs are created) for 15 new transactions. These practices will have the effect of frustrating the Commission's goal of improved data quality.

Further as there is no reliable way to identify such duplicate transactions (because of the lack of a unique ID) the SDRs would not be able to build a control to prevent such behavior. Only the reporting counterparty would be able to implement a control. They could educate their staff on proper behavior or develop an automated process designed to prevent the resubmission of transactions for which a UTI has already been created. Both controls have their limitations; the first would be subject to human error and the second would be costly to implement. Further, both would increase burden on those non-financial entities relying on an SDR to generate a UTI, which is clearly contrary to the Commission's intent.

XII.   Part 45.6 – Legal Entity Identifiers

Proposed § 45.6(d)(1) would require a DCO to use an LEI to identify itself and its swap counterparties **in all recordkeeping** and all swap data reporting pursuant to Part 45. Taken literally,

this would appear to require a DCO to identify a swap counterparty by its LEI every time the name of that counterparty is reflected in its records. We do not believe that this interpretation reflects the Commission's intent. Accordingly, we request that the Commission revise Proposed § 45.6(d)(1) to state that a DCO must record the LEI of all of its swap counterparties in its books and records.

XIII. Swap Data Elements Reported to Swap Data Repositories

CME's response to certain of the Commission's questions relating to the swap data elements required to be reported to SDRs is set forth below:

Question 17: The Commission has asked whether there are ways in which it could harmonize the event model with ESMA's, and whether harmonization in this area reduce burdens for SDRs and reporting counterparties. The Commission also notes that it proposes to require reporting transactions for simultaneous clearing and allocation at a DCO using a new event type of ''Clearing and Allocation'' in the events model, and asks whether there is a more efficient method to report related transactions when a DCO simultaneously clears and allocates transactions.

CME Response: ESMA's approach to events is significantly different from what the Commission has proposed and, as such, the changes needed to harmonize the two would be extensive. ESMA does not have a defined "Event" model, per se, it relies primarily on "Action Type" to determine whether the trade is new, if modifications have been made and for some action types why the modification is being made. The "Action Type," while useful to determine why a message was sent, does not necessarily provide the same level of granularity[28] the Commission has commented it believes is necessary for it to monitor for systemic risk. Further, ESMA's technical specification do not include a field to tie events together or provide the associated timestamp (e.g., 'Event Identifier' (26) and 'Event Timestamp' (27)).[29] We believe the simplified approach utilized by ESMA would reduce burdens on an SDR, both in implementation and maintenance, and therefore could reduce costs. However, we acknowledge that implementation of an ESMA type approach might end up undermining the Commission's stated objectives.

Regarding the Commission's proposal to add a new event type "Clearing and Allocation" it is not clear to us when it would be used, and why the Commission would need to introduce a specific event type to provide it with information that would already be available through a combination of the following fields[30]: Cleared (1), Clearing Swap UTIs (6), Original Swap UTIs (8), Action Type (24), Event Type (25), Allocation Indicator (81) and Prior UTI (92).

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[28] For example, ESMA has an action type 'C – Early Termination' but does not have an action type or another field which would identify the reason the transaction was terminated early (e.g., novation, allocation, etc.).

[29] EMSA does, however, support the data element "Termination Date.'

[30] It is not clear what is meant by the phrase "simultaneous clearing and allocation". More specifically, it is not clear whether this phrase meant to refer to instances where a transaction (often referred to as block trade or block) is executed off-facility, subsequent allocated and the allocations (post-allocation swaps) are sent for clearing, or scenarios where the block trade is sent for clearing (pre-allocation swap) and the cleared block is subsequently allocated into cleared allocations.

Question 18: The Commission has noted that it is considering including the notional schedule data elements from the CDE Technical Guidance, and has requested comment on whether SDRs and reporting counterparties would be able to accept and report this information.[31]

CME Response: CME SDR currently allows for the submission of an amortization schedule in the interest rates asset class, although we do not include the information in the reports made available to the Commission. Further, CME SDR does not currently support delivery schedules for energy swaps, but believes it could accept such submissions if necessary. The challenge is not in the acceptance of this data, but rather the inclusion of this information in the reports provided to the Commission. The main issue with including this information in the reports stems from the fact that there is no fixed number of schedules that could be associated with a swap. A simple solution to this issue could be concatenation of repeatable values into a single field[32] so long as the report format is CSV.

Question 19: The Commission has requested specific comment on how SDRs would implement the CDE data elements for reporting counterparties to report notional schedule-related data, and has asked whether it should mandate a specific reporting structure for reporting notional schedule-related data elements to the SDRs.[33]

CME Response: We do not believe the Commission should mandate a specific structure for reporting notional schedule-related data elements to the SDRs, but rather allow the SDRs the flexibility to specify the structure. As noted previously, we are of the opinion that the Commission should determine the required data elements and establish the format, allowable values and validations, but allow SDRs to select the data standard and reporting structure based on what works best with their architecture and the content and format of the information the Commission wants made available.

Question 20: The Commission is considering requiring reporting counterparties to provide a USD equivalent notional amount that represents the entire overall transaction for tracking notional volume (in addition to leg-by-leg notional data reported pursuant to other proposed data elements). The Commission believes that this additional data element could allow staff to more effectively assess compliance with CFTC relations, including but not limited to SD registration and uncleared margin requirements, and help staff more efficiently monitor swap market risk. The Commission specifically requests comment on the frequency with which reporting counterparties should report USD equivalent notional.[34]

CME Response: Our understanding is that some respondents believe requiring reporting counterparties to convert notional amounts to USD would produce more fragmented results than centralizing conversion upstream (e.g., SDRs). We believe the concern about fragmentation could

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[31] 85 Fed. Reg. 21612.

[32] The suggested approach would use one special character as a separator within a schedule (e.g. '|') and a different separator between schedules (e.g. '/'). For example, '2020-05-20|2020-06-20|1000000/2020-06-20|2020-07-20|90000'.

[33] 85 Fed. Reg. 21612.

[34] 85 Fed. Reg. 21612.

easily be solved by mandating a refence source for currency conversion rates rather than placing the obligation elsewhere. We further believe that, if this calculation is necessary, in addition to identifying a reference source for currency conversion the Commission will need to establish an approach for determining notional equivalents, particularly in the commodity and equity asset classes. Once a reference source and industry standards have been established, we believe reporting counterparties would be in the best position to make such calculation as they would know which trades make up "the entire overall transaction".

Having said that it is not clear that what the Commission is proposing is justified from a cost benefit perspective. For example, if the rationale for adding this requirement is to determine whether a given entity should register as an SD (because they have $8 billion in dealing activity) we would suggest rather than burdening all reporting counterparties with this requirement the Commission go to the entity directly and ask them to prove such registration is not required. Generally speaking, we do not believe SDR reporting should be used to determine whether reporting counterparty, or its counterparties, are in compliance with various CFTC regulations aside from the reporting requirements themselves.

Question 33: The Commission has asked whether there are any data elements not included in Appendix 1 to Part 45 that should be prioritized for standardization.

CME Response: Without addressing this question directly, CME is requesting that the Commission clarify whether it would be permissible for an SDR to add proprietary fields to its technical specifications and whether or not an SDR could reject submissions due to validation failures of these fields. For example, CME believes that it would be desirable to add certain fields for internal processing purposes (e.g., billing) and to satisfy its regulatory obligations (e.g., implementation of certain fields at the leg level). CME desires to make it clear that it would not pass down to the Commission any field it did not wish to receive.

XIV.   Draft Technical Specifications

CME's general comments on the Draft Technical Specifications are set forth below. As we noted above, our more specific comments on the Draft Technical Specifications are attached hereto as Exhibit A. For the sake of clarity, some of the comments set forth below are repeated next to the specific fields to which they relate on Exhibit A.

   i. No guidance on positions has been provided. Certain fields will be conditionally required and hence we require further guidance on how SDRs should handle positions differently from trades.

  ii. There are a few fields in the Draft Technical Specifications that are conditional on other fields but not specified under the validation rules (e.g., when field 60 [Price] is populated, the validation rule specifies field 62 [Price Notation] as required but not vice-versa). Where such a gap in validation exists, we would like to seek guidance whether the SDRs can apply the validation rules without further approval from the Commission.

 iii. There are few fields (e.g., field numbers 7 and 8) in the Draft Technical Specifications that

should have validation rules triggered based on the Event value populated.

iv. We request additional guidance on validating against sources for fields that accept LEI values and MIC codes. For example, field 88 [Platform Identifier] requires the value to be populated with an ISO MIC but the validation rule does not explicitly state whether the SDRs are required to validate this value against the ISO source. Additionally, for fields that accept an LEI value, there is no validation rules specifying the types of GLEIF statuses that are acceptable.

v. For timestamp fields where a time portion is not available during submission, can the SDR's mandate that clients submit the time as 00:00:00?

vi. We request additional guidance on how historical data should be mapped to the new fields.

vii. We request further clarity on the definition of payer/receiver as older data needs to be switched from leg 1/2 to a payer/receiver model.

viii. For currency fields, we request additional guidance on how to report derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.

ix. CME questions the value of using ISO 20022 values for reporting certain fields because it would provide limited benefit relative to its significant implementation cost. The implementation of ISO 20022 would mean fields such as Day count convention will no longer be immediately recognizable and additional fields will be required to report the same level of information (e.g., for calculation and payment frequency fields).

XV.   Compliance Date

The Commission stated it understands market participants will need a sufficient implementation period to accommodate the various changes it has proposed to its reporting rules. Accordingly, the Commission has proposed a compliance date for these rules (other than the rules relating to uniform transaction identifiers) which would be at least one year from the date that the last of its final reporting rules is published in the Federal Register.

In the cost-benefit analysis for proposed § 43.3(d) —which requires reporting counterparties, SEFs, and DCMs to report the swap transaction and pricing data elements in appendix C to an SDR in the form and manner provided in the technical specifications published by the Commission and to satisfy the data validation procedures implemented by the SDR — the Commission notes that because of the overlap between Part 43 and 45, the cost described may in fact represent the full technology cost of complying with both proposed rules. Given the significant amount of intersection between the data elements contained in Appendix C to Part 43 with those in Appendix 1 to Part 45, we agree that the costs of implementing the Draft Technical Specifications and the related validations for Parts 43 and 45 should be taken together. We do not, however, believe the implementation of proposed technical specifications and the related validations required pursuant to proposed § 43.3(d) represents the totality of the work needed by an SDR to comply with the proposed amendments as one might infer from the

Commission's analysis of costs.[35]

In our view, implementing the amendments to the cap sizes in proposed § 43.4(g) will require significant modifications to the logic currently in place.[36] Thus, we believe any analysis of cost to an SDR in dollar terms and manhours should include this work. We would also note that the Commission lists certain qualitative benefits, in connection with Part 45, that would accrue to an SDR relating to a reduction in the number of messages submitted to the SDR and the elimination of the acceptance of snapshot data. In light of our current architecture and reliance on a combination message, we do not envision capturing these benefits.

Based on our understanding of the amendments to Part 43 and 45, and utilizing actual figures from our implementation of the amended reporting standards in Europe, Commission Delegated Regulation (EU) 2017/104 and Commission Implementing Regulation (EU) 2017/105, as well as updates to our infrastructure to be utilized in other jurisdictions, our rough estimate of the manhours needed to implement the changes to the Proposed Regulations (including the Draft Technical Specifications) is approximately 8,000 – 10,000 manhours. This is more than double the Commission's estimated implementation effort (i.e., roughly 3000 -5000 manhours). We do acknowledge, however, that our maintenance cost over time would likely be reduced given the efforts by the Commission to reduce the degree of complexity of its reporting rules.

CME further notes that SDRs will not only have to implement the changes the Commission has proposed to Parts 43, 45 and 46 of its regulations, but also will have to implement changes to Part 49 as well. Since the Commission's expectation is that SDRs implement all of these changes simultaneously, the SDR believes it will need at least an additional six months to implement Part 49 amendments beyond what is established for the implementation of Parts 43, 45 and 46. Please note, however, that this timing assumes the Draft Technical Specifications would be finalized at the same time and would not be modified in any material respect prior to the compliance date.

CME's DCO also believes that the Commission has underestimated that number of manhours that it will take reporting entities such as CME's DCO to implement the Commission's proposed changes to its reporting requirements.[37] In addition, a separate compliance date for the transition to UTI is unwelcome given the short period of time for implementation and the scope of the modifications necessary to make this change. Alignment of the UTI transition with the main compliance date would reduce the potential for unnecessary duplication of effort and allow for

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[35] The section of the cost-benefit analysis for proposed § 43.3(d) is the only place where the Commission quantifies cost in dollar terms, the cost for all the other proposed amendments were discussed qualitatively (i.e., impact to liquidity, transparency, etc.).

[36] As mentioned in Section III.B, we do not believe the work needed to implement the changes to cap sizes detailed in § 43.4(g) will be inconsequential.

[37] The Commission has estimated the cost per reporting entity of implementing the Commission's proposed revisions to Parts 43 and 45 to require approximately 500 – 725 manhours. However, based on its recent experience in implementing proposals of similar scope under ESMA regulations, CME's DCO believes that implementing the Commission's proposed revisions to its reporting rules will require approximately 6000 manhours to complete.

potential project implementation synergies

Regarding the establishment of the deadline itself, and as noted in our Part 49 joint comment letter with DTCC and ICE, we would request that the Commission be mindful of the implementation deadlines for similar proposals in foreign jurisdictions and avoid setting compliance dates which occur at the end of the year during holidays and code freezes. Our hope would be to have the Commission finalize all of its reporting rules no later than November since this is when draft budgets for the next calendar year are established and funding discussions commence.

* * * * *

CME appreciates the opportunity to submit these comments to the Commission and looks forward to working with the Commission to continually improve data accuracy and the reporting rules generally. Please do not hesitate to contact us if you have any questions regarding our comments.

Sincerely,

Kathleen Cronin, Senior Managing Director,
General Counsel & Corporate Secretary

Exhibit A

Data element	Source	Category	Data element name	Allowable Values	CME SDR Comments
4	CDE	Clearing	Clearing Member	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc.
5	CFTC	Clearing	Clearing swap USIs	Refer to Existing standard column	Is the field expected to contain USIs of both the cleared legs? If yes, how should the USI be separated e.g. USI1-USI2? We suggest adding a validation rule on Event = 'Clearing' to prevent trades that are intended to be cleared from being terminated prior to clearing.
6	CFTC	Clearing	Clearing swap UTIs	Refer to Existing standard column	Is the field expected to contain UTIs of both the cleared legs? If yes, how should the USI be separated e.g. UTI1-UTI2? We suggest adding a validation rule on Event = 'Clearing' to prevent trades that are intended to be cleared from being terminated prior to clearing.
7	CFTC	Clearing	Original swap USI	Refer to Existing standard column	Under circumstances where an alpha trade is not reportable, should the validation specify how such trades must be handled? Additionally, there may be other cleared trades such as those arising from allocations or blending or compression activities that will not have this information. In light of this, we recommend adding a validation that is event specific.
8	CFTC	Clearing	Original swap UTI	Refer to Existing standard column	Under circumstances where an alpha trade is not reportable, should the validation specify how such trades must be handled? Additionally, there may be other cleared trades such as those arising from allocations or blending or compression activities that will not have this information. In light of this, we recommend adding a validation that is event specific.
9	CFTC	Clearing	Original swap SDR identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc. 2. The validation rule does not mention whether the entity must be validated to check it is an SDR 3. Under circumstances where an Alpha is not reportable under CFTC, should the validation specify how such trades should be handled?
10	CFTC	Clearing	Clearing receipt timestamp	Any valid date/time	1. The validation rules do not specify how to handle positions as this field would be N.A? 2. We request additional guidance on event types where this field is applicable (e.g. This field N.A on an allocation or on a termination of a cleared transaction)
11	CFTC	Clearing	Clearing exceptions and exemptions - Counterparty 1		The CME SDR currently requires a form to be uploaded by the Counterparty if they are exempt from clearing. Is the expectation for this form to be uploaded going forward and does the Commission require this form to be appended to the transaction and visible to both the client and the Commission on the user interface?
12	CFTC	Clearing	Clearing exceptions and exemptions - Counterparty 2		The CME SDR currently requires a form to be uploaded by the Counterparty if they are exempt from clearing. Is the expectation for this form to be uploaded going forward and does the Commission require this form to be appended to the transaction and visible to both the client and the Commission on the user interface?

#		Category	Field	Definition	Comments
13	CDE	Counterparty	Counterparty 1 (reporting counterparty)	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc. 2. For historical transactions reported without an LEI, are counterparties required to upgrade their transaction by re-reporting with an LEI? 3. For individuals that qualify as an Eligible Contract Participant, they will not be able to obtain an LEI and hence will be unable to report if CP1 allowable value is an LEI.
14	CDE	Counterparty	Counterparty 2	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc. 2. Are SDRs required to validate that the first 20 characters of the value submitted must be equal to CP1 LEI for Natural Persons?
18	CDE	Counterparty	Buyer identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The supported product list under the definition needs to be expanded to specify the applicability of the Buyer/Seller fields. 2. Request clarification on how Swaptions should leverage the Buyer/Seller fields as separate fields for Options may be required since the validation does not allow for Payer/Receiver to be populated at the same time. The DCO also expects to populate the Buyer/Seller together with Payer/Seller at the same time.
19	CDE	Counterparty	Seller Identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The supported product list under the definition needs to be expanded to specify the applicability of the Buyer/Seller fields. 2. Request clarification on how Swaptions should leverage the Buyer/Seller fields as separate fields for Options may be required since the validation does not allow for Payer/Receiver to be populated at the same time. The DCO also expects to populate the Buyer/Seller together with Payer/Seller at the same time.
20	CDE	Counterparty	Payer identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The supported product list under the definition needs to be expanded for Basis Swaps and Commodity Swaps. 2. Request clarification on how Swaptions should leverage the Payer/Receiver fields as separate fields for Options may be required since the validation does not allow for Buyer/Seller to be populated at the same time. The DCO also expects to populate the Buyer/Seller together with Payer/Seller at the same time.
21	CDE	Counterparty	Receiver identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The supported product list under the definition needs to be expanded for Basis Swaps and Commodity Swaps. 2. Request clarification on how Swaptions should leverage the Payer/Receiver fields as separate fields for Options may be required since the validation does not allow for Buyer/Seller to be populated at the same time. The DCO also expects to populate the Buyer/Seller together with Payer/Seller at the same time.
22	CFTC	Counterparty	Submitter Identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc.
24	CFTC	Events	Action Type	• NEWT = New • MODI = Modify • CORR = Correct • EROR = Error	The validation rules do not specify how transactions previously terminated, subject to error, or ported out by mistake should be revived to allow for re-reporting of future events.

	Exhibit A			• TERM = Terminate • PRTO = Port out • VALU = Valuation • COLU = Collateral	
25	CFTC	Events	Event type	• TRDE = Trade • NOVT = Novation • COMP = Compression or Risk Reduction • EART = Early termination • CLRG = Clearing • EXER = Exercise • ALOC = Allocation • CLAL = Clearing & Allocation • CRDT = CDS Credit • PORT = Porting	The provided allowable values must be expanded to support an "OTHR" value to use if needed (e.g. liquidation).
26	CFTC	Events	Event identifier	LEI code of the entity assigning the event identifier followed by a unique identifier up to 32 characters.	1. We suggest adding a validation rule to verify that the first 20 characters are a valid LEI by validating against GLEIF. 2. The specifications require this data is to be disseminated. However, given that its structure contains the legal entity identifier, we do not think it should be disseminated as it can lead to identification of the parties to the trade. 3. The allowable value states "*LEI code of the entity assigning the event identifier followed by a unique identifier up to 32 characters*" but no validation rule is specified on how the SDRs must validate the uniqueness and whether it must be at a Reporting Party and USI/UTI combination.
27	CDE	Events	Event Timestamp	Any valid date/time	Since the Execution timestamp may not be available on a cleared trade, we suggest the value comparison be between Event Timestamp and Clearing Timestamp when Cleared is Y.
28	CDE	Notional amounts and quantities	Notional amount	Any value greater than or equal to zero	1. As per the footnote, when Notional amount is not available, a suggested default value of 99999999999999999999.99999 is to be reported. But capping/rounding of this value when disseminated will defeat the purpose of using a default value and hence we would request revising the dissemination logic to retain the default value. 2. We request clarification whether the default value of 99999999999999999999.99999 is only allowed when variable terms are unknown such as for Post-Priced swaps? 3. Please clarify why the comparison between notional and call/put amount is limited to FX options as we believe it may apply to other products as well ? It is also possible that both notional currencies are same as either the put currency or call currency.
29	CDE	Notional amounts and quantities	Notional currency		We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable. Specifically, for crypto currencies, which are reported as other commodities, are not part of ISO currency list, and so can the validation rules be revised to be bypass the ISO list for certain products?
31	CDE	Notional amounts and quantities	Call Amount	Any value between zero and one.	1. Unless the trade is a Straddle, the validation rule must specify that either a Call Amount or Put Amount must be populated and not allow for both. 2. We request further clarification why the call amount is limited to FX options as we believe that it may apply to other products as well such as all option trades.

32	CDE	Notional amounts and quantities	Call Currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
33	CDE	Notional amounts and quantities	Put Amount	Any value between zero and one.	1. Unless the trade a Straddle, the validation must specify that either a Call Amount or Put Amount must be populated and not allow for both. 2. We request further clarification why the call amount is limited to FX options as we believe that it may apply to other products as well such as all option trades.
34	CDE	Notional amounts and quantities	Put Currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
35	CFTC	Notional amounts and quantities	Notional quantity	Any value greater than or equal to zero.	As per the footnote, when Notional Quantity is not available, a suggested default value of 99999999999999999999.99999 is to be reported. But capping/rounding of this value when disseminated will defeat the purpose of using a default value and hence we would request revising the dissemination logic to retain the default value.
36	CFTC	Notional amounts and quantities	quantity frequency	• HOUR = Hourly • DAIL = Daily • WEEK = Weekly • MNTH = Monthly QURT = Quarterly • MIAN = Semi-Annual • ONDE = OnDemand • YEAR = Yearly • TERM = End of term	1. Some of the allowable values maybe redundant such as "Quarterly" which can be expressed in months (e.g. 3-M vs 1-Q, 6-M vs 1-MIAN). Hence, we request revising the allowable values to remove redundancy. 2. Some of the allowable values are not the same as field 46 [Floating rate reset frequency period] (e.g. ONDE vs ADHO in field 46). We request keeping the allowable values consistent.
37	CFTC	Notional amounts and quantities	quantity frequency multiplier	Any value greater than or equal to zero.	We request additional guidance on how multiplier is reported when frequency is ONDE, like it is specified for Field 47 [floating rate reset frequency multiplier].
39	CFTC	Notional amounts and quantities	Total notional quantity	Any value greater than or equal to zero	1. When Total Notional Quantity is not available, a suggested default value of 99999999999999999999.99999 is to be reported but capping/rounding of this value when disseminated will defeat the purpose of a dummy value. 2. We request clarification whether the default value of 99999999999999999999.99999 is only allowed when variable terms are unknown such as for Post-Priced swaps?
40	CDE	Packages	Package Identifier	Up to 35 alphanumeric characters	1. Can the allowable values be expanded to allow for special characters such as -/;.? 2. The specifications require this data to be disseminated. However, this data can contain information specific to the reporting counterparty which can lead to its identification and thus breach the confidentiality requirements for part 43.
41	CDE	Packages	Package Transaction Price	• Any value, if Package transaction price notation = 1 • Any value expressed as decimal (e.g., 0.0257 instead of 2.57%), if Package transaction price notation = 330	1. Since the Package Transaction Spread fields have been removed, we request revising the definition of the Price field to specify the inclusion of Spread. 2. We request clarification whether the default value of 99999999999999999999.99999 is only allowed when variable terms are unknown such as for Post-Priced swaps?
42	CDE	Packages	Package Transaction price currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
45	CFTC	payments	fixing date	Any valid date	1. The field definition states NDF but the validation specifies a Forward, so we request clarification on whether the validation is for all types of forwards?

	Exhibit A				**2.** Please clarify whether Fixing date was intentionally left out from Part 43 dissemination as we consider this to be a price forming attribute?
46	CFTC	Payments	Floating rate reset frequency period	• DAIL = Daily • WEEK = Weekly • MNTH = Monthly • QURT = Quarterly • YEAR = Yearly • ADHO = Ad hoc which applies when payments are irregular • TERM = Payment at term	**1.** The validation rules exclude other types of swaps such as swaptions. We suggest explicitly calling out products to which this validation must be applied. **2.** Some of the allowable values maybe redundant such as "Quarterly" which can be expressed in months (e.g. 3-M vs 1-Q, 6-M vs 1-MIAN). Hence, we request revising the allowable values to remove redundancy.
47	CFTC	Payments	Floating rate reset frequency period multiplier	any value greater than or equal to zero	We would like to suggest that the additional guidance provided in the definition should also be mentioned as a validation rule for Part 43 and 45.
48	CDE	Payments	Other payment type	1 = Upfront Payment, i.e., the initial payment made by one of the counterparties either to bring a transaction to fair value or for any other reason that may be the cause of an off- market transaction • 2 = Unwind or Full termination, i.e., the final settlement payment made when a transaction is unwound prior to its end date; Payments that may result due to full termination of derivative transaction(s) • 3 = Principal Exchange, i.e., Exchange of notional values for cross-currency swaps	The current allowable values do not support all payment types. Accordingly, we suggest adding "Other" as a supported payment type.
49	CDE	Payments	Other payment amount	Any value greater than or equal to zero.	Under the specifications, the other payment amount does not need to be rounded or capped, but one of other payment types is 'Principal Exchange' and can thus expose the actual notional value of the contract
50	CDE	Payments	other payment currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
52	CDE	Payments	other payment payer	• LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). • For natural persons who are acting as private individuals (not business entities): LEI of the reporting counterparty followed by a unique identifier assigned and maintained consistently by the reporting counterparty for that natural person(s) for regulatory reporting purpose. • Privacy Law Identifier (PLI)	We suggest adding a validation rule to state that if Other Payment Payer matches the value in CP1 then the Other Payment Receiver must match the value in CP2 and vice-versa.

53	Exhibit A	Payments	other payment receiver	• LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/). • For natural persons who are acting as private individuals (not business entities): LEI of the reporting counterparty followed by a unique identifier assigned and maintained consistently by the reporting counterparty for that natural person(s) for regulatory reporting purpose. • Privacy Law Identifier (PLI)	We suggest adding a validation rule to state that if Other Payment Payer matches the value in CP1 then the Other Payment Receiver must match the value in CP2 and vice-versa.
54	CDE	Payments	Payment frequency period	• DAIL = Daily • WEEK = Weekly • MNTH = Monthly • QURT35 = Quarterly • YEAR = Yearly • ADHO = Ad hoc which applies when payments are irregular • TERM36 = Payment at term	We request the Commission to explicitly state the products to which this validation rule will apply to since the current validation rules include other types of swaps such as swaptions.
55	CDE	Payments	Payment frequency period multiplier	Any value greater than or equal to zero	We would like to suggest that the additional guidance provided in the definition should also be mentioned as a validation rule for Part43 and 45.
61	CDE	Prices	Price currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
65	CDE	Prices	spread currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
66	CDE	Prices	spread notation	• 1 = Monetary amount • 3 = Decimal • 4 = Basis points	We request expanding the allowable values list to include Equities.
67	CDE	Prices	Strike price	• Any value (e.g., USD 6.39) expressed as 6.39, for equity options, commodity options, foreign exchange options and similar products, if Strike price notation = 1 • Any value expressed as decimal (e.g., 0.021 instead of 2.1%), for interest rate options, interest rate and credit swaptions quoted in spread, and similar products, if Strike price notation = 3	1. Please clarify whether the Strike Price field needs to be reported for Volatility and Variance swaps (except Variance Option) when the Price field is populated? 2. A separate Option expiration or Underlying Maturity date field is not available, which would make it difficult to report products such as swaptions where an expiration date of the swap also needs to be captured.
68	CDE	Prices	Strike price currency/currency pair	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.

71	CDE	Prices	option premium currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
73	CDE	Prices	first exercise date	Any Valid Date	The definition states that this field is only applicable for option products and so we would like to request this to be added as a validation rule.
74	CDE	Product	CDS index attachment point	Any value between 0 and 1 (including 0 and 1), expressed as decimal (e.g., 0.05 instead of 5%).	The Underlying Asset/Contract Type data element is not specified in the specifications. Until such time that the UPI related data elements are available, can the SDR maintain its own product related fields to identify the product type and apply the validations as they currently exist in the SDR?
75	CDE	Product	CDS index detachment point	Any value between 0 and 1 (including 0 and 1), expressed as decimal (e.g., 0.05 instead of 5%).	The Underlying Asset/Contract Type data element is not specified in the specifications. Until such time that the UPI related data elements are available, can the SDR maintain its own product related fields to identify the product type and apply the validations as they currently exist in the SDR?
76	CFTC	Product	Index factor	Any value between 0 and 1 (including 0 and 1), expressed as decimal (e.g., 0.05 instead of 5%).	The Underlying Asset/Contract Type data element is not specified in the specifications. Until such time that the UPI related data elements are available, can the SDR maintain its own product related fields to identify the product type and apply the validations as they currently exist in the SDR?
80	CDE	Settlement	Settlement Currency	Currencies included in ISO 4217	1. Since a Settlement Type data element is not specified in the specification and until such time that UPI's equivalent data element is available,. can the SDR maintain its own settlement related field to identify the type and apply the validations as they currently exist in the SDR? 2. Request further clarification of what is meant by settlement currency of each leg under the definition? 3. We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable, and CDE guidance was to additionally report a separate Settlement Location field when Settlement Currency is an offshore currency.
86	CDE	Transaction related	Execution timestamp	Any valid date/time.	This validation rule for this field should be conditional to handle positions. Separately, please clarify what the 'Execution timestamp' field should be populated with for post clearing trade activities (e.g., post clearing allocations or netting).
87	CDE	Transaction related	Reporting timestamp	Any valid date/time.	For Valuations and Collateral, we suggest adding validations against the Valuation and Collateral timestamp.
88	CDE	Transaction related	Platform identifier	ISO 10383 segment MIC code. If no trading facility was involved in the transaction: • XOFF, for transactions in listed instruments • XXXX, for transactions in instruments that are not listed in any venue • BILT, if the reporting counterparty cannot determine whether the instrument is listed or not, as per jurisdictional requirements.	We request additional clarity whether the SDR's are required to validate the MIC code provided.
96	CFTC	Transfer	New SDR identifier	LEI code that is included in the LEI data as published by the Global LEI Foundation (GLEIF, www.gleif.org/).	1. The validation rules do not mention the types of GLEIF statuses that are valid. For reference, ESMA requires the LEI value to have a GLEIF status of ACTIVE, etc. 2. The validation rule does not mention whether the entity must be validated to check it is an

		Exhibit A			SDR. 3. Suggest revising the definition to use consistent terminology (porting vs transferring) since this field applies to porting.
97	CFTC	Valuation	Last floating reference value	Positive and negative values expressed as decimal (e.g., 0.0257 instead of 2.57%)	1. The validation rule will need to be revised based on UPI timing and/or retaining current product validation. 2. Please clarify how the allowable value is represented for multiple indices in Basis or Cross currency swaps ?
100	CDE	Valuation	Valuation currency	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
105	CDE	Collateral and margins	Collateral portfolio code	Up to 52 alphanumeric characters	1. We don't believe this field should be required when reporting valuations and as such must be marked as N.A for valuations? 2. The validation rules must be modified to make it conditional for Collateral reported at a transaction level.
109	CDE	Collateral and margins	Currency of initial margin posted	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
112	CDE	Collateral and margins	Currency of initial margin collected	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
113	CDE	Collateral and margins	Variation margin posted by the reporting counterparty (pre-haircut)	Any value greater than or equal to zero	The DCO would expect reporting of Variation margin paid to non-reporting counterparties be reported in this field. Please clarify if this is not in line with the commission's expectation.
114	CDE	Collateral and margins	Currency of variation margin posted	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.
115	CDE	Collateral and margins	Variation margin collected by the reporting counterparty (pre-haircut)	Any value greater than or equal to zero	The DCO would expect reporting of Variation margin received from non-reporting counterparties be reported in this field. Please clarify if this is not in line with the commission's expectation.
116	CDE	Collateral and margins	Currency of variation margin collected	Currencies included in ISO 4217	We request additional guidance on reporting of this field for the derivatives traded in off-shore currencies and crypto currencies. As a reference, ESMA suggests the use of onshore currencies, where applicable.