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Ann E. Misback, Secretary,  
Board of Governors of the Federal Reserve System,  
20th Street and Constitution Avenue, NW.,  
Washington, DC 20551

Robert E. Feldman, Executive Secretary,  
Attention: Comments/RIN 3064-AE80,  
Federal Deposit Insurance Corporation,  
550 17th Street, NW,  
Washington, DC 20429

Legislative and Regulatory Activities Division,  
Office of the Comptroller of the Currency,  
400 7th Street, SW., suite 3E-218,  
Washington, DC 20219

November 14<sup>th</sup>, 2018

**Re: Standardized Approach for Calculating the Exposure Amount of Derivative Contracts**

Board: Docket No. [not yet allocated]

FDIC: RIN 3064-AE80,

OCC: Docket ID OCC-2018-0030

Ladies and Gentlemen,

The International Swaps and Derivatives Association (ISDA), the Securities Industry and Financial Markets Association (SIFMA), the American Bankers Association (ABA), the Bank Policy Institute (BPI), and the Futures Industry Association (FIA) (together, the associations) appreciate the efforts of the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency (together, the agencies) to implement a new approach for calculating the exposure amount of derivative contracts through publication of the notice of proposed rulemaking (the NPR).

The associations respectfully request an extension of 30 days to the 60 days comment period that is included in the NPR.

The request for the extension is based on the following factors:

- The proposed approach, called the standardized approach for counterparty credit risk (SA-CCR) has broad applications and represents a new methodology for calculating total risk-weighted assets for derivatives under the capital rule. In addition, the proposal would modify other aspects of the capital rule including calculating total leverage exposure, incorporating SA-CCR into the cleared transactions framework and would indirectly affect the Board's single counterparty credit limit rule, along with other rules. The Office of the Comptroller of the Currency also is proposing to update cross-references to the current exposure methodology (CEM) and add SA-CCR as an option for determining exposure amounts for derivative contracts in its lending limit rules;
- The agencies are encouraging commenters to provide appropriate data or examples to support their response to the NPR which gives industry participants limited time to source complete and accurate data;
- We are entering a period that includes Thanksgiving and Christmas/New Year holidays which together with year-end activities will reduce the time for industry participants to process the requested information; and
- The comment period for the NPR on SA-CCR overlaps with the comment period for the proposed rulemaking to tailor prudential standards which closes on January 22<sup>nd</sup> 2019.

We are available to provide you with additional information in support of this request, if you have any questions please contact Panayiotis Dionysopoulos ([pdionysopoulos@isda.org](mailto:pdionysopoulos@isda.org)), David Wagner ([David.Wagner@BPI.com](mailto:David.Wagner@BPI.com)), Ananda Radhakrishnan ([Anandar@aba.com](mailto:Anandar@aba.com)), Carter McDowell ([cmcdowell@sifma.org](mailto:cmcdowell@sifma.org)), Jackie Mesa ([jmesa@fia.org](mailto:jmesa@fia.org)).

Respectfully submitted,

International Swaps and Derivatives Association, Inc.

American Bankers Association

Bank Policy Institute

Securities Industry and Financial Markets Association

Futures Industry Association

## APPENDIX

### **International Swaps and Derivatives Association, Inc. (ISDA)**

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has more than 900 member institutions from 70 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's website: [www.isda.org](http://www.isda.org). Follow us on Twitter @ISDA.

### **American Bankers Association (ABA)**

The ABA is the voice of the nation's \$17 trillion banking industry, which is composed of small, regional, and large banks that together employ more than 2 million people, safeguard \$13 trillion in deposits, and extend nearly \$10 trillion in loans.

The **Bank Policy Institute (BPI)** is a nonpartisan public policy, research and advocacy group, representing the nation's leading banks and their customers. Our members include universal banks, regional banks and the major foreign banks doing business in the United States. Collectively, they employ almost 2 million Americans, make nearly half of the nation's small business loans, and are an engine for financial innovation and economic growth.

**Securities Industry and Financial Markets Association (SIFMA)** is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

**The Futures Industry Association** is the leading global trade organization for the futures, options and centrally cleared derivatives markets, with offices in Brussels, London, Singapore and Washington, D.C. The Futures Industry Association's membership includes clearing firms, exchanges, clearinghouses, trading firms and commodities specialists from more than 48 countries, as well as technology vendors, lawyers and other professionals serving the industry.