



March 1, 2011

Via Electronic Mail

Matthew A. Daigler  
Senior Special Counsel  
Division of Trading and Markets  
United States Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: Definition of "Swaps" under the Wall Street Transparency and Accountability Act of 2010

Dear Mr. Daigler,

Thank you again for taking the time to meet with us last month to discuss the potential effects of the Wall Street Transparency and Accountability Act of 2010 ("Dodd-Frank Act") on various syndicated loan products. When we met with the CFTC staff regarding similar topics, including the LSTA's January 25, 2011 comment letter to the CFTC and SEC regarding the definition of "swaps" under the Dodd-Frank Act, the CFTC staff asked us to propose for consideration draft language defining "loan participation" for purposes of an exclusion from the definition of "swaps." In that regard, we respectfully request that you and the CFTC staff consider the following proposed language:

*A "loan participation" means an agreement or transaction between a grantor and a participant, however described, (i) that is customarily entered into in the primary or secondary loan markets, (ii) that provides that the participant is entitled to receive all or substantially all of the economic benefit of the whole or part of a loan or commitment from the grantor to the extent of payments received by the grantor in respect of such loan or commitment, and (iii) with respect to which the grantor is a lender under, or participant or sub-participant in, the loan or commitment.*

If you have any questions or would like to discuss this issue further, please do not hesitate to contact me at (212) 880-3003 or [eganz@lsta.org](mailto:eganz@lsta.org).

Sincerely,

Elliot Ganz, General Counsel  
The Loan Syndications & Trading Association

cc: Mr. Julian Hammar  
Assistant General Counsel, Commodity Futures Trading Commission