

MEMORANDUM

TO: File No. S7-27-10
File No. S7-43-10
File No. S7-44-10
File No. S7-08-11

FROM: Ann McKeehan

RE: Meeting with representatives from Citadel Investment Group, L.L.C. regarding implementation of Dodd-Frank Act Title VII's mandatory clearing regime

DATE: February 6, 2012

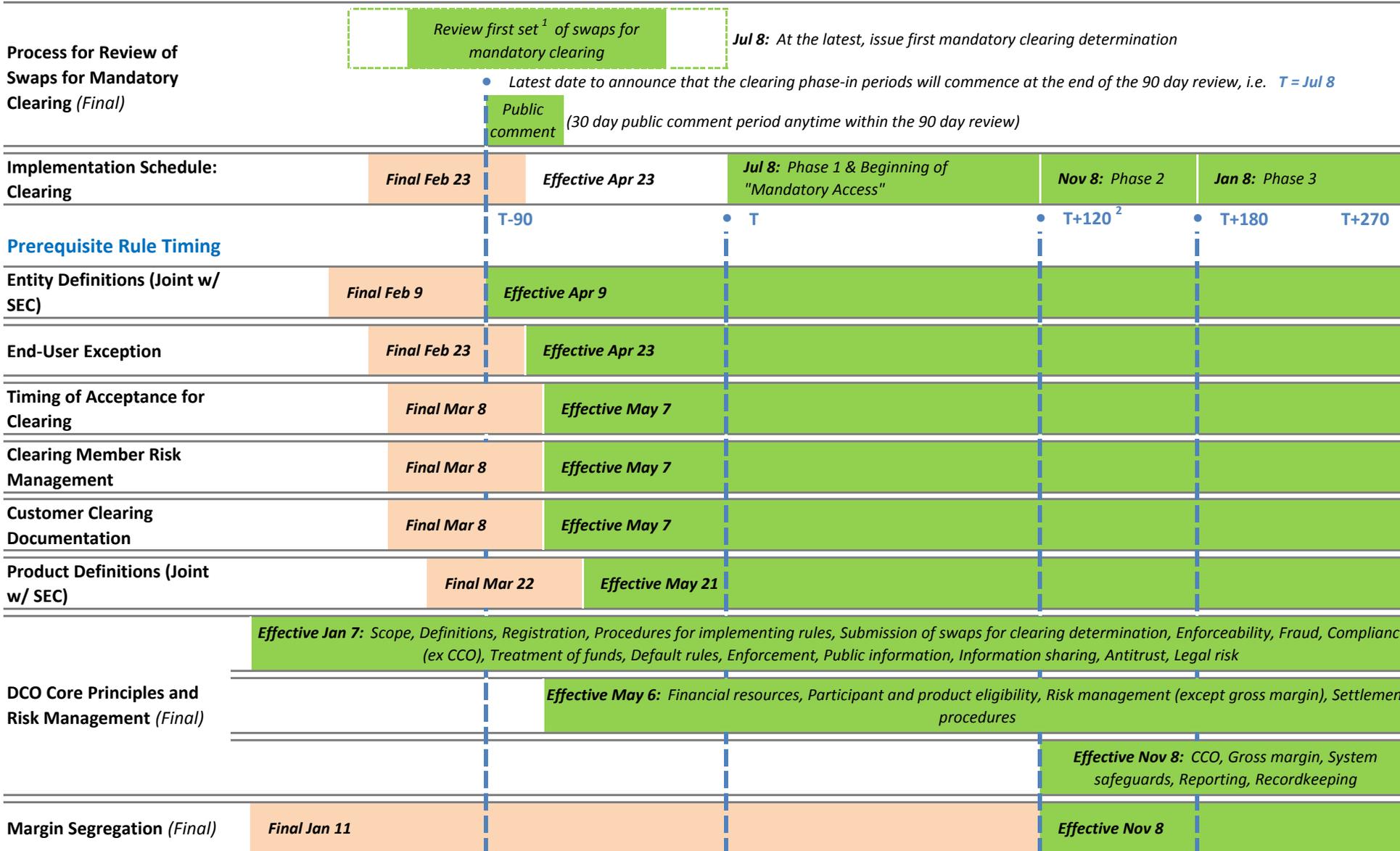
On February 1, 2012, representatives from the Securities and Exchange Commission (James Burns, Brian Bussey, Marta Chaffee, Peter Curley, Tom Eady, Amar Kuchinar, Tom, McGowan, Ann McKeehan, Jeff Mooney, and John Ramsay) met with representatives from Citadel Investment Group, L.L.C. (Stephen Berger, Adam Cooper, and Randall Costa) ("Citadel representatives") to discuss issues pertaining to the implementation of Title VII of the Dodd-Frank Act's mandatory clearing regime.

The attached document was distributed by the Citadel Representatives and discussed at the meeting.

Roadmap to Launch Central Clearing

Rulemaking	1Q2012			2Q2012			3Q2012			4Q2012			1Q2013		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar

Implementation Timing



- Notes:**
- The first review of swaps for mandatory clearing can be based on DCO submissions of what they clear today, not just pre-enactment swaps
 - Phase 1 ends on Nov 8, at which point the clearing mandate will apply to Category 1 entities. The extension of Phase 1 from 90 to 120 days is designed to ensure that the clearing mandate does not apply to clients prior to the effective date of LSOC. If "T" occurs later than Jul 8, Phase 1 could instead compress back to as short as 90 days, allowing the clearing mandate to still begin on Nov 8 for Category 1 entities.