



February 14, 2011

By E-mail

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: Regulation SBSR – Reporting and Dissemination of Security-Based Swap
Information (File Number S7-34-10)

Ladies and Gentlemen:

The Society for Worldwide Interbank Financial Telecommunication SCRL (“SWIFT”) appreciates the opportunity to comment on the Securities and Exchange Commission’s proposed rulemaking, Regulation SBSR – Reporting and Dissemination of Security-Based Swap Information (the “Proposed Rule”). Our comments relate specifically to the use of a participant ID as a standard for identifying legal entities that are parties to security-based swap transactions. As you know, the participant ID concept is closely related to the legal entity identification (“LEI”) concept applicable to financial firms generally.

SWIFT is strongly committed to working with the Securities and Exchange Commission (“SEC”), the Office of Financial Research (“OFR”), the Commodity Futures Trading Commission (“CFTC”) and other regulators in the US and worldwide, to define a workable LEI solution, reach consensus within the global financial industry and implement the solution. In furtherance of this goal, on January 31, 2011, SWIFT commented on the Statement on Legal Entity Identification for Financial Contracts issued by the OFR, which we understand is coordinating its data standardization efforts with the SEC and CFTC.

SWIFT is a member-owned, non-profit cooperative society that provides its community of banking, securities and other regulated organizations, as well as corporations (collectively, “Users”), with a comprehensive suite of messaging products and services that support every aspect of global financial services, payments, processing and reporting. SWIFT also has a proven track record of bringing the financial community, including SWIFT’s financial institution shareholders, together to work collaboratively, to shape market practice, define formal standards and debate issues of mutual interest.

SWIFT is organized under Belgian law and is owned and controlled by its shareholding Users, comprising over 2,300 financial institutions. The User community exceeds 9,600 connected firms, across 210 countries.

Given its key role with respect to worldwide financial systems and communications, SWIFT is overseen by the central banks of the Group of Ten countries, including the Federal

Reserve. SWIFT has entered into a protocol with the National Bank of Belgium (“NBB”) pursuant to which NBB acts as lead overseer. Under the terms of this protocol, the oversight focuses primarily on the security, operational reliability, business continuity and resilience of SWIFT’s infrastructure. A fundamental tenet of SWIFT’s governance is to continually reduce the costs and risks borne by the industry.

SWIFT has been, for several decades, a leading global financial messaging firm that offers Users a secure network, formal standards and applications that support the operations of financial institutions worldwide. These services enable straight-through processing of payments, checks, foreign exchange, securities transactions, collections, cash letters, treasury market transactions, reconciliation and reporting messages.

In performing these functions, SWIFT has developed and implemented the Business Identification Code (“BIC”). The BIC is internationally recognized and has been used by the world’s major financial institutions to unambiguously identify parties to financial contracts for over 30 years.

The International Organization for Standardization (“ISO”) has designated SWIFT as the Registration Authority for the BIC. The ISO 9362 standard specifies the scope of the BIC, its structure and the responsibilities of the registration authority. The wealth of experience that SWIFT has gained in this capacity provides it with a highly informed perspective on the adoption of a universal, standard LEI.

SWIFT’s thinking is further informed by its close cooperation with the Depository Trust and Clearing Corporation (“DTCC”) in developing an optimal solution to the LEI challenge. SWIFT has worked with DTCC’s AVOX subsidiary for more than three years on LEI validation, with each organization gaining from the other’s unique experience with LEIs. As this mutually-beneficial relationship between two global, member-owned non-profit organizations continues to grow, SWIFT eagerly anticipates contributing to an LEI solution that will serve the needs of regulatory agencies, industry members, and other stakeholders.

In that vein, we write to express our wholehearted support of the SEC’s efforts to adopt a universal standard for identifying counterparties to security-based swap transactions. We strongly feel that the participant ID, as described in the Proposed Rule, is the proper foundation for facilitating regulatory oversight and monitoring of the security-based swap market. We wish to emphasize the importance of adopting a global standard under the auspices of an organization such as ISO, as well as a standard with which the international financial community is comfortable.

Coordination between regulators in the United States and Europe will be critical to the success of the proposed LEI system. The SEC and other U.S. regulators have demonstrated a significant commitment to working with their European counterparts. SWIFT supports these efforts and encourages continuing cooperation as the process evolves.

As this highly-collaborative process unfolds, SWIFT looks forward to continuing its work with the SEC, the OFR, the CFTC, other regulatory agencies, DTCC, SWIFT’s

international user community, industry associations and other stakeholders towards developing a universal standard for identifying parties to financial contracts.

* * *

SWIFT appreciates the opportunity to submit this comment in connection with the SEC's Proposed Rule. Please contact the undersigned at (212) 455-1902 with any questions or if we can be of assistance to the SEC.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Llewellyn', written in a cursive style.

Charles Llewellyn
SWIFT Regional Legal Counsel – Americas