



asset management group

August 30, 2017

Brent J. Fields, Secretary
Securities and Exchange Commission,
100 F Street NE.,
Washington, DC 20549-1090.

Re: Amended Application for of DTCC Data Repository, LLC for Registration as a Security-Based Swap Data Repository (SBSDR-2016-02)

Dear Mr. Fields:

The Asset Management Group of the Securities Industry and Financial Markets Association (“**SIFMA AMG**” or “**AMG**”)¹ appreciates the opportunity to comment on the amended application of DTCC Data Repository, LLC (“**DDR**”) to register as a security-based swap data repository (“**SDR**”) for security-based swaps (“**SBS**”) (the “**Amended Application**”).²

AMG believes that DDR has made significant progress in allowing the non-reporting side of the SBS to comply with its limited obligations under the Securities and Exchange Commission’s (the “**Commission**”) regulations for SBS reporting promulgated under the Securities Exchange Act of 1934 (“**Exchange Act**”). For example, as summarized in the Federal Register notice and detailed in the Amended Application, DDR has provided a mechanism for the non-reporting side to provide parent-affiliate information required, without fully onboarding.³ We believe this and other changes represent significant improvements to align the SDR requirements to Exchange Act Regulations.

AMG believes, however, that additional changes should be made to avoid burdens being imposed upon the non-reporting side that are not required by Exchange Act Regulations. The Amended Application does not provide a means for view-only access without the user becoming subject to the same requirements of a full user, including some obligations of the reporting side. DDR’s April 2017 draft Guide to Security-Based Swap Data Repository Processes (“**DDR Guide**”) provides, “[t]o be granted access to the DDR Systems, receive trade information, confirm or verify transactions, submit messages or receive reports, a Market Participant must be on-boarded as a DDR User.” Although the DDR has added a “**View Only Repository User Agreement**,” the agreement’s

¹ SIFMA AMG brings the asset management community together to provide views on policy matters and to create industry best practices. SIFMA AMG’s members represent U.S. and multinational asset management firms whose combined global assets under management exceed \$39 trillion. The clients of SIFMA AMG member firms include, among others, tens of millions of individual investors, registered investment companies, endowments, public and private pension funds, UCITS and private funds such as hedge funds and private equity funds.

² 82 Fed. Reg. 37276 (Aug. 9, 2017); full application available at <https://www.sec.gov/rules/other/2017/dtcc-data-repository-form-sdr-amended.htm>.

³ 82 Fed. Reg. at 37280.

terms still subject “view only” users to DDR’s Rulebook, Operating Procedures, among other requirements imposed upon users of DDR. Because DDR’s Rulebook, Operating Procedures and other documents do not distinguish between “non-reporting” users and “reporting” users, a “view only” user would be subjected to many of the same terms and obligations simply for accessing the data. Compounding this impact, DDR does not differentiate verification requirements for the reporting side and the non-reporting side. If non-reporting side becomes a user—to view data or otherwise—it becomes responsible for verifying the accuracy of the information submitted by the reporting side.⁴ Although DDR could simply impose a tiered verification responsibility for the non-reporting side—such as requiring the non-reporting side to notify the reporting side of any known errors—the method that DDR proposes to adopt will subject the non-reporting side to the same obligations of verification imposed on reporting side users of the SDR. AMG believes that imposing these burdens upon the non-reporting side are not supported by Exchange Act Regulation and are unduly burdensome. AMG believes that shared verification responsibility makes the obligation confusing, as neither side is given primary responsibility.

Further, we believe that the Amended Application should explicitly incorporate the Commission’s clarification that certain Unique Identification Codes are not applicable for transaction sides completed through execution agents⁵ and that externally managed investment vehicles are not required to provide parent-affiliate information per Exchange Act Regulation Section 906(b).⁶

For these reasons, AMG recommends that DDR amend its Amended Application to align with Exchange Act Regulations, including by: (1) allowing “view only” users to access SDR data without taking on requirements that should only be imposed upon the reporting side; (2) providing tiered responsibility for verification by the non-reporting side, such as through having the non-reporting side notify the reporting side when it actually becomes aware of errors in the reported data; and (3) incorporating the Commission’s clarification on Unique Identification Codes and parent-affiliate information.

⁴ DRR Guide at 39-40.

⁵ Regulation SBSR—Reporting and Dissemination of Security-Based Swap Information; Final Rule, 81 Fed. Reg. 53546, n. 312 (Aug. 12, 2016).

⁶ 17 CFR §242.906(b).

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We are available to discuss these recommendations whenever would be helpful to your review. Should you have any questions, contact Tim Cameron at [REDACTED] or [REDACTED], or Laura Martin at [REDACTED] or [REDACTED].

Respectfully submitted,



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