



By Electronic Mail

August 9, 2023

Clark Hutchison, Director
Division of Clearing and Risk
Commodity Futures Trading Commission
1155 21st Street NW
Washington DC 20581

Amanda Olear, Director
Market Participants Division
Commodity Futures Trading Commission
1155 21st Street NW
Washington DC 20581

Re: No-Action Position with regard to Commission Rule 39.13(g)(8)(iii)

Dear Mr. Hutchison and Ms. Olear:

The Futures Industry Association (“**FIA**”),¹ on behalf of its member firms that are registered with the Commodity Futures Trading Commission (“**Commission**” or “**CFTC**”) as futures commission merchants (“**FCMs**”), hereby requests that the Division of Clearing and Risk and the Market Participants Division (collectively, the “**Divisions**”) extend the current no-action relief with regard to Commission Rule 39.13(g)(8)(iii) set out in CFTC Letter No. 19-17 until the earlier of June 30, 2024 or Commission final action on any recommendation that the Divisions may make to codify such relief.²

By Federal Register release dated April 14, 2023, the Commission published for comment proposed amendments to Commission Rule 39.13 that will permit FCMs that are clearing members of Commission-registered derivatives clearing organizations to treat separate accounts of a single customer as accounts of separate entities for purposes of Commission Rule 39.13(g)(8)(iii).³ Final Commission action on the proposed amendments was expected prior to September 30, 2023, the

¹ FIA is the leading global trade organization for the futures, options, and centrally cleared derivatives markets, with offices in London, Brussels, Singapore and Washington DC. FIA’s mission is to support open, transparent and competitive markets; protect and enhance the integrity of the financial system; and promote high standards of professional conduct. FIA’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. FIA’s core constituency consists of firms that operate as clearing members in global derivatives markets, including firms registered with the Commission as futures commission merchants.

² The time-limited no-action relief provided in CFTC Letter No. 19-17 (July 10, 2019) was originally set to expire no later than June 30, 2021 in order to provide staff with time to recommend, and the Commission with time to determine whether to conduct, a rulemaking to implement appropriate relief on a permanent basis. The relief was initially extended to December 31, 2021 by CFTC Letter No. 20-28 (September 15, 2020) and, subsequently, to September 30, 2022 by CFTC Letter No. 21-29 (December 21, 2021) and to September 30, 2023 by CFTC Letter No. 22-11 (September 15, 2022).

³ Derivatives Clearing Organization Risk Management Regulations to Account for the Treatment of Separate Accounts by Futures Commission Merchants, 88 Fed. Reg. 22934 (Apr. 14, 2023).

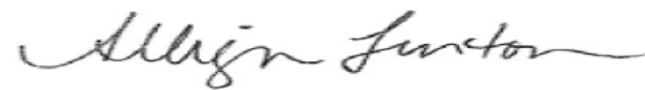
Clark Hutchison, Director
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August 9, 2023
Page 2

date on which the current no-action relief will expire. However, based on our analysis of the comments received and our discussions with staff of the Divisions, we understand that more time will be needed to codify the relief in CFTC Letter No. 19-17 and that the rulemaking process will extend beyond September 30, 2023.

In light of the foregoing, FIA requests that the Divisions extend the current no-action relief with regard to Commission Rule 39.13(g)(8)(iii) until the earlier of June 30, 2024 or Commission final action on any recommendation that the Divisions may make to codify such relief. Extending the current relief will maintain the status quo until the Commission has had an opportunity to consider and act on the Divisions' recommendation.

Thank you for your consideration of this request. If you have any questions or need any additional information, please contact me at alurton@fia.org or 202.772.3057.

Sincerely,



Allison Lurton
General Counsel and Chief Legal Officer

cc: Division of Clearing and Risk
Robert B. Wasserman, Chief Counsel
Daniel O'Connell, Special Counsel

Market Participants Division
Thomas J. Smith, Deputy Director
Joshua J. Beale, Associate Director

CME Group Inc.
Debbie Kokal, Executive Director, Financial and Regulatory Surveillance
Sean Downey, Chief Compliance Officer & Head of Policy, CME Clearing