

ANNEX A

Summary Tables

Application of the CFTC Margin Rules to CFTC-Registered Covered Swap Entities (CSEs)¹

Table 1 is based on the table found at the end of the Margin Proposal,² which we have simplified in certain respects to improve readability. Table 2 reorganizes the same summary information in a different manner.

Table 1

Applicable CSE ³	Swap Counterparty	CFTC Proposed Approach
<ul style="list-style-type: none"> • U.S. CSE <li style="text-align: center;">or • Non-U.S. CSE whose swap obligations are guaranteed by a U.S. person 	<ul style="list-style-type: none"> • U.S. person⁴ <li style="text-align: center;">or • Non-U.S. person whose swap obligations are guaranteed by a U.S. person <p style="text-align: center;">(including, in either case, any CSE)</p>	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: No</p>
	<ul style="list-style-type: none"> • Non-U.S. person whose swap obligations are not guaranteed by a U.S. person <p style="text-align: center;">(including any CSE)</p>	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: Yes, but only with respect to initial margin posted by Applicable CSE to Swap Counterparty</p>

¹ “Covered Swap Entities” are defined as CFTC-registered swap dealers and major swap participants that do not have a Prudential Regulator.

² Margin Proposal at 41402-03.

³ “U.S. CSEs” refer to CSEs that are U.S. persons, and “Non-U.S. CSEs” refer to CSEs that are not U.S. persons (and include “foreign consolidated subsidiaries” as separately defined (see below) and U.S. branches of non-U.S. CSEs).

⁴ The term “U.S. person” is defined in proposed CFTC Rule 23.160(a)(10) of the Margin Proposal solely for the purposes of the application of the CFTC’s margin rules. *See* Margin Proposal at 41401.

Applicable CSE ³	Swap Counterparty	CFTC Proposed Approach
<ul style="list-style-type: none"> • Non-U.S. CSE whose obligations under the relevant swap are not guaranteed by a U.S. person, if it is either: <ul style="list-style-type: none"> ○ a Foreign Consolidated Subsidiary (“FCS”)⁵ <li style="text-align: center; padding: 10px 0;">or ○ a U.S. branch of the non-U.S. CSE 	<ul style="list-style-type: none"> • U.S. CSE <p style="text-align: center;">or</p> <ul style="list-style-type: none"> • Non-U.S. CSE whose swap obligations are guaranteed by a U.S. person 	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: Yes, but only with respect to initial margin collected by Applicable CSE from Swap Counterparty</p>
	<ul style="list-style-type: none"> • Non-U.S. CSE whose swap obligations are not guaranteed by a U.S. person <p style="text-align: center;">or</p> <ul style="list-style-type: none"> • Non-CSE (whether or not a U.S. person or guaranteed by a U.S. person) 	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: Yes</p>

⁵ “Foreign Consolidated Subsidiary” is defined as “a non-U.S. CSE in which an ultimate parent entity that is a U.S. person has a controlling financial interest, in accordance with U.S. GAAP, such that the U.S. ultimate parent entity includes the non-U.S. CSE’s operating results, financial position and statement of cash flows in the U.S. ultimate parent entity’s consolidated financial statements, in accordance with U.S. GAAP.”

Applicable CSE ³	Swap Counterparty	CFTC Proposed Approach
<ul style="list-style-type: none"> • Non-U.S. CSE (other than FCS or U.S. branch of a non-U.S. CSE, which are addressed above) whose swap obligations are not guaranteed by a U.S. person 	<ul style="list-style-type: none"> • U.S. CSE <p style="text-align: center;">or</p> <ul style="list-style-type: none"> • Non-U.S. CSE whose swap obligations are guaranteed by a U.S. person 	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: Yes, but only with respect to initial margin collected by Applicable CSE from Swap Counterparty</p>
	<ul style="list-style-type: none"> • Non-U.S. CSE whose swap obligations are not guaranteed by a U.S. person, if it is either: <ul style="list-style-type: none"> ○ an FCS <p style="text-align: center;">or</p> <ul style="list-style-type: none"> ○ a U.S. branch of the non-U.S. CSE • Non-CSEs if it is either: <ul style="list-style-type: none"> ○ a U.S. person <p style="text-align: center;">or</p> <ul style="list-style-type: none"> ○ a non-U.S. person whose swap obligations are guaranteed by a U.S. person 	<p>CFTC Margin Rules: Applicable</p> <p>Substituted Compliance: Yes</p>
	<ul style="list-style-type: none"> • Non-U.S. person (other than an FCS or a U.S. branch of a non-U.S. CSE, which are addressed above) whose swap obligations are not guaranteed by a U.S. person 	<p>CFTC Margin Rules: Not applicable</p> <p>Substituted Compliance: N/A</p>

Table 2

APPLICABLE CSE	SWAP COUNTERPARTY						
	U.S. Person		Non-U.S. Person				
			Guaranteed by U.S. Person		Not Guaranteed by U.S. Person		
	CSE	Non-CSE	CSE	Non-CSE	CSE		Non-CSE
					FCS or U.S. Branch	Non-FCS/U.S. Branch	
U.S. CSE	1	1	1	1	2	2	2
Non-U.S. CSE							
Guaranteed by U.S. Person	1	1	1	1	2	2	2
Not Guaranteed by U.S. Person							
FCS or U.S. Branch	3	4	3	4	4	4	4
Non-FCS/U.S. Branch	3	4	3	4	4	5	5

- CFTC Rules: Applicable
 Substituted Compliance: No
- CFTC Rules: Applicable
 Substituted Compliance: Yes, but only for initial margin posted by Applicable CSE to Swap Counterparty
- CFTC Rules: Applicable
 Substituted Compliance: Yes, but only for initial margin collected by Applicable CSE from Swap Counterparty
- CFTC Rules: Applicable
 Substituted Compliance: Yes
- CFTC Rules: Not Applicable
 Substituted Compliance: N/A