

## CFTC Further Extends No-Action Relief for Certain Package Transaction Swaps

Article By:

Kevin M. Foley

Timothy D. Kertland

---

The *Commodity Futures Trading Commission's* **Division of Market Oversight (DMO)** has issued CFTC Letter No. 15-55, extending until November 15, 2016, time-limited no-action relief for certain swaps executed as part of a package transaction.

A package transaction is a transaction involving two or more instruments: (1) that is executed between two or more counterparties; (2) that is priced or quoted as one economic transaction with simultaneous or near simultaneous execution of all components; (3) that has at least one component that is a swap that is made available to trade and, therefore, subject to the trade execution requirement under section 2(h)(8) of the Commodity Exchange Act (CEA); and (4) where the execution of each component is contingent upon the execution of all other components.

CFTC Letter No. 15-55 extends relief from the requirements of CEA section 5(d)(9) and CFTC Regulation 37.9, permitting swap execution facilities (SEFs) and designated contract markets to continue to offer any method of execution for such component swaps. Additionally, SEFs are not required to offer an order book for any of the swap components of such package transactions, as would otherwise be required by CFTC Regulation 37.3(a)(2).

The relief applies to the swap components of package transactions that include at least one individual swap component that is subject to the trade execution requirement and one or more of the following: (1) at least one individual component that is a bond issued and sold in the primary market; (2) all other components that are contracts for the purchase or sale of a commodity for future delivery; (3) at least one individual swap component that is subject to the CFTC's exclusive jurisdiction, but not subject to the clearing requirement under CEA section 2(h)(1)(A) and CFTC Regulation 50.4; (4) at least one individual component that is not a swap; or (5) at least one individual swap component that is a swap over which the CFTC does not have exclusive jurisdiction.

This relief granted under CFTC Letter No. 15-55 is set to expire on November 15, 2016.

CFTC Letter No. 15-55 is available [here](#).

©2025 Katten Muchin Rosenman LLP

---

National Law Review, Volume V, Number 289

Source URL: <https://natlawreview.com/article/cftc-further-extends-no-action-relief-certain-package-transaction-swaps>