

**CapitalTrack Limited Response to the Cover Note to the Report on OTC
Derivatives data reporting and aggregation requirements dated 24th
August 2011**

*The Report is published by The Bank for International Settlements Committee on
Payment and Settlement Systems in conjunction with IOSCO*

Data Gaps

The sections referring to Data Gaps in the Report [sections 3.1.41 and 3.1.4.2] state that there are constraints on Trade Repositories in collecting/displaying certain types of data. This is not true in our experience – master agreements and credit support annexes [for example] and other data in digital and pdf form can be readily collected and displayed alongside valuation and payment data. This is currently done on the CapitalTrack Platform – www.capitaltrack.net - counterparty data, netting data, positions etc. could also be displayed alongside master agreements and accessed by secure portal. The question is where is 'position' information available? CCP's?...once a source is identified appropriate STP linkages/interfaces with the CT Platform could be created quickly and without difficulty. The challenges – business, operational and technological – have been overcome to a large extent using a commercial business model, web tools and web-based databases.

To re-inforce this point - evidently there are sources of current exposure, netting, collateralization information on bilateral portfolios somewhere – but they are not in one place. A central TR [such as CT] could maintain this information if permissioned, maintaining confidentiality [and restricting access to unauthorized parties] wherever it is required.

Using the web there would be no need for manual data sources [as stated in 3.1.4.2]

Transmission inwards to a web-based central TR is not a problem either – upload arrangements can be put in place to facilitate transmission inwards. Push technology then distributes data outwards to required parties automatically upon receipt, in digital form FTP to FTP.

Valuation data – which carries with it a considerable number of key additional fields - can be collected stored and transmitted as frequently as required.

In summary – CapitalTrack, being web-based, does not see a problem in the collection, storage, distribution or access to any relevant data

Support for the development and implementation of an international legal identifier

CapitalTrack agrees with the need for this – and in the absence of a recognized standard – has developed, and is using its own version of LEI. CapitalTrack would welcome an invitation to the proposed workshop on this matter.

CapitalTrack agrees with The US Office of Financial Research [see section 4.5.1] to adopt a universal standard developed and implemented by the financial industry and other relevant stakeholders through a consensus process...CapitalTrack has established a consensus among its Data partners and is willing to take a lead in this and offers up its own code [currently assigned to 4,932 unique issuers].

In developing its own CT Code [in-house LEI] CapitalTrack took the following points into consideration:-

1. The CT Code is a **unique identifier** assigned to an issuer
2. The CT Code and Issuer Name are held in a Master Table together with their contact details – in the event of a name change the name need only be changed in this table and all other data that is mapped to the CT Code [for that issuer] can automatically updated in other tables with the new name.
3. Assigning a CT Code eliminates spelling and grammatical variations in an issuers name when aggregating data from various different sources.

Example: CT code CT00006 is assigned to 'Royal Bank of Scotland NV' [The Royal Bank of Scotland assumed liability for all ABN AMRO BANK NV issues in 2010] – all ABN AMRO issues [prior to 06.02.2010] are now therefore mapped to CT00006 Royal Bank of Scotland NV.

Development of a Standard International Product Classification System

CapitalTrack agrees that, in a perfect world, that there should be a Standard International Product [issue description] Classification System. The best source for this System might be – for example - a committee of international lawyers who have experience in drawing up the final terms of derivative transactions. Another source for such a Classification System could be Standard & Poors, the international rating agents.

Whatever system is adopted – must, as far as possible, incorporate many of the current names which have evolved generically – i.e no change where it is not needed.