
MEMORANDUM

To: File

From: Division of Risk, Strategy, and Financial Innovation¹

Re: Information regarding activities and positions of participants in the single-name credit default swap market

Date: 3/15/2012

Introduction

The Division of Risk, Strategy, and Financial Innovation has completed an analysis of single-name credit default swap transaction and position activity. The first analysis is based on a sample of all new, risk transfer, dollar-adjusted, gold record transactions in both corporate and sovereign single-name credit default swaps (CDS) submitted to the Depository Trust and Clearing Corporation's Trade Information Warehouse (DTCC-TIW) between January 1, 2011 and December 31, 2011 (the sample period).² The second analysis is based on monthly position data in single-name CDS over the same sample period and provided by DTCC-TIW.

The analysis provides information that characterizes the level of trading activity and positions in the credit default swap market. It is intended to assist the Commission in the development of final rules that further define the terms "security-based swap dealer" and "major security-based swap participant" in connection with the implementation of the Dodd-Frank Act.³ In part, this information should help evaluate the impact of alternative approaches (1) to implementing the de minimis exception to the "security-based swap dealer" definition by quantifying, under certain assumptions, the number of persons who

¹ This is a memo by the Staff of the Division of Risk, Strategy and Financial Innovation of the U.S. Securities and Exchange Commission. The Commission has expressed no view regarding the analysis, findings, or conclusions contained herein.

² Non-dollar denominated transactions are adjusted to U.S. dollars at prevailing exchanges rates.

³ See Further Definition of "Swap Dealer," "Security-Based Swap Dealer," "Major Swap Participant," "Major Security-Based Swap Participant" and "Eligible Contract Participant," Exchange Act Release No. 63452, 75 FR 80174 (Dec. 21, 2010).

may be required to register as “security-based swap dealers” or “major security-based swap participants,” and (2) to evaluating the security-based swap activities and positions of such persons.⁴

The memo is organized as follows. Section I first discusses potential criteria which, when analyzed in combination with the single-name CDS dataset available from DTCC-TIW, may be indicative of dealer activity. Next, the section outlines the methodological approach. An analysis of each criterion based on 12-month aggregate gross notional dollar value of single-name CDS transactions and illustrated by charts and tables follows, as well as an analysis of the effect of combining multiple criteria. Section I concludes with an analysis of transaction activity between counterparties and special entities. Section II provides an analysis of aggregate gross notional positions that may be relevant to predicting the number of entities that need to determine whether they qualify as major security-based swap participants. Finally, an appendix repeats the criteria analysis from Sections I and 2 for index CDS.

Section I – Information about possible dealing activity in the security-based swap market

Higher levels of activity and exposure are likely to be highly correlated with dealing activity. However, high levels of market activity do not necessarily reflect dealer activity. For this reason, a number of alternative analyses are included in this section that consider other criteria which may be indicative of dealer activity. These criteria were developed to most effectively utilize the data available. As a result, the criteria used may not reflect all potential criteria that could be indicative of dealer activity, or the criteria that may be

⁴ Although rules requiring counterparties to report security-based swap (SBS) transactions to a Swap Data Repository in accordance the Dodd Frank Act have been proposed, they have not been adopted. As a result, the Commission does not yet have ready access to all SBS market transactions. Nevertheless, because the industry through DTCC began to provide infrastructure to the CDS market (the most developed component of the SBS market) several years ago, we have access to, and are able to analyze, a large fraction of the SBS market. Our analysis may understate activity levels in the SBS market because it does not include other types of SBS. In addition, there is a second source of understatement because our analysis is based only on single-name CDS transactions as opposed to all CDS transactions that may be SBS.

used to identify dealer activity in the final rules. The criteria used in this analysis include the following:

1. *Whether an entity transacts with multiple counterparties.* As a general matter, entities engaged in dealing activity are likely to have more counterparties than non-dealers. Nevertheless, to the extent that a market participant limits its activity to the inter-dealer market, it is possible to transact with relatively few counterparties despite engaging in dealing activity. Also, some non-dealers may maintain trading relationships with numerous dealers.
2. *Whether an entity transacts with multiple counterparties, excepting those entities recognized by ISDA as dealers.*⁵ This criterion reflects the expectation that dealers are likely to have more non-dealer counterparties than the typical non-dealer. That is, dealers are more likely to interact with non-dealers than would other non-dealers. Nevertheless, this analysis has an analogous limitation to that described in the first criterion.
3. *Whether an entity's aggregate buy notional amount is within 45-55% of its aggregate gross notional transactions.* To the extent that dealing is associated with zero net exposure, a dealer's buying and selling activity should be largely offsetting. Hence, total notional buying exposure should comprise roughly half of the gross notional transaction activity. However, because an entity may buy and sell credit protection for the same notional amount, but on different reference entities or indexes, or with different maturity dates on the same reference entity, a flat order book could nevertheless reflect directional, speculative trades, uncharacteristic of a dealer.
4. *Whether an entity's aggregate number of buy orders are within 45-55% of its aggregate number of transactions.* Using the same rationale as for criterion 3, dealing activity commensurate with dealer status should, in general, reflect an offsetting number of buy and sell transactions. However, a possible limitation of this criterion is that a dealer may offset large trades with a large number of

⁵ See http://www.isda.org/researchnotes/pdf/ConcentrationRN_4-10.pdf, http://www.isda.org/c_and_a/pdf/ISDA-Operations-Survey-2010.pdf, and <http://www.risk.net/risk-magazine/news/2127940/g14-dealer-adds> (discussing CDS market and participants in CDS market).

smaller trades. If a dealer offsets large protection selling trades with many smaller protection buying trades, a flat order book may not be characterized by an equal number of buy and sell transactions. In addition, a dealer may offset trades on indexes with a number of trades in single-name CDS, which could also result in an unequal number of buy and sell transactions.

5. *Whether an entity's frequency of posting initial margin on orders occurs in less than 10% of their aggregate transactions.* This criterion reflects the expectation that, in general, dealers are less likely to post initial margin when trading CDS, particularly in dealer-to-dealer transactions. A limitation of this analysis is that reporting initial margin to DTCC-TIW is voluntary. Therefore, since this filter may capture entities that in fact post margin, but choose not to report, the criterion may be over-indicative of dealing activity.

Methodology

To illustrate the number of persons who may be engaged in dealing activity involving security-based swaps, the analyses that follow include both histograms and tables for each criterion. Histograms are a heuristic method of representing the underlying data. In this analysis, they are constructed to show the frequency (*i.e.*, number) of potential dealers who satisfy a particular criterion as measured at discrete intervals based on their aggregate gross notional transaction amounts⁶ over the 12-month period ending on December 31, 2011. The discrete intervals (“bins”) are chosen so that the distribution is sufficiently granular to permit inferences about possible de minimis threshold levels, yet wide enough to allow the shape of the distribution to emerge.

Each histogram depicts the percentage of total entities accounted for by each notional bin in graphical and tabular form. The tables also report the percentage of notional as an additional element. This allows for inference as to the effect on the percentage of total entities or total notional resulting from different choices for the value of the de minimis exception.

Finally, this analysis reflects the state of the single-name credit default swap market in 2011, prior to the implementation of most of the provisions of Title VII of the Dodd-Frank Act. The full implementation of Title VII – including the implementation of registration requirements for security-based swap dealers, and an exception that would permit some market participants to engage in unregulated dealing activity up to a de minimis amount – may be expected to change the market. This analysis does not seek to predict those changes.

⁶ The analysis in this memo aggregates account-level data to the corporate parent or transacting agent. For example, a corporate parent can transact through multiple accounts; similarly, an investment adviser can act as the transacting agent for multiple client accounts. However, for the purposes of the special entity analysis, we have calculated 12-month notional at the account level to avoid pooling special entity transactions with non-special entity transactions.

1. Distribution of single-name CDS activity for all entities

For each entity, we calculate aggregate gross notional dollar value of single-name CDS transactions over the 12-month period ending December 31, 2011. Figure 1 illustrates the number of entities at different levels of trading activity as measured by aggregate gross notional amounts. Table 1 also provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

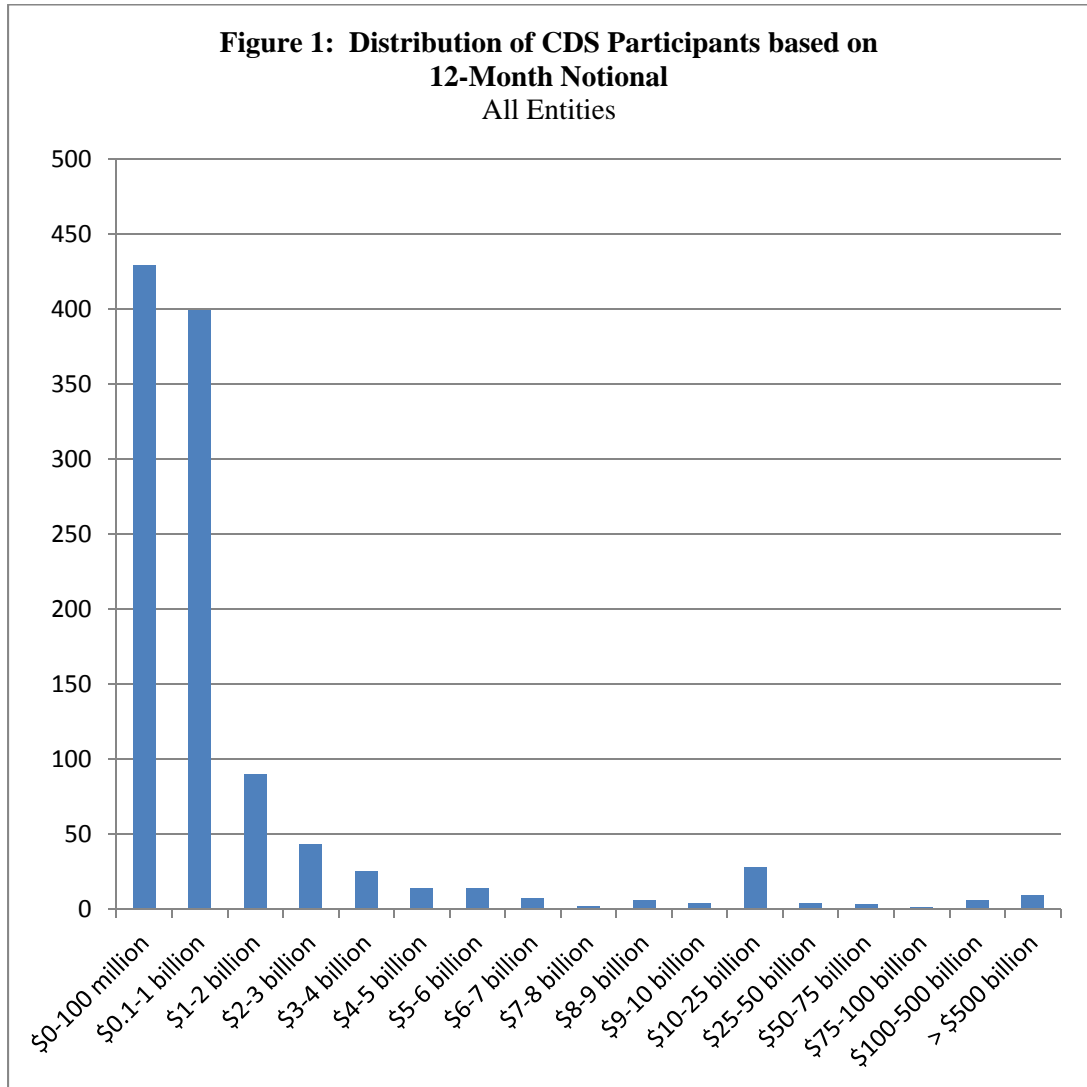


Table 1: 12-Month Notional for All Entities

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 429 | 39.58% | \$ 14.10 | 0.11% |
| \$0.1-1 billion | 399 | 36.81% | \$ 154.78 | 1.23% |
| \$1-2 billion | 90 | 8.30% | \$ 128.49 | 1.02% |
| \$2-3 billion | 43 | 3.97% | \$ 106.28 | 0.84% |
| \$3-4 billion | 25 | 2.31% | \$ 86.39 | 0.68% |
| \$4-5 billion | 14 | 1.29% | \$ 64.38 | 0.51% |
| \$5-6 billion | 14 | 1.29% | \$ 76.61 | 0.61% |
| \$6-7 billion | 7 | 0.65% | \$ 46.16 | 0.37% |
| \$7-8 billion | 2 | 0.18% | \$ 14.68 | 0.12% |
| \$8-9 billion | 6 | 0.55% | \$ 50.96 | 0.40% |
| \$9-10 billion | 4 | 0.37% | \$ 37.44 | 0.30% |
| \$10-25 billion | 28 | 2.58% | \$ 449.53 | 3.56% |
| \$25-50 billion | 4 | 0.37% | \$ 125.45 | 0.99% |
| \$50-75 billion | 3 | 0.28% | \$ 172.63 | 1.37% |
| \$75-100 billion | 1 | 0.09% | \$ 86.37 | 0.68% |
| \$100-500 billion | 6 | 0.55% | \$ 1,646.79 | 13.04% |
| > \$500 billion | 9 | 0.83% | \$ 9,367.44 | 74.18% |
| Total | 1,084 | | \$ 12,628.48 | |

2. Criterion: Transactions with multiple counterparties

For each entity, we identify the number of unique counterparties across all transactions over the 12-month period. Figures 2a, 2b, and 2c illustrate the number of entities captured by different levels of trading activity when there are at least 20, 15, and 10 unique counterparties, respectively. Each associated table provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

a. Transactions with 20 or more unique counterparties

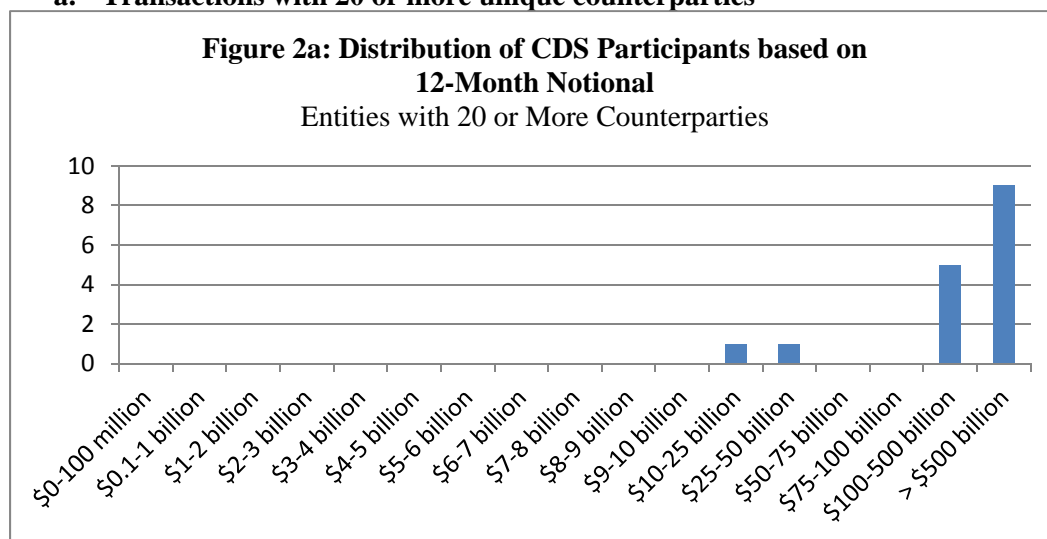


Table 2a: 12-Month Notional for Entities with 20 or more Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 1 | 6.25% | \$ 16.66 | 0.15% |
| \$25-50 billion | 1 | 6.25% | \$ 32.61 | 0.30% |
| \$50-75 billion | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 5 | 31.25% | \$ 1,495.93 | 13.71% |
| > \$500 billion | 9 | 56.25% | \$ 9,367.44 | 85.84% |
| Total | 16 | | \$ 10,912.64 | |

b. Transactions with 15 or more unique counterparties

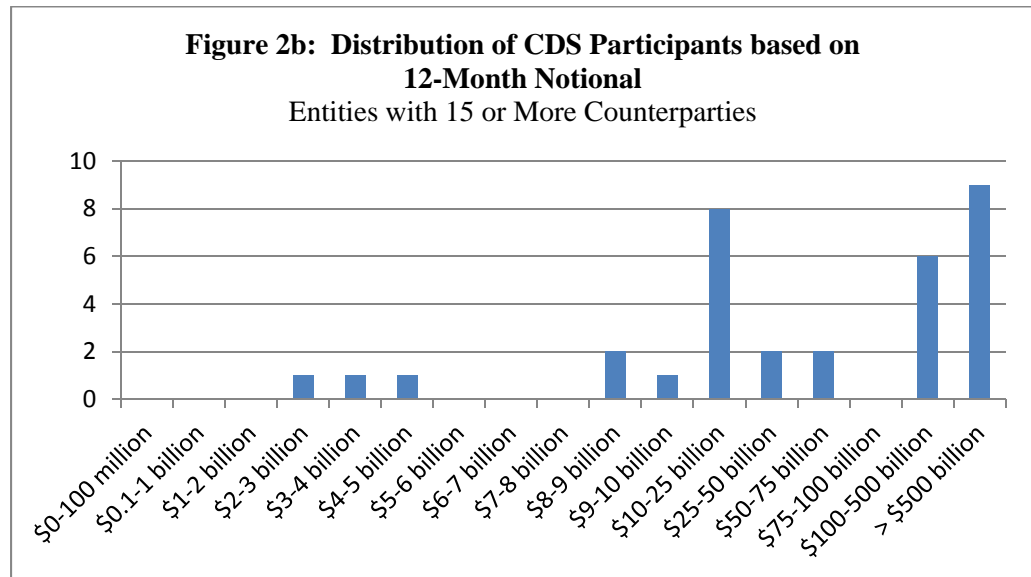


Table 2b: 12-Month Notional for Entities with 15 or More Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 1 | 3.03% | \$ 2.19 | 0.02% |
| \$3-4 billion | 1 | 3.03% | \$ 3.48 | 0.03% |
| \$4-5 billion | 1 | 3.03% | \$ 4.71 | 0.04% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 2 | 6.06% | \$ 17.82 | 0.16% |
| \$9-10 billion | 1 | 3.03% | \$ 9.43 | 0.08% |
| \$10-25 billion | 8 | 24.24% | \$ 114.68 | 1.01% |
| \$25-50 billion | 2 | 6.06% | \$ 69.48 | 0.61% |
| \$50-75 billion | 2 | 6.06% | \$ 105.79 | 0.93% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 18.18% | \$ 1,646.79 | 14.52% |
| > \$500 billion | 9 | 27.27% | \$ 9,367.44 | 82.59% |
| Total | 33 | | \$ 11,341.81 | |

c. Transactions with 10 or more unique counterparties

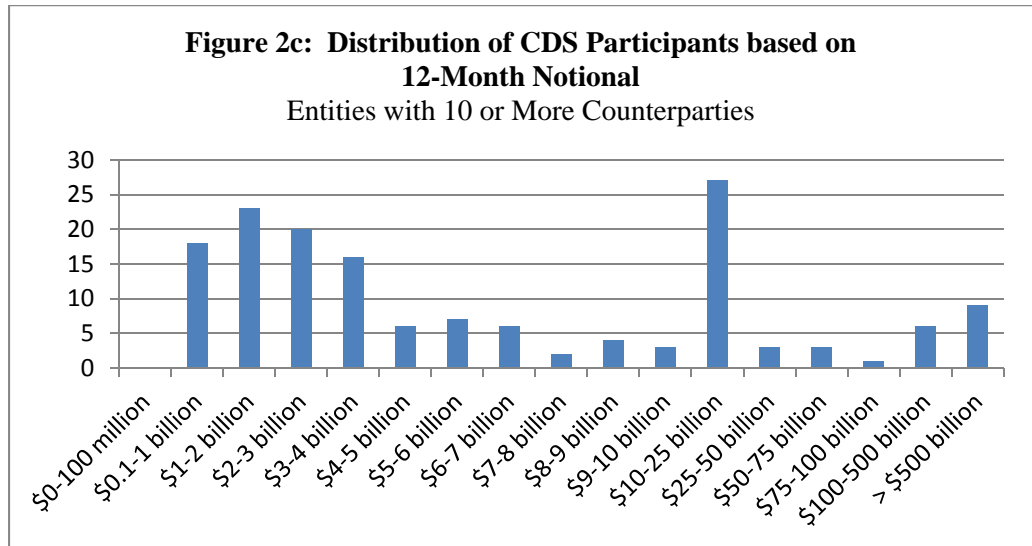


Table 2c: 12-Month Notional for Entities with 10 or More Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|------------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 18 | 11.69% | \$ 10.22 | 0.08% |
| \$1-2 billion | 23 | 14.94% | \$ 32.27 | 0.27% |
| \$2-3 billion | 20 | 12.99% | \$ 47.99 | 0.40% |
| \$3-4 billion | 16 | 10.39% | \$ 54.56 | 0.45% |
| \$4-5 billion | 6 | 3.90% | \$ 27.80 | 0.23% |
| \$5-6 billion | 7 | 4.55% | \$ 38.81 | 0.32% |
| \$6-7 billion | 6 | 3.90% | \$ 39.62 | 0.33% |
| \$7-8 billion | 2 | 1.30% | \$ 14.68 | 0.12% |
| \$8-9 billion | 4 | 2.60% | \$ 34.35 | 0.28% |
| \$9-10 billion | 3 | 1.95% | \$ 28.28 | 0.23% |
| \$10-25 billion | 27 | 17.53% | \$ 433.68 | 3.57% |
| \$25-50 billion | 3 | 1.95% | \$ 98.20 | 0.81% |
| \$50-75 billion | 3 | 1.95% | \$ 172.63 | 1.42% |
| \$75-100 billion | 1 | 0.65% | \$ 86.37 | 0.71% |
| \$100-500 billion | 6 | 3.90% | \$ 1,646.79 | 13.57% |
| > \$500 billion | 9 | 5.84% | \$ 9,367.44 | 77.20% |
| Total | 154 | | \$ 12,133.68 | |

3. Criterion: Transactions with multiple counterparties, excepting ISDA-recognized dealers

For each entity, we identify the number of unique non-ISDA-recognized-dealer counterparties across all transactions over the 12-month period. Figures 2a, 2b, and 2c illustrate the number of entities captured by different levels of trading activity when there respectively are at least 7, 5, and 3 unique non-ISDA-recognized-dealer counterparties. Each associated table provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

a. Transactions with 7 or more counterparties, excepting ISDA-recognized dealers

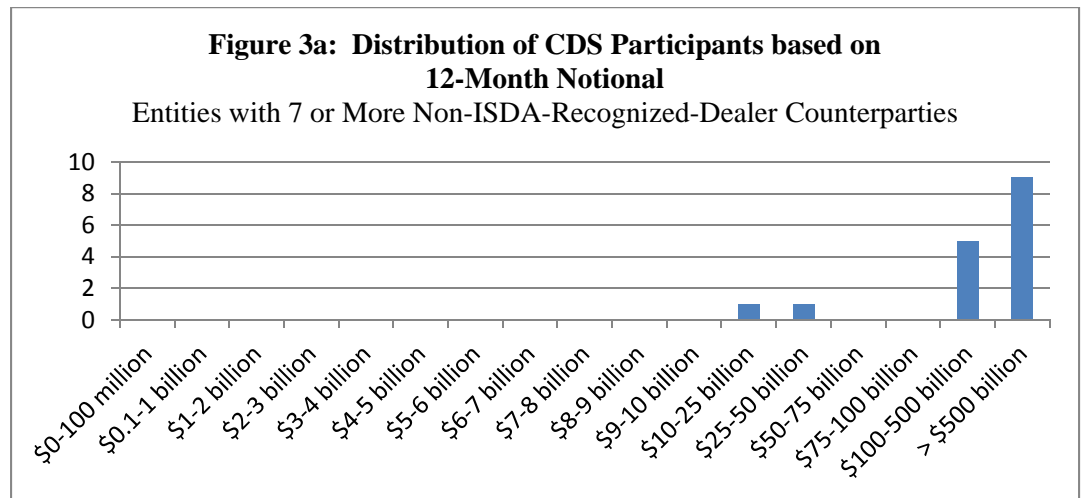


Table 3a: 12-Month Notional for Entities with 7+ Non-ISDA-Recognized-Dealer Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 1 | 6.25% | \$ 16.66 | 0.15% |
| \$25-50 billion | 1 | 6.25% | \$ 32.61 | 0.30% |
| \$50-75 billion | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 5 | 31.25% | \$ 1,495.93 | 13.71% |
| > \$500 billion | 9 | 56.25% | \$ 9,367.44 | 85.84% |
| Total | 16 | | \$ 10,912.64 | |

b. Transactions with 5 or more counterparties, excepting ISDA-recognized dealers

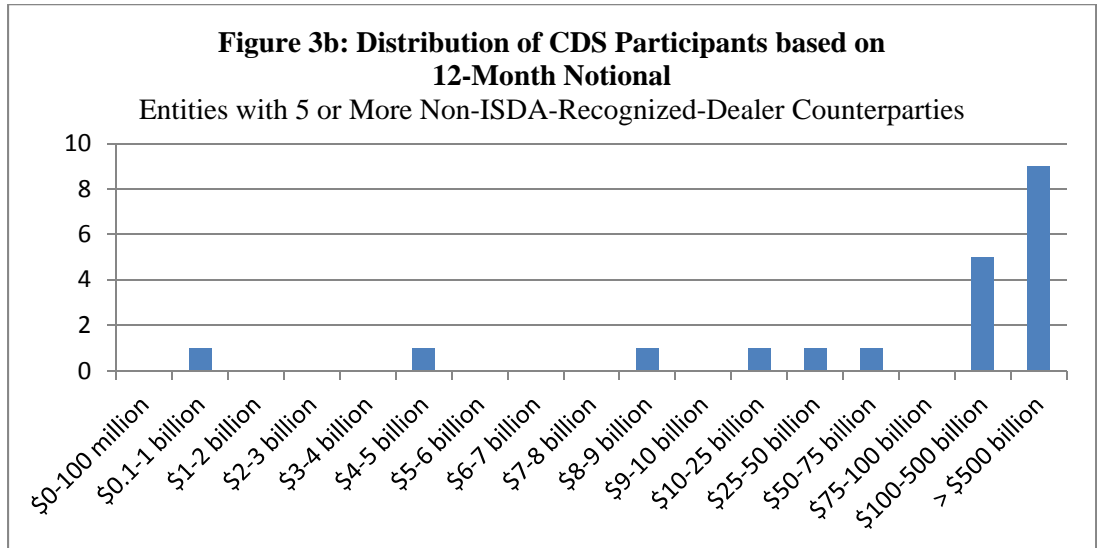


Table 3b: 12-Month Notional for Entities with 5+ Non-ISDA-Recognized Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 1 | 5.00% | \$ 0.49 | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 1 | 5.00% | \$ 4.71 | 0.04% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 1 | 5.00% | \$ 8.83 | 0.08% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 1 | 5.00% | \$ 16.66 | 0.15% |
| \$25-50 billion | 1 | 5.00% | \$ 32.61 | 0.30% |
| \$50-75 billion | 1 | 5.00% | \$ 55.03 | 0.50% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 5 | 25.00% | \$ 1,495.93 | 13.62% |
| > \$500 billion | 9 | 45.00% | \$ 9,367.44 | 85.30% |
| Total | 20 | | \$ 10,981.70 | |

c. Transactions with 3 or more counterparties, excepting ISDA-recognized dealers

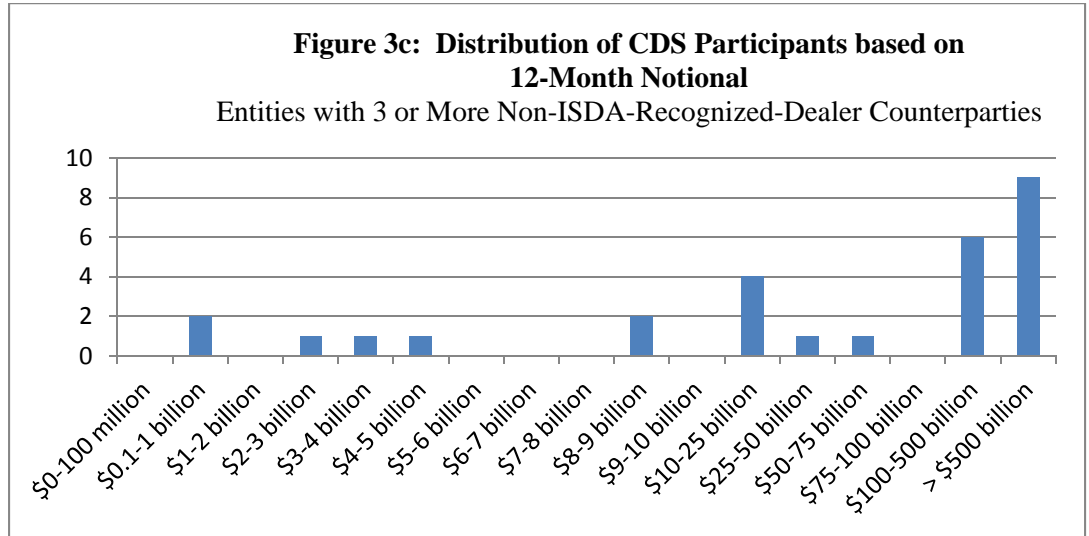


Table 3c: 12-Month Notional for Entities with 3+ Non-ISDA-Recognized-Dealer Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 2 | 7.14% | \$ 1.40 | 0.01% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 1 | 3.57% | \$ 2.19 | 0.02% |
| \$3-4 billion | 1 | 3.57% | \$ 3.99 | 0.04% |
| \$4-5 billion | 1 | 3.57% | \$ 4.71 | 0.04% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 2 | 7.14% | \$ 17.82 | 0.16% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 4 | 14.29% | \$ 50.04 | 0.45% |
| \$25-50 billion | 1 | 3.57% | \$ 32.61 | 0.29% |
| \$50-75 billion | 1 | 3.57% | \$ 55.03 | 0.49% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 21.43% | \$ 1,646.79 | 14.73% |
| > \$500 billion | 9 | 32.14% | \$ 9,367.44 | 83.77% |
| Total | 28 | | \$ 11,182.03 | |

4. Criterion: Buy notional amounts within 45-55% of aggregate transactions

For each entity, total buy notional amounts are calculated as a percentage of their gross notional over the 12-month period ending December 31, 2011. Figure 4 illustrates the number of entities at different levels of trading activity when their total buy notional is within 45-55% of their gross notional. Table 4 also provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

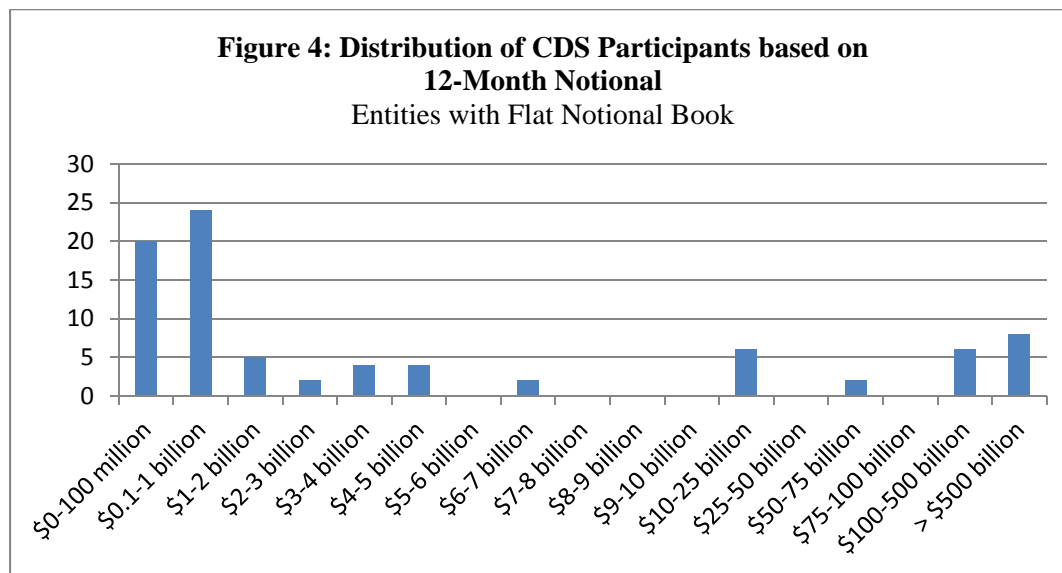


Table 4: 12-Month Notional for Entities with Flat Notional Book

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|--------------------|---------------|
| \$0-100 million | 20 | 24.10% | \$ 0.81 | 0.01% |
| \$0.1-1 billion | 24 | 28.92% | \$ 10.18 | 0.11% |
| \$1-2 billion | 5 | 6.02% | \$ 6.98 | 0.07% |
| \$2-3 billion | 2 | 2.41% | \$ 4.48 | 0.05% |
| \$3-4 billion | 4 | 4.82% | \$ 13.77 | 0.14% |
| \$4-5 billion | 4 | 4.82% | \$ 18.91 | 0.20% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 2 | 2.41% | \$ 13.38 | 0.14% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 6 | 7.23% | \$ 83.27 | 0.86% |
| \$25-50 billion | 0 | 0.00% | \$ - | 0.00% |
| \$50-75 billion | 2 | 2.41% | \$ 121.87 | 1.26% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 7.23% | \$ 1,646.79 | 17.06% |
| > \$500 billion | 8 | 9.64% | \$ 7,735.27 | 80.11% |
| Total | 83 | | \$ 9,655.72 | |

5. Criterion: Buy transactions within 45-55% of aggregate transactions

For each entity, buy transactions are calculated as a percentage of all transactions over the sample period. Figure 5 illustrates the distribution of aggregate gross notional amounts for entities whose buy transactions are within 45-55% of their aggregate transactions. Table 5 also provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

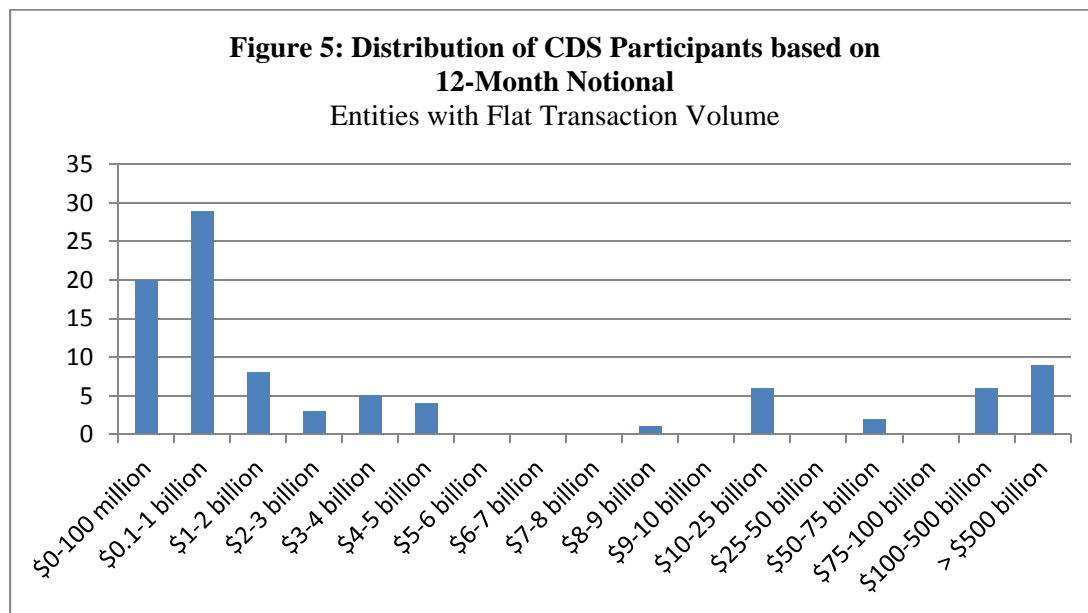


Table 5: 12-Month Notional for Entities with Flat Transaction Volume

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 20 | 21.51% | \$ 0.81 | 0.01% |
| \$0.1-1 billion | 29 | 31.18% | \$ 12.55 | 0.11% |
| \$1-2 billion | 8 | 8.60% | \$ 11.09 | 0.10% |
| \$2-3 billion | 3 | 3.23% | \$ 6.97 | 0.06% |
| \$3-4 billion | 5 | 5.38% | \$ 16.71 | 0.15% |
| \$4-5 billion | 4 | 4.30% | \$ 18.91 | 0.17% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 1 | 1.08% | \$ 8.99 | 0.08% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 6 | 6.45% | \$ 91.60 | 0.81% |
| \$25-50 billion | 0 | 0.00% | \$ - | 0.00% |
| \$50-75 billion | 2 | 2.15% | \$ 121.87 | 1.08% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 6.45% | \$ 1,646.79 | 14.57% |
| > \$500 billion | 9 | 9.68% | \$ 9,367.44 | 82.87% |
| Total | 93 | | \$ 11,303.75 | |

6. Criterion: Initial margin posted with less than 10% frequency

For each entity, the number of transactions in which they post initial margin is calculated as a percentage of all transactions over the sample period. Figure 6 illustrates the distribution of aggregate gross notional amounts for entities who post initial margin with less than 10% frequency. Table 6 also provides the percentage of total entities and the percentage of total notional accounted for by each notional bin.

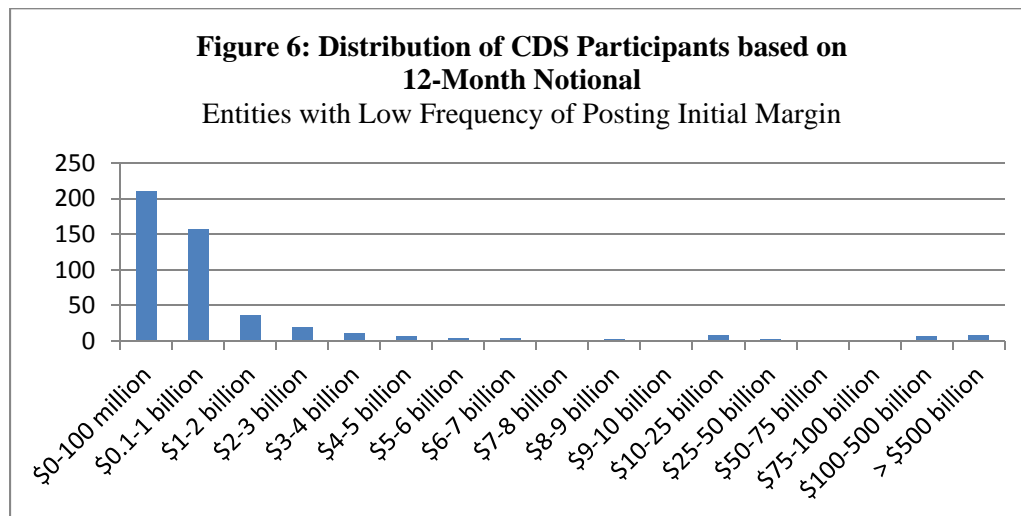


Table 6: 12-Month Notional for Entities with Low Frequency of Posting Initial Margin

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|------------|---------------|--------------------|---------------|
| \$0-100 million | 210 | 44.40% | \$ 6.95 | 0.07% |
| \$0.1-1 billion | 156 | 32.98% | \$ 58.57 | 0.59% |
| \$1-2 billion | 36 | 7.61% | \$ 52.46 | 0.53% |
| \$2-3 billion | 19 | 4.02% | \$ 45.83 | 0.46% |
| \$3-4 billion | 10 | 2.11% | \$ 35.51 | 0.36% |
| \$4-5 billion | 6 | 1.27% | \$ 27.00 | 0.27% |
| \$5-6 billion | 3 | 0.63% | \$ 15.88 | 0.16% |
| \$6-7 billion | 3 | 0.63% | \$ 20.08 | 0.20% |
| \$7-8 billion | 1 | 0.21% | \$ 7.03 | 0.07% |
| \$8-9 billion | 2 | 0.42% | \$ 17.82 | 0.18% |
| \$9-10 billion | 1 | 0.21% | \$ 9.43 | 0.09% |
| \$10-25 billion | 8 | 1.69% | \$ 108.78 | 1.09% |
| \$25-50 billion | 2 | 0.42% | \$ 59.86 | 0.60% |
| \$50-75 billion | 1 | 0.21% | \$ 55.03 | 0.55% |
| \$75-100 billion | 1 | 0.21% | \$ 86.37 | 0.86% |
| \$100-500 billion | 6 | 1.27% | \$ 1,646.79 | 16.49% |
| > \$500 billion | 8 | 1.69% | \$ 7,735.27 | 77.44% |
| Total | 473 | | \$ 9,988.67 | |

Analysis of Combined Criteria

Each of the above analyses is designed to inform on the number of entities that would be captured by alternative criteria and definitions of trading activity. While each of the alternative analyses may indicate dealing activity, there may be limitations that could lead any single criterion to mis-specify dealing activity. The analysis below provides the number of entities that meet various combinations of the criteria. Figure 7 identifies participants passing *any* two of the dealing criteria, and Figure 8 identifies participants passing *any* three of the dealing criteria. For purposes of this analysis, we increase the ‘multiple counterparty’ criteria to 15 and the ‘multiple non-ISDA-recognized-dealer counterparties’ criteria to 5. Tables 7 and 8 provide the associated percentages of total entities and the percentage of total notional accounted for by each notional bin.

**Figure 7: Distribution of CDS Participants based on
12-Month Notional
Entities Passing At Least Two Criteria**

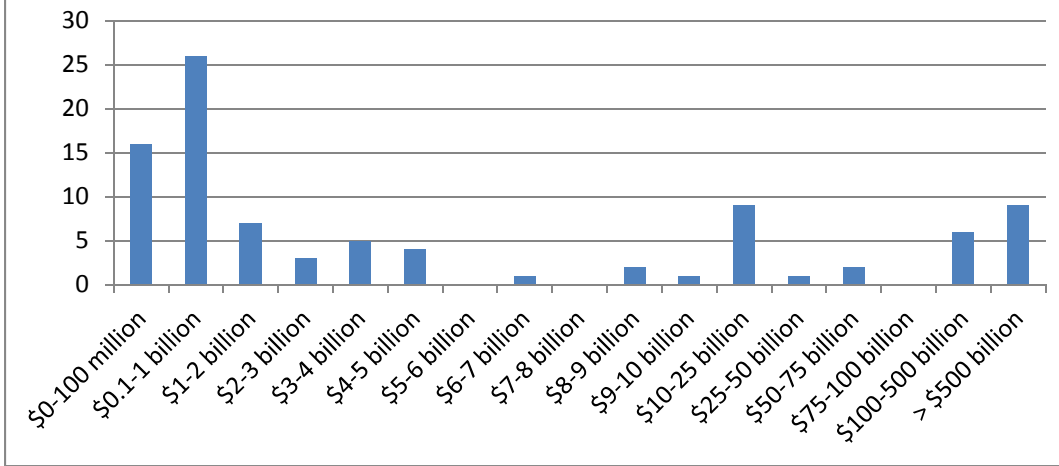


Table 7: 12-Month Notional for Entities Passing At Least Two Criteria

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 16 | 17.39% | \$ 0.61 | 0.01% |
| \$0.1-1 billion | 26 | 28.26% | \$ 10.95 | 0.10% |
| \$1-2 billion | 7 | 7.61% | \$ 9.83 | 0.09% |
| \$2-3 billion | 3 | 3.26% | \$ 6.97 | 0.06% |
| \$3-4 billion | 5 | 5.43% | \$ 17.25 | 0.15% |
| \$4-5 billion | 4 | 4.35% | \$ 18.91 | 0.17% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 1 | 1.09% | \$ 6.95 | 0.06% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 2 | 2.17% | \$ 17.82 | 0.16% |
| \$9-10 billion | 1 | 1.09% | \$ 9.43 | 0.08% |
| \$10-25 billion | 9 | 9.78% | \$ 134.99 | 1.18% |
| \$25-50 billion | 1 | 1.09% | \$ 32.61 | 0.29% |
| \$50-75 billion | 2 | 2.17% | \$ 121.87 | 1.07% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 6.52% | \$ 1,646.79 | 14.44% |
| > \$500 billion | 9 | 9.78% | \$ 9,367.44 | 82.15% |
| Total | 92 | | \$ 11,402.43 | |

**Figure 8: Distribution of CDS Participants based on
12-Month Notional
Entities Passing At Least Three Criteria**

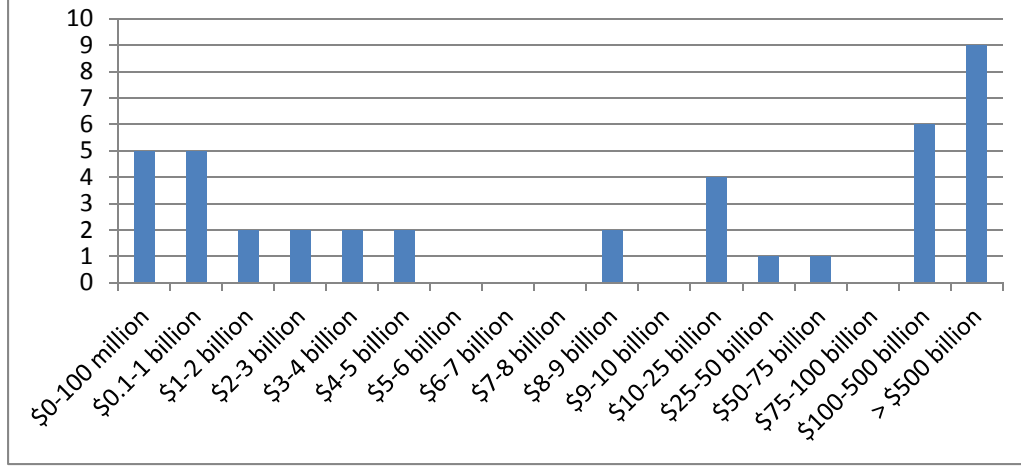


Table 8: 12-Month Notional for Entities Passing At Least Three Criteria

| Notional Bucket | Entities | % of Entities | Notional | % of Notional |
|-------------------|-----------|---------------|---------------------|---------------|
| \$0-100 million | 5 | 12.20% | \$ 0.28 | 0.00% |
| \$0.1-1 billion | 5 | 12.20% | \$ 2.38 | 0.02% |
| \$1-2 billion | 2 | 4.88% | \$ 2.95 | 0.03% |
| \$2-3 billion | 2 | 4.88% | \$ 4.48 | 0.04% |
| \$3-4 billion | 2 | 4.88% | \$ 6.70 | 0.06% |
| \$4-5 billion | 2 | 4.88% | \$ 9.66 | 0.09% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 2 | 4.88% | \$ 17.82 | 0.16% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 4 | 9.76% | \$ 53.24 | 0.48% |
| \$25-50 billion | 1 | 2.44% | \$ 32.61 | 0.29% |
| \$50-75 billion | 1 | 2.44% | \$ 55.03 | 0.49% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 14.63% | \$ 1,646.79 | 14.70% |
| > \$500 billion | 9 | 21.95% | \$ 9,367.44 | 83.64% |
| Total | 41 | | \$ 11,199.38 | |

Special Entity Analysis

Finally, while the information in the above analyses may be relevant to evaluating possible approaches for implementing the de minimis exception to the “security-based swap dealer” definition, the proposed rule also considers treating Dodd-Frank Act special entities⁷ differently from other end users for the purposes of this exception. For this reason, Table 9 illustrates the distribution of aggregate gross notional amounts for counterparties to special entity transactions.⁸

Table 9: 12-Month Notional for Counterparties (CPs) to Special Entities

| Notional Bin | CPs | % of CPs | Notional | % of Notional |
|---------------------------|------------|-----------------|-----------------|----------------------|
| \$0-25 million | 1 | 6.25% | \$ 0.01 | 0.02% |
| \$25-50 million | 1 | 6.25% | \$ 0.04 | 0.09% |
| \$50-75 million | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$100 million - 1 billion | 5 | 31.25% | \$ 3.29 | 8.07% |
| \$ 1-2 billion | 2 | 12.50% | \$ 2.99 | 7.33% |
| \$ 2-3 billion | 1 | 6.25% | \$ 2.13 | 5.21% |
| \$ 3-4 billion | 1 | 6.25% | \$ 3.14 | 7.68% |
| \$ 4-5 billion | 1 | 6.25% | \$ 4.11 | 10.07% |
| \$ 5-6 billion | 2 | 12.50% | \$ 10.77 | 26.37% |
| \$ 6-7 billion | 1 | 6.25% | \$ 6.24 | 15.29% |
| \$ 7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 8-9 billion | 1 | 6.25% | \$ 8.11 | 19.87% |
| \$ 9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$10 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 16 | | \$ 40.82 | |

⁷ Classification is determined by whether the market participant appears to be a special entity based on its name.

⁸ For the 16 participants who act as counterparties to special entities, the average total notional across all accounts is \$680.3 billion, with a minimum value of approximately \$9 billion and a standard deviation of \$505.3 billion.

Section II – Information about single-name CDS positions of non-ISDA-recognized-dealer market participants

This section provides tables of aggregate gross notional positions for all entities except for ISDA-recognized dealers and the Intercontinental Exchange Trust (ICE). Aggregate gross notional positions are calculated on a monthly basis by summing gross notional buy and sell positions, and then averaging over the entire 12-month period ending December 31, 2011. The analysis excludes ISDA-recognized dealers because registered dealers are not a part of major participant regulation. The analysis also excludes ICE. In addition to providing information about aggregate gross notional positions, we separately report gross notional buy and sell positions for those entities that have bought and sold credit protection over the same period. Collectively, this information may reasonably be expected to predict the number of entities that need to determine whether they qualify as major security-based swap participants by virtue of having a “potential future exposure” sufficient to approach the thresholds set forth by the rule defining “substantial position” for purposes of the analysis.

1. Aggregate gross notional positions

For each entity, month-end buy and sell positions are aggregated and averaged over the sample period. Table 10 illustrates the distribution of average aggregate gross notional amounts for all entities except ISDA-recognized dealers and ICE Trust.

Table 10: Average Aggregate Gross Notional Positions

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|--------------------|----------------------|
| \$0-100 million | 646 | 54.38% | \$ 19.33 | 1.22% |
| \$0.1-1 billion | 357 | 30.05% | \$ 126.57 | 8.01% |
| \$1-2 billion | 70 | 5.89% | \$ 93.70 | 5.93% |
| \$2-3 billion | 30 | 2.53% | \$ 75.37 | 4.77% |
| \$3-4 billion | 15 | 1.26% | \$ 51.92 | 3.29% |
| \$4-5 billion | 9 | 0.76% | \$ 40.20 | 2.54% |
| \$5-6 billion | 9 | 0.76% | \$ 48.81 | 3.09% |
| \$6-7 billion | 4 | 0.34% | \$ 26.08 | 1.65% |
| \$7-8 billion | 13 | 1.09% | \$ 96.12 | 6.08% |
| \$8-9 billion | 2 | 0.17% | \$ 17.84 | 1.13% |
| \$9-10 billion | 1 | 0.08% | \$ 9.27 | 0.59% |
| \$10-25 billion | 20 | 1.68% | \$ 314.39 | 19.89% |
| \$25-50 billion | 8 | 0.67% | \$ 277.86 | 17.58% |
| \$50-75 billion | 1 | 0.08% | \$ 57.24 | 3.62% |
| \$75-100 billion | 2 | 0.17% | \$ 190.51 | 12.05% |
| \$100-500 billion | 1 | 0.08% | \$ 135.19 | 8.55% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 1,188 | | \$ 1,580.39 | |

2. Aggregate gross notional positions for entities buying credit protection

For each entity buying credit protection, month-end buy positions are aggregated and averaged over the sample period. Table 11 illustrates the distribution of average aggregate notional amounts for all entities except ISDA-recognized dealers and ICE Trust.

Table 11: Average Aggregate Buy Notional Positions

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|------------------|----------------------|
| \$0-100 million | 632 | 57.66% | \$ 17.22 | 1.97% |
| \$0.1-1 billion | 322 | 29.38% | \$ 116.86 | 13.39% |
| \$1-2 billion | 59 | 5.38% | \$ 78.52 | 9.00% |
| \$2-3 billion | 22 | 2.01% | \$ 55.96 | 6.41% |
| \$3-4 billion | 12 | 1.09% | \$ 44.73 | 5.13% |
| \$4-5 billion | 9 | 0.82% | \$ 40.21 | 4.61% |
| \$5-6 billion | 6 | 0.55% | \$ 33.27 | 3.81% |
| \$6-7 billion | 6 | 0.55% | \$ 38.49 | 4.41% |
| \$7-8 billion | 2 | 0.18% | \$ 15.17 | 1.74% |
| \$8-9 billion | 4 | 0.36% | \$ 32.84 | 3.76% |
| \$9-10 billion | 2 | 0.18% | \$ 18.99 | 2.18% |
| \$10-25 billion | 17 | 1.55% | \$ 238.43 | 27.33% |
| \$25-50 billion | 2 | 0.18% | \$ 76.90 | 8.81% |
| \$50-75 billion | 1 | 0.09% | \$ 64.92 | 7.44% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 1,096 | | \$ 872.50 | |

3. Aggregate gross notional positions for entities selling credit protection

For each entity who sells credit protection, month-end sell positions are aggregated and averaged over the sample period. Table 12 illustrates the distribution of average aggregate notional amounts for all entities except ISDA-recognized dealers and ICE Trust.

Table 12: Average Aggregate Sell Notional Positions

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|------------------|----------------------|
| \$0-100 million | 546 | 67.66% | \$ 12.50 | 1.77% |
| \$0.1-1 billion | 179 | 22.18% | \$ 63.89 | 9.02% |
| \$1-2 billion | 27 | 3.35% | \$ 38.06 | 5.38% |
| \$2-3 billion | 12 | 1.49% | \$ 29.82 | 4.21% |
| \$3-4 billion | 8 | 0.99% | \$ 26.41 | 3.73% |
| \$4-5 billion | 5 | 0.62% | \$ 22.53 | 3.18% |
| \$5-6 billion | 5 | 0.62% | \$ 26.66 | 3.77% |
| \$6-7 billion | 3 | 0.37% | \$ 19.65 | 2.78% |
| \$7-8 billion | 1 | 0.12% | \$ 7.59 | 1.07% |
| \$8-9 billion | 2 | 0.25% | \$ 17.94 | 2.53% |
| \$9-10 billion | 4 | 0.50% | \$ 36.88 | 5.21% |
| \$10-25 billion | 11 | 1.36% | \$ 176.42 | 24.92% |
| \$25-50 billion | 2 | 0.25% | \$ 75.39 | 10.65% |
| \$50-75 billion | 1 | 0.12% | \$ 70.27 | 9.93% |
| \$75-100 billion | 1 | 0.12% | \$ 83.89 | 11.85% |
| \$100-500 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 807 | | \$ 707.89 | |

Appendix

Table A-1: 12-Month Index CDS Notional for All Entities

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 285 | 30.42% | \$ 12.56 | 0.04% |
| \$0.1-1 billion | 339 | 36.18% | \$ 124.90 | 0.37% |
| \$1-2 billion | 86 | 9.18% | \$ 123.33 | 0.36% |
| \$2-3 billion | 47 | 5.02% | \$ 118.00 | 0.35% |
| \$3-4 billion | 26 | 2.77% | \$ 89.13 | 0.26% |
| \$4-5 billion | 16 | 1.71% | \$ 74.38 | 0.22% |
| \$5-6 billion | 7 | 0.75% | \$ 38.72 | 0.11% |
| \$6-7 billion | 15 | 1.60% | \$ 98.96 | 0.29% |
| \$7-8 billion | 10 | 1.07% | \$ 76.57 | 0.22% |
| \$8-9 billion | 6 | 0.64% | \$ 52.12 | 0.15% |
| \$9-10 billion | 7 | 0.75% | \$ 68.02 | 0.20% |
| \$10-25 billion | 33 | 3.52% | \$ 489.57 | 1.43% |
| \$25-50 billion | 24 | 2.56% | \$ 822.33 | 2.40% |
| \$50-75 billion | 9 | 0.96% | \$ 548.27 | 1.60% |
| \$75-100 billion | 3 | 0.32% | \$ 259.24 | 0.76% |
| \$100-500 billion | 11 | 1.17% | \$ 1,955.93 | 5.72% |
| > \$500 billion | 13 | 1.39% | \$ 29,246.57 | 85.52% |
| Total | 937 | | \$ 34,198.60 | |

Table A-2a: 12-Month Index CDS Notional for Entities with 20 or more Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 1 | 5.88% | \$ 20.77 | 0.07% |
| \$25-50 billion | 1 | 5.88% | \$ 49.20 | 0.17% |
| \$50-75 billion | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 2 | 11.76% | \$ 425.67 | 1.43% |
| > \$500 billion | 13 | 76.47% | \$ 29,246.57 | 98.33% |
| Total | 17 | | \$ 29,742.21 | |

Table A-2b: 12-Month Index CDS Notional for Entities with 15 or more Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 1 | 4.00% | \$ 10.00 | 0.03% |
| \$10-25 billion | 1 | 4.00% | \$ 20.77 | 0.07% |
| \$25-50 billion | 2 | 8.00% | \$ 74.93 | 0.25% |
| \$50-75 billion | 3 | 12.00% | \$ 196.41 | 0.64% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 5 | 20.00% | \$ 940.58 | 3.08% |
| > \$500 billion | 13 | 52.00% | \$ 29,246.57 | 95.92% |
| Total | 25 | | \$ 30,489.26 | |

Table A-2c: 12-Month Index CDS Notional for Entities with 10 or more Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 1 | 0.97% | \$ 0.08 | 0.00% |
| \$0.1-1 billion | 2 | 1.94% | \$ 1.70 | 0.01% |
| \$1-2 billion | 2 | 1.94% | \$ 2.38 | 0.01% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 4 | 3.88% | \$ 13.74 | 0.04% |
| \$4-5 billion | 4 | 3.88% | \$ 18.44 | 0.06% |
| \$5-6 billion | 4 | 3.88% | \$ 22.15 | 0.07% |
| \$6-7 billion | 2 | 1.94% | \$ 12.81 | 0.04% |
| \$7-8 billion | 2 | 1.94% | \$ 14.91 | 0.05% |
| \$8-9 billion | 2 | 1.94% | \$ 17.46 | 0.05% |
| \$9-10 billion | 5 | 4.85% | \$ 48.87 | 0.15% |
| \$10-25 billion | 23 | 22.33% | \$ 351.10 | 1.06% |
| \$25-50 billion | 17 | 16.50% | \$ 585.75 | 1.77% |
| \$50-75 billion | 8 | 7.77% | \$ 485.34 | 1.47% |
| \$75-100 billion | 3 | 2.91% | \$ 259.24 | 0.78% |
| \$100-500 billion | 11 | 10.68% | \$ 1,955.93 | 5.92% |
| > \$500 billion | 13 | 12.62% | \$ 29,246.57 | 88.53% |
| Total | 103 | | \$ 33,036.47 | |

Table A-3a: 12-Month Index CDS Notional for Entities with 7+ Non-ISDA-Recognized-Dealer Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| \$10-25 billion | 1 | 5.88% | \$ 20.77 | 0.07% |
| \$25-50 billion | 1 | 5.88% | \$ 49.20 | 0.17% |
| \$50-75 billion | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 2 | 11.76% | \$ 425.67 | 1.43% |
| > \$500 billion | 13 | 76.47% | \$ 29,246.57 | 98.33% |
| Total | 17 | | \$ 29,742.21 | |

Table A-3b: 12-Month Index CDS Notional for Entities with 5+ Non-ISDA-Recognized-Dealer Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 1 | 5.56% | \$ 10.00 | 0.03% |
| \$10-25 billion | 1 | 5.56% | \$ 20.77 | 0.07% |
| \$25-50 billion | 1 | 5.56% | \$ 49.20 | 0.17% |
| \$50-75 billion | 0 | 0.00% | \$ - | 0.00% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 2 | 11.11% | \$ 425.67 | 1.43% |
| > \$500 billion | 13 | 72.22% | \$ 29,246.57 | 98.30% |
| Total | 18 | | \$ 29,752.21 | |

Table A-3c: 12-Month Index CDS Notional for Entities with 3+ Non-ISDA-Recognized-Dealer Counterparties

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$0.1-1 billion | 2 | 8.33% | \$ 0.62 | 0.00% |
| \$1-2 billion | 0 | 0.00% | \$ - | 0.00% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$5-6 billion | 0 | 0.00% | \$ - | 0.00% |
| \$6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$7-8 billion | 0 | 0.00% | \$ - | 0.00% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 1 | 4.17% | \$ 10.00 | 0.03% |
| \$10-25 billion | 1 | 4.17% | \$ 20.77 | 0.07% |
| \$25-50 billion | 1 | 4.17% | \$ 49.20 | 0.16% |
| \$50-75 billion | 2 | 8.33% | \$ 127.78 | 0.42% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 4 | 16.67% | \$ 725.91 | 2.41% |
| > \$500 billion | 13 | 54.17% | \$ 29,246.57 | 96.90% |
| Total | 24 | | \$ 30,180.85 | |

Table A-4: 12-Month Index CDS Notional for Entities with Flat Notional Book

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 15 | 13.76% | \$ 0.54 | 0.00% |
| \$0.1-1 billion | 32 | 29.36% | \$ 13.37 | 0.04% |
| \$1-2 billion | 5 | 4.59% | \$ 7.83 | 0.03% |
| \$2-3 billion | 5 | 4.59% | \$ 11.88 | 0.04% |
| \$3-4 billion | 3 | 2.75% | \$ 10.08 | 0.03% |
| \$4-5 billion | 3 | 2.75% | \$ 13.53 | 0.04% |
| \$5-6 billion | 3 | 2.75% | \$ 16.19 | 0.05% |
| \$6-7 billion | 5 | 4.59% | \$ 33.16 | 0.11% |
| \$7-8 billion | 2 | 1.83% | \$ 15.53 | 0.05% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 2 | 1.83% | \$ 19.56 | 0.06% |
| \$10-25 billion | 10 | 9.17% | \$ 153.84 | 0.50% |
| \$25-50 billion | 3 | 2.75% | \$ 98.11 | 0.32% |
| \$50-75 billion | 2 | 1.83% | \$ 119.91 | 0.39% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 5.50% | \$ 1,176.79 | 3.80% |
| > \$500 billion | 13 | 11.93% | \$ 29,246.57 | 94.54% |
| Total | 109 | | \$ 30,936.89 | |

Table A-5: 12-Month Index CDS Notional for Entities with Flat Transaction Volume

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 15 | 13.39% | \$ 0.66 | 0.00% |
| \$0.1-1 billion | 29 | 25.89% | \$ 11.65 | 0.04% |
| \$1-2 billion | 8 | 7.14% | \$ 11.94 | 0.04% |
| \$2-3 billion | 6 | 5.36% | \$ 14.02 | 0.04% |
| \$3-4 billion | 2 | 1.79% | \$ 6.93 | 0.02% |
| \$4-5 billion | 2 | 1.79% | \$ 8.31 | 0.03% |
| \$5-6 billion | 3 | 2.68% | \$ 16.19 | 0.05% |
| \$6-7 billion | 2 | 1.79% | \$ 13.20 | 0.04% |
| \$7-8 billion | 1 | 0.89% | \$ 7.56 | 0.02% |
| \$8-9 billion | 1 | 0.89% | \$ 8.73 | 0.03% |
| \$9-10 billion | 3 | 2.68% | \$ 29.21 | 0.09% |
| \$10-25 billion | 12 | 10.71% | \$ 186.89 | 0.60% |
| \$25-50 billion | 5 | 4.46% | \$ 153.70 | 0.49% |
| \$50-75 billion | 1 | 0.89% | \$ 66.75 | 0.21% |
| \$75-100 billion | 1 | 0.89% | \$ 99.70 | 0.32% |
| \$100-500 billion | 8 | 7.14% | \$ 1,405.17 | 4.49% |
| > \$500 billion | 13 | 11.61% | \$ 29,246.57 | 93.48% |
| Total | 112 | | \$ 31,287.18 | |

Table A-6: 12-Month Index CDS Notional for Entities with Low Frequency of Posting Initial Margin

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 123 | 30.37% | \$ 5.14 | 0.02% |
| \$0.1-1 billion | 131 | 32.35% | \$ 49.28 | 0.20% |
| \$1-2 billion | 46 | 11.36% | \$ 66.92 | 0.27% |
| \$2-3 billion | 18 | 4.44% | \$ 46.27 | 0.18% |
| \$3-4 billion | 12 | 2.96% | \$ 40.63 | 0.16% |
| \$4-5 billion | 9 | 2.22% | \$ 42.05 | 0.17% |
| \$5-6 billion | 3 | 0.74% | \$ 17.07 | 0.07% |
| \$6-7 billion | 6 | 1.48% | \$ 39.47 | 0.16% |
| \$7-8 billion | 6 | 1.48% | \$ 46.06 | 0.18% |
| \$8-9 billion | 4 | 0.99% | \$ 34.77 | 0.14% |
| \$9-10 billion | 4 | 0.99% | \$ 38.85 | 0.15% |
| \$10-25 billion | 12 | 2.96% | \$ 193.33 | 0.77% |
| \$25-50 billion | 10 | 2.47% | \$ 345.16 | 1.38% |
| \$50-75 billion | 5 | 1.23% | \$ 306.40 | 1.22% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 6 | 1.48% | \$ 1,008.06 | 4.02% |
| > \$500 billion | 10 | 2.47% | \$ 22,798.54 | 90.91% |
| Total | 405 | | \$ 25,078.00 | |

Table A-7: 12-Month Index CDS Notional for Entities Passing at Least Two Criteria

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 17 | 14.91% | \$ 0.73 | 0.00% |
| \$0.1-1 billion | 31 | 27.19% | \$ 12.89 | 0.04% |
| \$1-2 billion | 7 | 6.14% | \$ 10.54 | 0.03% |
| \$2-3 billion | 4 | 3.51% | \$ 9.74 | 0.03% |
| \$3-4 billion | 3 | 2.63% | \$ 10.25 | 0.03% |
| \$4-5 billion | 3 | 2.63% | \$ 13.53 | 0.04% |
| \$5-6 billion | 3 | 2.63% | \$ 16.19 | 0.05% |
| \$6-7 billion | 4 | 3.51% | \$ 26.27 | 0.08% |
| \$7-8 billion | 2 | 1.75% | \$ 15.53 | 0.05% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 2 | 1.75% | \$ 19.56 | 0.06% |
| \$10-25 billion | 11 | 9.65% | \$ 165.84 | 0.53% |
| \$25-50 billion | 4 | 3.51% | \$ 144.39 | 0.46% |
| \$50-75 billion | 2 | 1.75% | \$ 127.78 | 0.41% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 8 | 7.02% | \$ 1,405.17 | 4.50% |
| > \$500 billion | 13 | 11.40% | \$ 29,246.57 | 93.66% |
| Total | 114 | | \$ 31,224.98 | |

Table A-8: 12-Month Index CDS Notional for Entities Passing at Least Three Criteria

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|---------------------|----------------------|
| \$0-100 million | 4 | 9.30% | \$ 0.10 | 0.00% |
| \$0.1-1 billion | 6 | 13.95% | \$ 2.81 | 0.01% |
| \$1-2 billion | 1 | 2.33% | \$ 1.90 | 0.01% |
| \$2-3 billion | 0 | 0.00% | \$ - | 0.00% |
| \$3-4 billion | 1 | 2.33% | \$ 3.48 | 0.01% |
| \$4-5 billion | 1 | 2.33% | \$ 4.08 | 0.01% |
| \$5-6 billion | 1 | 2.33% | \$ 5.56 | 0.02% |
| \$6-7 billion | 2 | 4.65% | \$ 13.20 | 0.04% |
| \$7-8 billion | 1 | 2.33% | \$ 7.56 | 0.03% |
| \$8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$9-10 billion | 1 | 2.33% | \$ 10.00 | 0.03% |
| \$10-25 billion | 6 | 13.95% | \$ 102.12 | 0.34% |
| \$25-50 billion | 1 | 2.33% | \$ 30.89 | 0.10% |
| \$50-75 billion | 1 | 2.33% | \$ 66.75 | 0.22% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 4 | 9.30% | \$ 725.91 | 2.40% |
| > \$500 billion | 13 | 30.23% | \$ 29,246.57 | 96.78% |
| Total | 43 | | \$ 30,220.93 | |

Table A-9: 12-Month Index CDS Notional for Counterparties (CPs) to Special Entities

| Notional Bin | CPs | % of CPs | Notional | % of Notional |
|---------------------------|------------|-----------------|------------------|----------------------|
| \$0-25 million | 0 | 0.00% | \$ - | 0.00% |
| \$25-50 million | 0 | 0.00% | \$ - | 0.00% |
| \$50-75 million | 1 | 6.67% | \$ 0.07 | 0.03% |
| \$75-100 million | 0 | 0.00% | \$ - | 0.00% |
| \$100 million - 1 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 1-2 billion | 3 | 20.00% | \$ 3.67 | 1.78% |
| \$ 2-3 billion | 1 | 6.67% | \$ 2.38 | 1.15% |
| \$ 3-4 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 4-5 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 5-6 billion | 1 | 6.67% | \$ 5.63 | 2.73% |
| \$ 6-7 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 7-8 billion | 1 | 6.67% | \$ 7.75 | 3.76% |
| \$ 8-9 billion | 0 | 0.00% | \$ - | 0.00% |
| \$ 9-10 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$10 billion | 8 | 53.33% | \$ 186.61 | 90.54% |
| Total | 15 | | \$ 206.10 | |

Table A-10: Aggregate Index CDS gross notional positions

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|--------------------|----------------------|
| \$0-100 million | 563 | 56.53% | \$ 17.35 | 1.39% |
| \$0.1-1 billion | 299 | 30.02% | \$ 102.73 | 8.22% |
| \$1-2 billion | 46 | 4.62% | \$ 65.46 | 5.24% |
| \$2-3 billion | 14 | 1.41% | \$ 34.78 | 2.78% |
| \$3-4 billion | 19 | 1.91% | \$ 66.34 | 5.31% |
| \$4-5 billion | 9 | 0.90% | \$ 40.18 | 3.21% |
| \$5-6 billion | 5 | 0.50% | \$ 28.37 | 2.27% |
| \$6-7 billion | 2 | 0.20% | \$ 13.72 | 1.10% |
| \$7-8 billion | 4 | 0.40% | \$ 29.63 | 2.37% |
| \$8-9 billion | 6 | 0.60% | \$ 50.69 | 4.05% |
| \$9-10 billion | 3 | 0.30% | \$ 29.21 | 2.34% |
| \$10-25 billion | 16 | 1.61% | \$ 282.55 | 22.60% |
| \$25-50 billion | 8 | 0.80% | \$ 321.69 | 25.73% |
| \$50-75 billion | 1 | 0.10% | \$ 70.52 | 5.64% |
| \$75-100 billion | 1 | 0.10% | \$ 97.09 | 7.77% |
| \$100-500 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 996 | | \$ 1,250.31 | |

Table A-11: Aggregate Index CDS gross notional positions for entities buying credit protection

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|-----------------|----------------------|
| \$0-100 million | 555 | 61.39% | \$ 15.86 | 2.50% |
| \$0.1-1 billion | 257 | 28.43% | \$ 87.95 | 13.84% |
| \$1-2 billion | 35 | 3.87% | \$ 50.08 | 7.88% |
| \$2-3 billion | 11 | 1.22% | \$ 27.47 | 4.32% |
| \$3-4 billion | 7 | 0.77% | \$ 24.61 | 3.87% |
| \$4-5 billion | 12 | 1.33% | \$ 53.75 | 8.46% |
| \$5-6 billion | 3 | 0.33% | \$ 16.94 | 2.67% |
| \$6-7 billion | 1 | 0.11% | \$ 6.83 | 1.08% |
| \$7-8 billion | 4 | 0.44% | \$ 29.76 | 4.68% |
| \$8-9 billion | 1 | 0.11% | \$ 8.54 | 1.34% |
| \$9-10 billion | 1 | 0.11% | \$ 9.23 | 1.45% |
| \$10-25 billion | 16 | 1.77% | \$ 253.70 | 39.94% |
| \$25-50 billion | 0 | 0.00% | \$ - | 0.00% |
| \$50-75 billion | 1 | 0.11% | \$ 50.58 | 7.96% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 904 | | \$ 635.29 | |

Table A-12: Aggregate Index CDS gross notional positions for entities selling credit protection

| Notional Bin | Entities | % of Entities | Notional | % of Notional |
|---------------------|-----------------|----------------------|-----------------|----------------------|
| \$0-100 million | 411 | 61.90% | \$ 9.70 | 1.58% |
| \$0.1-1 billion | 170 | 25.60% | \$ 55.91 | 9.09% |
| \$1-2 billion | 25 | 3.77% | \$ 37.07 | 6.03% |
| \$2-3 billion | 16 | 2.41% | \$ 38.30 | 6.23% |
| \$3-4 billion | 10 | 1.51% | \$ 35.30 | 5.74% |
| \$4-5 billion | 6 | 0.90% | \$ 27.79 | 4.52% |
| \$5-6 billion | 3 | 0.45% | \$ 16.58 | 2.70% |
| \$6-7 billion | 2 | 0.30% | \$ 13.35 | 2.17% |
| \$7-8 billion | 1 | 0.15% | \$ 7.64 | 1.24% |
| \$8-9 billion | 2 | 0.30% | \$ 17.47 | 2.84% |
| \$9-10 billion | 2 | 0.30% | \$ 18.92 | 3.08% |
| \$10-25 billion | 14 | 2.11% | \$ 228.50 | 37.15% |
| \$25-50 billion | 1 | 0.15% | \$ 46.51 | 7.56% |
| \$50-75 billion | 1 | 0.15% | \$ 61.99 | 10.08% |
| \$75-100 billion | 0 | 0.00% | \$ - | 0.00% |
| \$100-500 billion | 0 | 0.00% | \$ - | 0.00% |
| > \$500 billion | 0 | 0.00% | \$ - | 0.00% |
| Total | 664 | | \$ 615.02 | |