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October 6, 2021

Vanessa A. Countryman  
Secretary  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090

**Re: Notice of Substituted Compliance Application Submitted by UBS AG and Credit Suisse AG in Connection With Certain Requirements Applicable to Non-U.S. Security-Based Swap Dealers Subject to Regulation in the Swiss Confederation; Proposed Order (File No. S7-07-21)**

Dear Ms. Countryman:

On behalf of Credit Suisse AG and UBS AG, we are submitting this further comment on the Commission's Notice of Substituted Compliance Application Submitted by UBS AG and Credit Suisse AG in Connection With Certain Requirements Applicable to Non-U.S. Security-Based Swap Dealers Subject to Regulation in the Swiss Confederation; Proposed Order (File No. S7-07-21) (the "**Proposed Order**").

As conditions to substituted compliance with supervision and compliance requirements, paragraph (c)(3) of the Proposed Order would require a Covered Entity to be subject to and comply with Ordinance on Banks and Savings Banks (Banking Ordinance), CC 952.02 ("BO") articles 14e and 14g. However, BO articles 14e and 14g apply solely to a person as defined in Federal Act on Banks and Savings Banks (Banking Act), CC 952 ("BA") article 1b, which are certain entities having a limited purpose "fintech" or "innovation funding" license. Such entities are only permitted to engage in limited deposit-taking activities (in particular: (i) the deposits may not exceed CHF 100 million, (ii) the holder of the license may not be pay interest on deposits and (iii) deposits may not be reinvested). Covered Entities will not have such a limited purpose license because paragraph (a)(4) of the Proposed Order requires each

Covered Entity instead to be a fully licensed “bank” for purposes of BA article 1a, and a fully licensed bank can already conduct the activities that would be permitted for a holder of license under BA article 1b. Moreover, BO articles 14e and 14g are just "lighter touch" rules of provisions that otherwise apply to the holders of a full banking license and are cited by paragraph (c)(3) of the Proposed Order (in particular BO article 12 and FINMA Circular 2017/1). Accordingly, we request that the Commission remove the references to BO articles 14e and 14g.

Sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping loops and a long horizontal stroke extending to the right.

Colin D. Lloyd