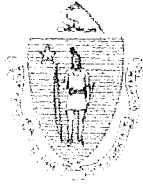


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The Commonwealth of Massachusetts
House of Representatives
State House, Boston 02133-1054

JAMES T. WELCH
STATE REPRESENTATIVE
6TH HAMPDEN DISTRICT
177 UNION ST
WEST SPRINGFIELD, MA 01089
(413) 731-7156

Committee on
Bills in the Third Reading - Vice Chair
Ways and Means
Post Audit and Oversight
ROOM 136 STATE HOUSE
Tel: (617) 722-2396

Chairman Gary Gensler
Commodity Futures Trading Commission
3 Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

November 9, 2010

Dear Chairman Gensler:

I am writing to you to underscore the need for expanded competition within the U.S. derivatives markets that was at the core of deliberations by Congress as they approached writing the Dodd-Frank Financial Services Reform Act.

Specifically, I believe that Congressional intent was to prevent the domination of a clearinghouse, swap execution facility or exchange by a small number of dealers. I strongly oppose allowing dealers to band together under the guise of a 5% cap on ownership by any one entity to avoid a broader class-of-ownership cap.

The U.S. House of Representatives adopted an amendment that Congressman Lynch offered which set a maximum cap of 20% voting control of these entities by the dominant dealers in the existing marketplace. I urge the SEC and CFTC to stay true to Congress' clear intent to stop any entity or group of entities from dominating the clearinghouses, swap execution facilities, or exchanges that are so vital for successful implementation of the Dodd-Frank legislation. We need deep competitive markets where risks are dispersed and transparency reigns supreme.

Thank you for your time and consideration.
Sincerely,

A handwritten signature in black ink that reads "James T. Welch".

James T. Welch
State Representative
6th Hampden District