



Commodity Markets Council
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November 24, 2010

Mr. David A. Stawick
Secretary
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC

Re: Agricultural Swaps ANPRM; Agricultural Commodity Definition (RIN 3038 – AD21)

Dear Mr. Stawick,

The Commodity Markets Council (“CMC”) appreciates the opportunity to comment during the process of rulemaking by the Commodity Futures Trading Commission (“CFTC” or “Commission”) in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Act”).

CMC is a trade association bringing together exchanges with their industry counterparts. The activities of our members represent the complete spectrum of commercial users of all futures markets including agriculture. Specifically, our industry member firms are regular users of the Chicago Board of Trade, Chicago Mercantile Exchange, ICE Futures US, Kansas City Board of Trade, Minneapolis Grain Exchange, and the New York Mercantile Exchange. CMC is uniquely positioned to provide the consensus views of commercial end-users of derivatives exchanges and the exchange markets. Our comments below represent the collective view of CMC members.

CMC is supportive of the Commission’s efforts to define an “agricultural commodity”, and of the four categories of agricultural commodities spelled out by the CFTC in its proposed rule issued on October 26, 2010. We agree with the CFTC’s classification of agricultural commodities based on their enumeration and the primary purpose for which they are used. We also support the inclusion in their own separate category of other commodities that are widely accepted as being agricultural in nature, but that do not fit neatly into any other category based on the parameters described above. Finally, we support the delineation of commodity-based contracts in the final category as listed by the Commission, pursuant to whether such contracts are based principally or wholly on a single underlying agricultural commodity.

However, because defining agricultural commodities is a new endeavor for the CFTC, the CMC believes it would be prudent to guard against the consequences that may result from the inclusion or exclusion of specific commodities in / from the definition. The futures industry is innovative and rapidly evolving, and as such, we believe that neither regulators nor market participants can entirely and accurately foresee the nature of new products and the future impact of regulatory decisions made at this time without anticipation of such developments.

We therefore urge the Commission to provide for an appeals process for new instruments. To elaborate, we request that a consistent process and time period be instated for appealing a CFTC decision to include or exclude a particular commodity from the list of agricultural commodities. We acknowledge that the CFTC in its ANPRM has made a provision for public hearings for Category 3 agricultural commodities, but we request that a process for public comments and appeals be made broadly available in the context of including or excluding an agricultural commodity under any category of the definition.

If you have any questions or would like to discuss further, please do not hesitate to contact me via email at christine.cochran@commoditymks.org or via phone at (202) 842-0400 – ext. 101. Thank you in anticipation of your attention to these comments.

Regards,

A handwritten signature in black ink, appearing to read "Christine M. Cochran". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

CHRISTINE M. COCHRAN
President