



Commodity Markets Council
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January 18, 2010

David Stawick
Secretary, Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Commodity Market Council's Comments on the Designation of Chief Compliance Officers, RIN 3038-AC96

Dear Secretary Stawick,

The Commodity Markets Council (CMC) is a trade association bringing together exchanges and their industry counterparts. The activities of our members represent the complete spectrum of commercial users of all futures markets including energy and 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 and end users of derivatives. Our comments represent the collective view of CMC members.

It would initially appear that the Commodity Futures Trading Commission's (CFTC or Commission) proposed rule on the above referenced topic merely implements the direction of Congress: require swap dealers (SD), major swap participants (MSP) and futures commission merchants (FCM) to designate a chief compliance officer (CCO) and prescribe qualifications and duties. However, the seemingly simple act appears to again place the cart before the horse. The proposed rules are difficult to assess across the market because the Commission has yet to define scope.

Two things are necessary for the broader industry to provide meaningful comment. First, the industry needs final certainty about who will be defined as SDs and MSPs. Second, the industry needs clarity about whether designation as a SD because of activities in perhaps just one commodity would: (1) require compliance obligations for all activities of an integrated firm; (2) require compliance obligations on the activities of the involved affiliate; or (3) require compliance obligations for just those activities in the underlying commodity. The fact that this information is not known limits our ability to respond fully and thoughtfully.

CMC urges the CFTC to reconsider the proposed rule until it more fully builds out the regulatory structure envisioned in the Dodd-Frank Act. Absent reconsideration, CMC members strongly urge that the Commission provides for maximum flexibility to recognize differences in business operating models and structures, and limits the scope of activities included in the obligations and reports to those directly triggering the requirement of a CCO.

The CMC appreciates the opportunity to submit these comments, and we look forward to working with the CFTC in the weeks and months ahead. If you have any questions or would like to discuss this topic further, please do not hesitate to contact me via email at christine.cochran@commoditymkt.com or via phone at (202) 842-0400 - ext. 101. Thank you in anticipation of your attention to this letter.

Best regards,

A handwritten signature in black ink, appearing to read "Christine M. Cochran".

CHRISTINE M. COCHRAN
President
Commodity Markets Council