

From: King, Carlotta
Sent: Friday, February 25, 2011 9:42 AM
To: Fajfar, Mark
Subject: RE: Call with MFA Members on Definitions

Hello Mark,

I reviewed the draft summary of our call on 2/14/11 and there was one point that you misunderstood. In the summary, the following appeared:

“11. Instead of setting dollar amount thresholds to determine MSP status, the CFTC and SEC should consider requiring that a certain number of market participants would be MSPs – i.e., the “x” participants with the largest swap positions would be MSPs.”

Our point was not that the SEC/CFTC should eliminate the dollar amount thresholds and just capture “x” number of market participants. We are opposed to a minimum number. Rather, we thought that the thresholds as proposed might capture too many people that do not pose systemic risk. So, we were recommending that initially the SEC/CFTC raise the thresholds until they can gather additional information, such that the thresholds capture only those entities that are capable of creating systemic risk.

Please see attached the comment letter that we submitted to the SEC/CFT this week reflecting this point. We would appreciate it if you could update the summary of the call.

Kind regards,
Carlotta

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