

David A. Stawick, Secretary
Commodity Futures Trading Commission
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- **17 CFR Part 3**
- **RIN Number 3038-AC96**
- **Designation of a Chief Compliance Officer; Required Compliance Policies; and Annual Report of a Futures Commission Merchant, Swap Dealer, or Major Swap Participant**

Dear Mr. Stawick.

Thank you for giving us the opportunity to comment on your proposed rule: Designation of a Chief Compliance Officer; Required Compliance Policies; and Annual Report of a Futures Commission Merchant, Swap Dealer, or Major Swap Participant.

You are proposing rules to implement new statutory provisions enacted by Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) regarding the compliance activities of certain registrants. The proposed rules require each futures commission merchant, swap dealer, and major swap participant (entities) to designate a chief compliance officer (CCO). The proposed rules also prescribe qualifications and duties of the CCO. Finally, the proposed rules require that the CCO prepare, certify, and furnish to the CFTC an annual report containing an assessment of the registrant's compliance activities.

I fully support the intent of the proposed rules. The CCO role is the single most important compliance role in an entity, and it is critical that its job description, the rules, and the entity's structures and procedures, act to secure and maintain the CCO's independence. For example the CCO should have single compliance role and no other role or responsibility that could create conflicts of interest or threaten its independence, and the remuneration of the CCO must be designed in a way that avoids conflicts of interest with its compliance role.

Please note that the comments expressed herein are solely my personal views

Given the pressures that bear on the CCO, with regard to managing conflicts of interest and maintaining independence, I would strongly recommend one specific change to the proposed rules. I would recommend that you amend the wording under § 3.3(a) such that the authority and sole responsibility to designate or remove the CCO only vests with the independent directors, and not the full board. This would help to ensure the independence of the CCO within the entity.

Yours sincerely

Chris Barnard