

January 7, 2013

Ms. Sauntia Warfield
Assistant Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, DC 20581

Re: RIN 3038-AD88: Enhancing Protections Afforded Customers and
Customer Funds Held by Futures Commission Merchants and Derivatives
Clearing Organizations, 77 Fed. Reg. 67866 (November 14, 2012)

Dear Ms. Warfield:

National Futures Association respectfully requests the Commodity Futures Trading Commission to extend the comment period for the above-described notice of proposed rulemaking for an additional thirty days from January 14, 2013 to February 13, 2013. While NFA is fully supportive of the Commission's objective in reviewing and strengthening the futures industry's customer protection regime, the Commission's November 14th rule proposals are extensive and complex and may have a profound impact upon futures commission merchants, clearing organizations, and the industry's self-regulatory programs and the CFTC's oversight of self-regulatory organizations (SROs).

With regard to the proposals impacting SROs, NFA is particularly concerned about the proposed changes to SRO examination practices, as well as the proposal that NFA and/or the Joint Audit Committee retain an examinations expert to review and render an opinion about their respective supervisory programs. With regard to these proposed requirements, the Commission states that "The Commission does not have adequate information to estimate the ongoing costs for biennial reviews by the examinations expert, or the incremental costs of additional controls testing or ongoing compliance with standards that the FCMs develop pursuant to Regulation 1.52(c)(2)(iii)." 77 Fed. Reg. at 67921. NFA believes that additional time is necessary for all interested parties to evaluate the costs and benefits of the proposal, to provide meaningful comments on the proposal, and to possibly propose alternative measures to provide increased customer protection and enhanced monitoring of FCMs.



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As you may be aware, NFA seldom makes requests for the Commission to extend the comment period on its proposed rulemakings. However, given the impact that this rulemaking may have upon FCMs, clearing organizations and SROs, we request that the Commission extend the comment period for thirty days until February 13, 2013 so that it may receive meaningful comments on the proposal.

Thank you in advance for considering this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Sexton", with a large, looping flourish at the end.

Thomas W. Sexton
Senior Vice President and
General Counsel

cc: Honorable Gary Gensler, Chairman
Honorable Jill E. Sommers, Commissioner
Honorable Bart Chilton, Commissioner
Honorable Scott O'Malia, Commissioner
Honorable Mark Wetjen, Commissioner

Mr. Gary Barnett, Director, Division of Swap Dealer and Intermediary Oversight
Mr. Kevin Piccoli, Deputy Director, Division of Swap Dealer and Intermediary Oversight
Mr. Ananda Radhakrishnan, Director, Division of Clearing and Risk
Mr. Thomas Smith, Deputy Director, Division of Swap Dealer and Intermediary Oversight
Mr. Robert Wasserman, Chief Counsel, Division of Clearing and Risk