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January 8, 2013

Ms. Sauntia Warfield  
Assistant Secretary  
Commodity Futures Trading Commission  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: RIN 3038-AD88: Enhancing Protections Afforded Customers and Customer Funds Held by Futures Commission Merchants and Derivatives Clearing Organizations**

Dear Ms. Warfield:

The Commodity Markets Council ("CMC") respectfully requests the Commodity Futures Trading Commission ("CFTC" or "Commission") to extend the comment period for the aforementioned proposed rule for an additional 30 days, to February 13, 2013. The proposed rulemaking is complex and carries potentially large impacts on futures commission merchants (FCMs) and their customers. CMC has several members that fall into either category who believe they need more time to adequately analyze and respond to the Commission's proposed rule.

CMC is an industry trade association that brings together the interests of commercial end users, FCMs, liquidity providers, other commodity market participants and regulated derivatives exchanges. The proposed rule has potential impacts on a wide range of market participants including the spectrum of CMC's diverse membership, which is why an extension of the comment period in order to afford market participants the opportunity to perform a more thorough analysis of the Commission's proposal would be very helpful.

CMC and many of our members have been actively engaged on this topic in the aftermath of catastrophic episodes in the industry, both on Capitol Hill and with the CFTC. In previous written and oral comments and testimony before Congress, CMC has recommended measures that we believe will provide a sounder, safer framework for the operation of FCMs. However, from the outset, CMC has also taken the view that additional customer protections - depending on the type of protection under consideration - entail different levels of costs, and that the benefits and costs need to be carefully analyzed. A 30-day extension of the comment period will allow CMC members the time that is needed to perform exactly this manner of deliberation and analysis.

To mention briefly just one of our concerns as an example, the proposed rule requires FCMs to take a capital charge for margin calls outstanding more than one day, rather than the current three-day practice. This could force customers to pre-fund margin calls or maintain excess funds with their clearing broker for future margin payments. There are other elements of the proposed rule that would impact many aspects of an FCM's business, with potential resulting effects on their customers, many of whom - like various CMC members - use futures markets to hedge commercial risks.

CMC appreciates the Commission's consideration of our request for a 30-day comment period extension. If you have any questions or would like to discuss, please email me at [sanjeev.joshi@commoditymktcs.org](mailto:sanjeev.joshi@commoditymktcs.org) or call (202) 842-0400 - ext. 103.

Sincerely,

A handwritten signature in black ink that reads "Sanjeev Joshipura".

Sanjeev Joshipura  
President, Commodity Markets Council