



January 14, 2013

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

RE: 17 CFR Parts 1, 3, 22, 30 and 140  
RIN 3038-AD88: Enhancing Protections Afforded Customers and Customer Funds Held by Futures  
Commission Merchants and Derivatives Clearing Operations, "Federal Register" Vol. 77, No. 220,  
pages 67866-67971

Dear Ms. Warfield:

On behalf of the members of the National Cattlemen's Beef Association (NCBA), I am requesting that the Commodity Futures Trading Commission (CFTC) extend the comment period for the proposed rule "Enhancing Protections Afforded Customers and Customer Funds Held by Futures Commission Merchants and Derivatives Clearing Organizations" an additional 30 days with a new deadline of February 13, 2013.

As the oldest and largest national association for the largest segment of American agriculture, NCBA needs more time to analyze and comment on this proposed rule. Most every segment of the U.S. beef industry uses commodity futures as a risk management tool. Over the past several years, however, failures within the futures industry have shaken the confidence of its users. We strongly believe these issues should be addressed and that more protection should be given to account holders. We also know that these protections come at a cost and we want to ensure that those costs bring about true benefit. At 107 pages long, this is a complex and complicated rule which is still being reviewed by many organizations. Given its complexity and significant impact, the industry needs more time to truly understand the proposal.

In particular, we have significant concerns about the proposed amendments to section 1.17 which would require futures commission merchants (FCMs) to take a capital charge for margin calls outstanding more than one day, rather than the current three-day practice. In order to meet this requirement, cattle producers would have to maintain excess funds with their broker in order to fulfill margin calls. This added financial burden could be crippling to our members, especially in the cattle feeding segment of our industry.

It is important that CFTC give our industry 30 more days to ensure we understand the proposed rule, evaluate its impact on America's cattle producers, and provide substantive comments to you on how to improve the proposal. Again, we request a 30 day extension of the comment period. If you have any questions, please contact Colin Woodall, NCBA's Vice President of Government Affairs, at 202-347-0228 or [cwoodall@beef.org](mailto:cwoodall@beef.org)

Thank you for your consideration of our request.

Sincerely,

J.D. Alexander  
President