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## National Grain and Feed Association

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July 25, 2012

The Honorable Scott O'Malia  
Commissioner  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

Dear Commissioner O'Malia:

In the wake of the failures of MF Global and Peregrine Financial Group (PFG), this letter expresses the support of the National Grain and Feed Association (NGFA) for the commission's exploration of technological solutions that could provide additional protections for segregated customer funds.

We understand that the agency's Technology Advisory Committee (TAC) will meet on July 26, 2012 to begin identifying and exploring technological issues and possible solutions related to the ability of the CFTC, self-regulatory organizations and futures commission merchant (FCM) customers to verify the location and status of funds held in customer-segregated accounts. The NGFA commends the TAC for promptly turning its attention to this matter in recognition that regulators should not wait until problems like MF Global and PFG occur. Rather, we believe the CFTC should take a proactive stance to move toward real-time monitoring to ensure that segregated customer funds are held safely and in proper amounts.

The NGFA will be pleased to provide information or support that may assist in the process of expeditiously developing and implementing technological solutions to help protect customer funds.

Sincerely,

Randall C. Gordon  
Acting President