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SANFORD C. BERNSTEIN & CO., INC. \*\*
Investment Research and Management

COMMENT

Received CFTC Records Section

JEAN MARGO REID Senior Vice Pretident General Counsel

May 1, 2000

Ms. Jean A. Webb Secretary Commodity Futures Trading Commission Three Lafayette Center 1155 21<sup>st</sup> Street NW Washington, DC 20581

Re: Proposed Amendments to Rule 4.7

Dear Ms. Webb:

Sanford C. Bernstein & Co., Inc. ("Bernstein") is pleased to submit this response in support of the adoption of the above-referenced proposal. Bernstein is a registered commodity trading advisor, commodity pool operator and futures commission merchant. We are also a registered broker dealer and investment adviser with approximately \$80 billion of assets under management.

We have long shared the Commodity Futures Trading Commission's (the "Commission") belief that the commodities and securities laws and regulations should be harmonized where they have a common purpose. The proposed amendments to Rule 4.7 are a significant step in this direction. Currently, investors in the commodity pools operated by Bernstein have had to demonstrate separately that they are (1) accredited investors under the Securities Act of 1933, (2) qualified purchasers under the Investment Company Act of 1940 and (3) qualified eligible participants as defined in Rule 4.7. While each of these regulations are intended to reduce the regulatory burdens with respect to sophisticated investors, previously the definitions have not been coordinated. By including qualified purchasers in the definition of qualified eligible participants, Bernstein will be able to reduce the array of representations that it asks the investors in its commodity pools to make without in any way reducing the investor protection afforded by the commodities laws.

Bernstein applauds and encourages the Commission's efforts to harmonize the securities and commodities laws. If you should have any questions, please feel free to contact me at (212) 756-4164 or Paul Kenny at (212) 407-5971.

Very truly yours,

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