



COMMODITY FUTURES TRADING COMMISSION
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U.S. COMMODITY FUTURES TRADING COMMISSION
Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581

Barbara Pedersen Holum
Commissioner

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MEMORANDUM

COMMENT

TO: Public Comment Files:
(1) Agricultural Trade Options (62 FR 59624, November 4, 1997).
(2) Proposed Rulemaking Permitting Futures Style Margining of Commodity Options (63 FR 6112, February 6, 1998).
(3) Regulation of Non-Competitive Transactions (63 FR 3708, January 26, 1998).
(4) Concept Release on Denomination of Foreign Funds and Location of Depositories (62 FR 67841, December 30, 1997).

FROM: Office of Commissioner Barbara P. Holum *B. Holum*

RE: Meeting with Chicago Mercantile Exchange Members and Staff

DATE: February 18, 1998

On February 11, 1998, Commissioner Holum met with several members and officers of the Chicago Mercantile Exchange ("CME"). Also present at the meeting was Clarence Sanders, Counsel to Commissioner Holum. Attendees from the CME were Rick Kilcollin, Scott Gordon, Terry Duffy, Jimmy Oliff, Marty Gepsman, and Buck Haworth. During the meeting, the CME representatives discussed the Exchange's position on the proposed pilot plan for agricultural trade options, the proposed rulemaking to permit futures style margining of commodity options, regulation of non-competitive transactions, and the concept release on denomination of foreign funds and depository location.

With respect to agricultural trade options, the CME representatives reiterated comments outlined in their public comment letter. Also, the CME representatives indicated that they generally supported the Commission's issuance of both the concept release on foreign fund denomination and depository location and the proposed rulemaking to permit futures style margining of commodity options. With respect to regulation of non-competitive transactions, the CME representatives indicated that the proposal presented multiple issues, all of which the CME would carefully review in preparing a public comment letter.