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David D. Spears
Commissioner

Office of the SECRETARIAT
(202) 418-5040
(202) 418-5544 Facsimile

September 22, 1998

To: Comment File **COMMENT**
From: Office of Commissioner David D. Spears *D.S.*
Re: Meetings with Industry Representatives; Over-the-Counter (OTC) Derivatives
Concept Release

On Wednesday, September 9, and again on Tuesday, September 15, 1998, Commissioner Spears and Commissioner Newsome and their legal assistants, Don Heitman and Elizabeth Fox, respectively, met with representatives of the OTC derivatives industry regarding issues related to the CFTC's Concept Release on OTC Derivatives dated May 7, 1998. Industry representatives present at both meetings included Don Moorehead (ISDA), and Mary Whalen (SIA). Mark Brickell (J.P. Morgan) attended the September 9 meeting only.

At both meetings the industry representatives expressed their concerns over the legal questions they believed had been raised by the Concept Release. They presented their views as to steps that they believed would be helpful in creating greater legal certainty with respect to the regulatory status of OTC derivatives. Commissioners Spears and Newsome reaffirmed their intent and willingness to consider OTC industry views, as well as the views of all commenters, on the issues raised in the Concept Release.

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