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Gerald D. Beyer
Executive Vice President
312/930-3114

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October 23, 1998

Via Facsimile

COMMENT

Ms. Jean A. Webb
Office of the Secretariat
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581

COMMODITY FUTURES
TRADING COMMISSION
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Re: Temporary License Eligibility

Dear Ms. Webb:

On Thursday, September 24, 1998, the CFTC published for comment proposed amendments to its rules governing the granting of a temporary license by the National Futures Association ("NFA") to applicants for registration in the categories of associated person, floor broker, floor trader and guaranteed introducing broker. The CFTC proposed these amendments so that it may approve certain registration rules submitted by NFA without creating any inconsistency between the Commission's rules and those of the NFA.

The Chicago Mercantile Exchange ("CME" or "Exchange") would like to take this opportunity to support both the NFA's submission and the CFTC proposal. The CME agrees with the NFA's assertion that the restrictions in question are no longer necessary because NFA has developed sufficient expertise identifying, in an accurate and prompt manner, those types of disciplinary matters that it would not use to disqualify an applicant for registration. Further, the elimination of the "no-new-yes" answer requirements would allow NFA to achieve its regulatory goals more efficiently. The NFA submission would create a more logical and rational basis for the approval or denial of temporary licenses.

The CME, also supports the Commission's proposed rule amendments, which are aimed at harmonizing CFTC regulations with the NFA submission. The CFTC proposal is an appropriate means of achieving regulatory goals while allowing NFA to fulfill its responsibilities effectively.

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If you have any questions, please feel free to contact Mr. Eric Wolff, Senior Vice President,
Division of Market Regulation at (312) 930-3255.

Sincerely,


Gerald D. Beyer

cc: Mr. John C. Lawton
CFTC Division of Trading and Markets
CFTC - Chicago Regional Office

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