

Records

99-2  
②

# CHICAGO MERCANTILE EXCHANGE

RECEIVED  
MAR 11 P 1:13

Craig S. Donohue  
Senior Vice President and General Counsel  
312/930-8275  
312/930-3323 Facsimile

## COMMENT

March 4, 1999

### Via Facsimile

Ms. Jean A. Webb  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

RECEIVED  
RECORDS SECTION

1999 MAR 11 P 1:13

RECEIVED  
CFTC

Re: **Proposed Amendments to Part 30**

Dear Ms. Webb:

On Monday, January 11, 1999, the CFTC published for comment proposed amendments to its rules regarding representations and disclosure requirements required by certain introducing brokers ("IBs"), commodity pool operators ("CPOs") and commodity trading advisors ("CTAs"). The proposed amendments revise the procedure by which persons may obtain an exemption from registration under CFTC Rule 30.5. In addition, the proposed amendments to Rule 30.6 will require CPOs and CTAs to provide U.S. customers with certain disclosures, regardless of whether they are trading on United States markets or foreign markets.

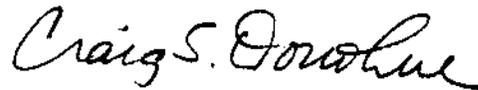
The Chicago Mercantile Exchange ("CME") would like to take this opportunity to support the CFTC's proposed amendments to Rule 30.6. The CME agrees with the Commission's proposal to require CTAs and CPOs to provide the same disclosures to U.S. retail customers who trade foreign futures and options as to retail customers who trade on domestic markets. This requirement will level the playing field for foreign and domestic markets with respect to the amount of disclosure that must be provided to U.S. retail customers.

Ms. Jean A. Webb  
March 4, 1999  
Page 2

The CME also supports the Commission's proposal regarding CTA and CPO disclosure requirements to qualified eligible participants ("QEPs") and qualified eligible clients ("QECs"). The Exchange believes that it is appropriate for CTAs and CPOs to provide more disclosure to QEPs and QECs who trade on foreign markets than to QEPs and QECs who trade on domestic markets in order to put them on notice that there are different regulatory regimes in place outside of the U.S. and that they should carefully consider that fact before investing.

Thank you for the opportunity to provide the CME's comments on this subject.

Sincerely,

A handwritten signature in cursive script that reads "Craig S. Donohue".

Craig S. Donohue