

COMMENT



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MANAGED FUNDS ASSOCIATION

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John G. Gaine
President

*The Association for investment
professionals in futures, hedge funds
and other alternative investments.*
OFFICE OF THE SECRETARIAT

April 30, 1999

By Facsimile: 202.418.5521

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

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Re: Access to Automated Boards of Trade; Proposed Rule

Dear Ms. Webb:

MFA is a national trade association representing the managed funds industry. MFA's more than 700 members provide diverse perspectives of alternative investment professionals, including hedge fund managers, commodity trading advisors, investment advisers, commodity pool operators and fund of funds managers. These professionals in the aggregate manage a significant portion of the nearly \$250 billion invested in hedge funds and a vast majority of the over \$35 billion invested in managed futures funds. MFA members also include professionals providing essential services to the managed funds industry such as brokers, exchanges, cash managers, foreign exchange dealers, banks, accountants, lawyers, consultants and academics.

This letter is in response to the Commission's request for comments, published in the Federal Register on March 24, 1999.

MFA members on behalf of themselves and their customers trade on every organized exchange in the world. The technological advances of recent years have intensified the need for the most efficient and timely access to these markets in order to remain competitive. Accordingly, the subject matter of the proposed rule is of enormous consequence to MFA and its members as well as their customers.

We are happy to have the opportunity to submit our comments.

First, the Commission is to be commended for hosting a Roundtable on this subject on April 20, 1999. George E. Crapple of the Millburn Ridgefield Corporation who is Chairman of MFA had the privilege of being a participant in the Roundtable. His comments there are incorporated as comments of MFA.

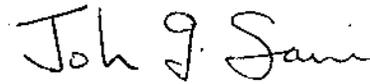
In addition, MFA urges the Commission:

- 1) to withdraw its proposed rulemaking published in the Federal Register on March 24, 1999.
- 2) to begin processing no-action requests by foreign boards of trade immediately on an expedited basis which would permit placing of terminals in the United States in accordance with the guidelines set forth in the 1996 DTB letter or the guidelines

- suggested by the Futures Industry Association in its letter to the Commission, dated April 19, 1999; and
- 3) to provide regulatory parity for U.S. exchanges so that U.S. and foreign electronic trading systems are both treated equally.

Thank you for the opportunity to comment. If you have any questions, please contact me.

Sincerely yours,



John G. Gaine
President

