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December 19, 2003

Ms. Jean Webb

Office of the Secretariat

Commodities Futures Trading Commission Three Lafayette Center, 8th Floor

1155 21st Street, N.W. Washington, D.C. 20581

COMMENT

U.S. Futures Exchange, LLC

Dear Ms. Webb:

I am writing to comment on the application submitted to you by the U.S. Futures Exchange (Eurex U.S.), but crafting a response to the exchange's proposal is nearly impossible since much of the application has been labeled confidential. Please consider making all of Eurex U.S.'s application public, so that traders like myself have the opportunity to fully respond to the proposal in its entirety.

While lacking the ability to read Eurex's full application, I also am concerned about the sections that are available, as well as the statements that Eurex has been making in the press and elsewhere. It seems that Eurex intends to employ many of the practices that have helped to insure its status as a monopoly in Germany, where internalization, payment for order *flow* and the "call-around" market are generally accepted methods of conducting business.

By importing these opaque practices to the United States, Eurex will violate the high standards of transparency and price discovery that currently insure broad participation in U.S. futures markets and underscore investor confidence in those markets. Eurex's payment for order *flow*, "call around" market and internalization, would almost certainly favor the interests of large banks at the expense of liquidity providers - the vital participants who take on risk every day in order to make a market. I fear that those market makers may disappear if Eurex is allowed to violate the level of transparency and integrity currently in place.

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Ultimately, what I ask is that the CFTC demands that Eurex, and any other applicants intending to create a U.S. exchange, compete on a level playing field. Without that fairness and transparency, it will be impossible for the U.S. futures markets to function properly.

Sincerely,

Nicholas C.

Nicholas C. Zagotta

