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COMMENT

MANAGED FUNDS ASSOCIATION

July 23, 2007

Via Electronic Mail: secretary@cftc.gov

Attention: Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

OFFICE OF THE SECRETARIAT
CFTC
1155 21ST STREET, N.W.
WASHINGTON, D.C. 20581

Re: Proposed Regulation 18.05; Maintenance of Books, Records and Reports by Traders

Ladies and Gentlemen:

Managed Funds Association ("MFA") appreciates the opportunity to make this submission of comments to the Commodity Futures Trading Commission ("CFTC" or the "Commission") on proposed amendments to Regulation 18.05, Maintenance of Books, Records and Reports by Traders (the "Proposal").

MFA is the voice of the global alternative investment industry. Our members include professionals in hedge funds, funds of funds and managed futures funds. Established in 1991, MFA is the primary source of information for policymakers and the media and the leading advocate for sound business practices and industry growth. MFA members represent the vast majority of the largest hedge fund groups in the world who manage a substantial portion of the over \$1.5 trillion invested in absolute return strategies. MFA is headquartered in Washington, D.C., with an office in New York.

Comments

We are pleased to support the Commission's Proposal clarifying the recordkeeping and reporting obligations for traders under proposed Regulation 18.05. We believe that the Commission's ability to access records with respect to non-reporting transactions in a commodity where a trader holds a reportable position in the commodity, including transactions executed over-the-counter, on exempt commercial markets, on exempt boards of trade and on foreign boards of trade, is important for the Commission to effectively administer its market surveillance authority.

We respectfully request that the Commission confirm with respect to the scope of books and records that a trader is expected to maintain that the Proposal does not require that any new records be created or that records be maintained in a specific format. Accordingly, the current system of books and records maintained by traders in the normal

course of business and in the format created in the normal course of business would meet the Proposal's requirement.

* * *

We appreciate this opportunity to comment on the Proposal, and would be pleased to meet with you to discuss our comments further. Please feel free to reach me or Jennifer Han at (202) 367-1140.

Sincerely,



John G. Gain
President

