



Motion Picture Association of America, Inc.
1600 I Street, NW
Washington, D.C. 20006
202.293.1966

March 31, 2010

Dear Chairman Gensler:

**Re: Application of Media Derivatives, Inc.
for registration as a designated contract market**

On behalf of the Directors Guild of America, Inc. (DGA), Independent Film and Television Alliance (IFTA), International Alliance of Theatrical Stage Employees (IATSE), National Association of Theater Owners (NATO), the Motion Picture Association of America and its member companies, Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Twentieth Century Fox Film Corporation, Universal City Studios LLLP, Walt Disney Studios Motion Picture, and Warner Bros. Entertainment Inc. (collectively, MPAA), we want to thank the Commission and its Staff for the extensive time the Staff spent with many of us yesterday to discuss our concerns about the respective pending several applications of Media Derivatives, Inc. (MDEX) and Cantor Futures Exchange, L.P. for registration as designated contract markets (DCM), and for approval of futures contracts and options on motion picture box office receipts.

The meeting with the Staff identified a number of important factual and legal issues that the DGA, IFTA, IATSE, NATO, and MPAA intend to address in a detailed written comment. Those include the unique and problematic characteristics of the proposed contracts, the lack of any existing market in box office receipts, concerns with the basis for and reliability of futures pricing, the potential for manipulation, insider trading issues, and the concern that the contracts could harm the motion picture industry. We understand from the Staff that the current deadline for the Commission to act on the MDEX's application for registration as a DCM is this Friday, April 2, 2010.

We respectfully ask that the deadline be extended to April 16, 2010 in order to allow the DGA, IFTA, IATSE and MPAA time to submit a written comment addressing the merits of this application. Several of these parties had no notice or knowledge of the applications until late last

week. This will allow the time needed to gather factual information and provide detailed and focused arguments that we believe will be helpful to the Commission's consideration of the application.

Among other things, we will address whether any exchange infrastructure is capable of surveying the box office marketplace to detect and address potential market manipulation. We have just received today the MDEX's current proposed rulebook that supports its application. This version of its proposed rulebook has not previously been available to the public. We also note that it was only yesterday afternoon that we received the MDEX's March 26, 2010 response to the MPAA's March 23, 2010 letter to the Commission. It includes facts that we previously have not been aware of including, among others, that MDEX's rules will require "the studio/distributor to provide evidence to support its public box office number when it falls outside the standard deviation level." We were unaware of any proposed requirement that studios disclose information to MDEX, and, accordingly, our comment also will address whether any authority exists to require disclosure of any information from studios.

We respectfully submit that an extension of the deadline will not prejudice MDEX because the deadline for the contract it seeks approval to trade is not until April 23, 2010. If the requested extension will not or cannot be granted, we ask to be notified as soon as possible and we will make every effort to submit a comment on or before April 2, 2010. Thank you for the Commission's consideration of this request and, again, for the Staff's generous attention to and thoughtful discussion of the points we raised in our meeting yesterday.

Sincerely,



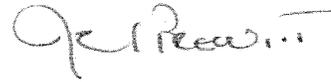
Jay D. Roth,
National Executive Director
Directors Guild of America



A. Robert Pisano,
Interim Chief Executive Officer
Motion Picture Association of America



Matthew D. Loeb, International President
International Alliance of Theatrical Stage
Employees



Jean M. Prewitt,
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John Fithian,
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The Honorable Gary Gensler, Chairman
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cc: Commissioner Dunn
Commissioner O'Malia
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