

COMMENT

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Jean A. Webb
Secretary of the Commission
Commodity Futures Trading Commission
3 Lafayette Center
155 21st Street, N.W.
Washington, D.C. 20581

April 18, 2001

REGARDING: COMMENT FILE NUMBER 01-005
17 CFR PART 160 PRIVACY OF CUSTOMER INFORMATION
DOCUMENT: FR 1 PROPOSED RULES DATE: 3/19/01 FR PAGE: 15549
PAGES: 28

COMMENT LETTER:

It has come to my attention that there is a letter being sent out to our clients from the Clearing FCM called a privacy letter. While I don't think that the concept of allowing individuals to control their information is bad, the way that it would appear that the firms are going to use this information could be called into question.

The need for this letter to customer's could be alleviated by simply stating that the information they give us (the IB's or FCM's) is to be held in strict confidence and not shared with anyone, other then the obvious users required for legal purposes. The need to do a credit report should be the same as always and that is with the consent of the client.

If by sending out this letter to customers is intended to protect them, then it would appear that instead of a non-response being considered as acceptance to use their information, basically however the FCM chooses, why not make it so the client must send in a letter saying that it is alright to use their information for the purpose indicated? I know that this is going to prevent the wide use of their information and that is not what the FCM's want, but after all, it is the client's information. The way this is moving, it appears to basically give the FCM cart blanche to use this private information in anyway they wish.

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Southwest Futures, Inc.

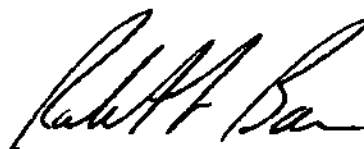
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I would also like to comment regarding the relationship between the IB's and FCM's and the client introduces to the FCM's by the IB's. While it is true that the client signs an agreement with the FCM, the FCM would not have the client if not for the IB. The client regards their business as being done with the IB not so much with the FCM. The IB's handle the day to day orders, problems, etc. and this is where the trust lies. Further more, if there is any problems, the FCM is going to hold the IB liable and responsible for debits, lawsuits, etc. For this reason, it would only make sense that the FCM's should be required to have the consent of the IB's to use any information provided to them by or through the IB's in as much as it could have direct consequences for the IB's and their clients.

The FCM's have unfettered access to the most confidential information regarding the client and their financial condition, trading habits, transaction cost, etc., and could use this information to the detriment of the client or IB's.

In the final analysis, these are the IB's clients and the FCM's should respect the wishes of the client and IB's. I think one would be hard pressed to get many people to sign a letter saying that their private information could be used in the manner of the enclosed letter.

Sincerely,



Robert F. Boe
Southwest Futures, Inc.
President