

COMMENT

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August 15, 2001

James E. Newsome
Acting Chairman
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Study of the Commodity Exchange Act and Rules Thereunder 66 FR 33531 (June 22, 2001)

Dear Chairman Newsome:

The Commission is currently seeking comment to assist it in conducting a study of the Commodity Exchange Act (Act) and the CFTC's rules and orders governing the conduct of persons required to register under the Act. The study was mandated by the Commodity Futures Modernization Act of 2000 Act of 2000 (CFMA). The study will address, among other things, how core principles and interpretations of acceptable business practice could replace provisions of the Act and the rules.

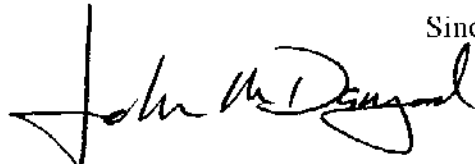
The MFA and FIA believe that this study, like the revamping of trading facilities rules that the Commission recently published, is critical to the competitive position of the US financial services industry. We want to provide the Commission with a thorough assessment of the regulations as well as recommendations. However, as you know, the industry, in recent months, has been working under considerable time and resource strains both to comment on regulatory initiatives and prepare operationally for the onset of trading in security futures at the end of the year. We believe that the industry and the Commission will be better able to prepare a far more useful study for the Congress if the time for industry comments is extended towards the end the first quarter of next year. We support any efforts that are necessary to accomplish this.

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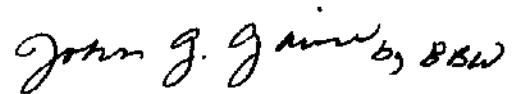
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Thank you for your consideration. We look forward to working with the Commission as it prepares its response to Congress.

Sincerely,



John M. Damgard
President
Futures Industry Association



John G. Gaine
President
Managed Funds Association

Cc: Commissioner Thomas J. Erickson
Commissioner Barbara P. Holum
Commissioner David D. Spears