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COMMENT

August 28, 2001

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OFC. OF THE SECRETARIAT

Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Proposed Rules Concerning Intermediaries

Dear Ms. Webb:

We are pleased to comment on the Commission's proposed rules concerning intermediaries.

As background, Fimat USA, Inc., is a wholly owned subsidiary of Fimat International Banque, SA of Paris, France, which itself is a wholly owned subsidiary of Societe Generale (SG). Fimat USA, both a registered futures commission merchant and broker dealer under USA laws, is a member of the Fimat Group. The Fimat Group, which consists of all branches and subsidiaries of Fimat Banque, as well as all divisions of SG companies bearing the "Fimat" name, is a member of more than 30 of the world's principal derivatives and securities exchanges, and has offices in 12 countries.

In general, we fully support prompt adoption of the Commission's proposed rules, with one minor comment:

- We are somewhat ambivalent about the Commission decision to eliminate mandatory ethics training pursuant to a specified timetable. We believe that adoption of CFTC Regulation §3.34 was a sensible step that helped promote the image of our industry and that did not impose onerous requirements on registrants. Based on the old adage, "if it ain't broke, don't fix it," we were surprised when this provision was initially proposed for elimination, and we remain surprised now.

  That being said, we do not necessarily oppose elimination of this rule since we retain the right to design our own internal continuing education programs. However, this is one area where a Commission requirement that we affirmatively develop and offer such programs on a specified schedule helps us ensure full cooperation by all our employees. Making the standard more fuzzy is not as effective. A compromise may be to give us the flexibility to design our own continuing education programs, but to mandate that all registrants participate in some kind of program at least annually or once within some other repetitive time period.

On a broader note, we understand that the Commission has recently requested an extension of time to study possible further intermediary relief than that contemplated in the Commission's proposed rules. Although we agree that, as a matter of practicality, such an extension is warranted both in light of the Commission's and industry's limited resources and desire to make such a study as meaningful as possible, we urge the Commission to consider adopting prompt relief for intermediaries in discrete but important areas prior to the conclusion of its study. Areas of Commission regulations deserving prompt attention include, among other areas, the audit trail and records retention requirements of CFTC Regulation §1.35, as well as the foreign futures and options rules of Part 30.

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SOCIETE GENERALE GROUP

It seems terribly unfair that, as a result of the Commodity Futures Modernization Act, trading facilities and OTC dealers received significant regulatory relief and/or clarification of legal status, but registered intermediaries received minimum relief, if any relief at all.

We appreciate the opportunity to make these comments, and invite Commission staff to contact us if we can be helpful in any way.

Very truly yours,

Fimat USA, Inc.

Patrice Blanc
President

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