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MANAGED FUNDS ASSOCIATION

COMMENT

Via Electronic Mail: secretary@cftc.gov

July 14, 2003

Jean A. Webb
Secretary
Commodity Futures Trading Commission (CFTC)
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Proposed Rule Changes Related to Chicago Mercantile Exchange/Chicago Board of Trade Common Clearing Link

Dear Ms. Webb:

Managed Funds Association ("MFA") is pleased to comment on the above-referenced proposed rules filed by the Chicago Mercantile Exchange ("CME") and Chicago Board of Trade ("CBOT") that relate to the proposed Clearing Link between them. MFA has over 700 members who specialize in managing futures funds, hedge funds, and funds of funds. These professionals have discretionary investing authority over a significant portion of the over \$600 billion invested in alternative investment vehicles worldwide. Accordingly, many of our members, such as commodity pool operators ("CPO") and commodity trading advisers ("CTA"), trade commodity products on the CME and CBOT and would have an interest in these proposed rules.

MFA is concerned regarding the disclosure obligations of CPOs that would be affected by the adoption of any rules pertaining to unilateral transfers of positions from one clearing house to another without notice. Moreover, MFA would like to underscore that such unilateral transfer of contracts could potentially involve very significant changes in financial integrity and credit worthiness particularly affecting end users of commodities markets (other rule changes might present different but equally serious potential economic consequences). MFA strongly urges the CFTC and exchanges to provide clear and sufficient notice to end users of any future changes of this nature.

We would be pleased to discuss our comments with the CFTC staff and can be reached at 202.367.1140.

Sincerely,

/s/ John G. Gaine
John G. Gaine