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July 14, 2003

VIA ELECTRONIC MAIL

Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

COMMENT

RECORDS SECTION

JUL 15 AM 9:49

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Re: CME/CBOT Common Clearing Link Rule Submission

Dear Ms. Webb:

We have quickly reviewed the comment letter filed today by the Board of Trade of the City of Chicago, Inc. (the "CBOT") in response to the Commission's request for comments on the Rules submitted to the Commission for its approval by the CBOT and the Chicago Mercantile Exchange ("CME") in relation to their "Common Clearing Link." Extensive comments relating to those Rules have been filed by our outside counsel, Mayer, Brown, Rowe & Maw, and the Board of Trade Clearing Corporation (the "Clearing Corporation") fully supports those comments. The purpose of this letter is simply to respond to comments made by the CBOT in its comment letter regarding the purported agreement of the Clearing Corporation to the CBOT-CME arrangements.

In the CBOT's comment letter, the CBOT states that "[T]he Board of Trade, CME and BOTCC reached an agreement on the appropriate steps for the transfer..." in reference to the CBOT's directed transfer of open positions from the Clearing Corporation to the CME. The CBOT's letter then effectively bases the decision of the CBOT not to seek Commission approval of the Statement of Policy on transfer on "the agreement of all three parties to its content." (See page 3 of the CBOT's comment letter.)

The Clearing Corporation feels strongly that it must clarify what the Clearing Corporation did and did not agree to in the course of discussions with the CBOT. The Clearing Corporation did agree to a set of procedures for transfer of open positions assuming that the Clearing Corporation received appropriate releases and authorization from clearing members as to the transfer of positions and collateral, as well as appropriate indemnification. These important assumptions are stated in the Statement of Policy submitted by the CBOT to the CFTC. Underlying these important assumptions is the fundamental concept that the positions in question are, in fact, contracts between the Clearing Corporation and its clearing members. The CBOT is NOT a party to these contracts. Therefore, the Clearing Corporation feels strongly that the CBOT cannot unilaterally abrogate contracts between the Clearing Corporation and its clearing

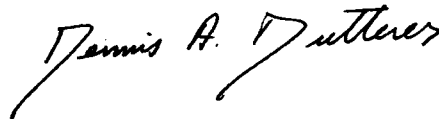
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members. To give effect to such a rule would constitute an unlawful interference with the Clearing Corporation's contracts with its members.

Again, we must stress that the Clearing Corporation agreed to a process that included, as a fundamental premise, clearing member agreement and direction to the Clearing Corporation as to the disposition of clearing member positions and collateral. This in no way was intended to constitute a waiver of our objections to the underlying premises of the Rules.

Please call me at 312/786-5703 or Nancy Brooks, General Counsel, at 312/786-5711 with any questions regarding this letter.

Sincerely,

A handwritten signature in black ink that reads "Dennis A. Dutterer". The signature is written in a cursive, slightly slanted style.

Dennis A. Dutterer

cc: Chairman James E. Newsome
Commissioner Barbara Pederson Holum
Commissioner Walter L. Lukken
Commissioner Sharon Brown-Hruska
Jane Kang Thorpe
Kenneth M. Rosenzweig
Nancy K. Brooks