



NATIONAL FUTURES ASSOCIATION

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November 30, 2006

Via E-Mail (secretary@cftc.gov)

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Records Section**
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RECEIVED
C.F.T.C.

Eileen Donovan
Acting Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st St. NW
Washington, DC 20581

Re: Proposed Regulation Regarding Membership in a Registered Futures Association

Dear Ms. Donovan:

National Futures Association ("NFA") fully supports the Commission's proposed amendment to CFTC Regulation 170.15 to require all persons registered as futures commission merchants ("FCMs") to become members of a registered futures association ("RFA"). This amendment is consistent with the goal under the Commodity Exchange Act (the "Act") of promoting comprehensive and effective self-regulation without imposing duplicative regulation.

As noted in the Federal Register release, the Commodity Futures Modernization Act of 2000 ("CFMA") made clear that the Commission's role is that of an oversight agency rather than a front-line regulator. If persons are registered as FCMs but not members of an RFA, however, the Commission would, by default, be their direct regulator. The proposed amendment will result in the effective regulation of these FCMs while ensuring that the Commission is able to continue to focus its resources on its role as an oversight agency.

If you have any questions concerning this letter, please do not hesitate to contact me at (312) 781-1413 or tsexton@nfa.futures.org.

Respectfully submitted,

Thomas W. Sexton
Vice President and General Counsel

cc: Lawrence B. Patent (lpatent@cftc.gov)

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