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COMMENT

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SUBMITTED VIA EMAIL

Secretary of the Commission
Commodity Futures Trading Commission
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Re: Comments to Proposed Rules Regarding Exempt Commercial Markets

This letter is in response to the Commission's proposed rules issued December 12, 2008, regarding Significant Price Discovery Contracts ("SPDC") on Exempt Commercial Markets ("ECM"), 17 CFR Parts 15, 16, 17, et al.

2/11/09

As noted in the Commission's discussion of the proposed rules, ECMs in some cases enable trade negotiation and execution of contracts that may be determined to be SPDCs, which would, upon execution, be submitted to a registered Derivatives Clearing Organization (DCO) to be cleared. Registered DCOs are currently required to comply with certain core principles and information reporting requirements with respect to contracts they clear, regardless of the venue in which the original parties negotiated and entered into those contracts. In this context, requiring ECMs to comply with core principles or reporting requirements that are substantially the same as those currently imposed on DCOs could result in an unnecessary duplication of regulation without any significant benefit to the market.

Accordingly, we urge the Commission to consider the extent to which an ECM providing electronic trade negotiation and execution capability with respect to SPDCs that are then cleared through one or more registered DCOs should be subject to those core principles or information reporting requirements which mirror rules already imposed on the DCOs.

Sincerely,

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