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Sent: Friday, November 19, 2010 5:14 PM
To: OTCDefinitions <OTCDefinitions@CFTC.gov>
Cc: Sue_Cochran@cargill.com
Subject: Definitions
Attach: CFTC Definitions Activities Language Final Nov 17 2010.pdf



November 17, 2010

Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

RE: Definitions

Dear Chairman Gensler:

As the Commodity Futures Trading Commission (CFTC) determines regulatory "Definitions," as outlined in Section 721 of P.L 111-203 (Dodd-Frank Act), we would like to call your attention to provision (49) swap dealer, paragraph (B) inclusion.

Under this provision, Congress granted the Commission the flexibility to designate a person: (i) as a swap dealer for certain activities; and (ii) as a non-swap dealer under the exceptions provided to non-financial end-users when not engaging in swap dealer activities. This dual activity-based designation is of great importance to Cargill due to the variety of its businesses and activities.

Cargill routinely acts as an end-user, hedging commodity, interest rate, and foreign currency risks based on the company's global business of shipping, merchandising and processing a wide range of commodities. Cargill also has a business unit that offers customized risk management products to external customers. This particular activity may warrant the designation as swap dealer, subject to compliance requirements like: 1) the obligation to report customer transactions (Section 729) and 2) the obligation to register with the Commission (Section 731).

The above obligations will allow the Commission to differentiate between the swap dealer activities in which Cargill engages, from the activities transacted under the exception provided to non-financial end-users. Furthermore, when Cargill executes hedging transactions under the exemption afforded to non-financial end-users, those transactions will be reported to the Commission by the financial counterparty who is acting as the dealer.

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We appreciate your attention to this important provision and look forward to working with you as the implementing regulations are developed.

Sincerely,



Linda L. Cutler
Vice President, Assistant Secretary and
Deputy General Counsel

LLC/ilb
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cc: Senator Amy Klobuchar
CFTC Rulemaking Area I: Definitions
CFTC Rulemaking Area V: Capital and Margin for Non-Banks
CFTC Rulemaking Area XI: End User Exception