



NATIONAL FUTURES ASSOCIATION

200 W. MADISON ST. • CHICAGO, IL • 60606-3447 • (312) 781-1300

00-33
①

RECEIVED

November 27, 2000 F.T.C.

*00 NOV 28 AM 11 59

By Overnight Mail

COMMENT

OFFICE OF THE SECRETARIAT

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

Re: Recordkeeping – Futures Commission Merchants' Daily Computation of the Customer Segregated Amounts

Dear Ms. Webb:

National Futures Association (NFA) appreciates the opportunity to comment on the Commission's proposed revisions to its rules to allow FCMs to offset a customer's net liquidating deficit with readily marketable securities for purposes of the daily segregated funds computation. NFA supports the Commission's proposal.

The Commission asked for comments on whether the types of eligible securities should be limited to, for example, securities deemed acceptable for margin or performance bonds under exchange rules. This restriction would limit an FCM's flexibility, create confusion for an FCM dealing with customers who trade on multiple exchanges, and eliminate some sound, readily marketable securities simply because they do not comply with a particular exchange's risk-management policies. NFA does not believe that the Commission should restrict the eligible securities in this manner.

NFA agrees that the Commission's proposal recognizes both the economic and legal realities that exist when a deficit is secured by readily marketable securities. NFA fully supports the Commission's proposal and urges that it be adopted.

Very truly yours,

Daniel R. Roth
Executive Vice President and
General Counsel

RECEIVED
C.F.T.C.

*00 NOV 30 AM 7 29

RECEIVED C.F.T.C.
RECORDS SECTION