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U.S. House of Representatives
Committee on Agriculture
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The Honorable Brooksley Born
 Chairperson,
 The Commodity Futures Trading Commission
 1155 21st Street, N.W.
 Washington, D.C. 20581

COMMENT

Dear Chairperson Born:

The Commodity Futures Trading Commission is now considering an application for designation of the Cantor Financial Futures Exchange (CFFE) as a contract market. Because of the unique nature of this application and the legal and policy questions which are raised, we urge that you ensure an extended and complete public discussion takes place.

Because CFFE would be controlled by a proprietary firm, we believe the application raises novel issues in a number of areas and that the Commission should give them full consideration. These include whether current standards regarding board members' conflicts of interest are sufficient for such an exchange, issues regarding competitive balance in the industry, questions of institutional fitness, and the impact that approval would have on any exchange on which CFFE's proposed products are already traded.

We understand that because CFFE's application was incomplete, the Commission has sought and obtained answers to specific questions. In light of the new information received as a result of the Commission's inquiry, we believe that the comment period on CFFE's application should be reopened in order to facilitate a full public discussion regarding the many novel issues raised.

Sincerely,

Charlie Stenholm

Charles W. Stenholm
 Ranking Minority Member

Gary A. Condit

Gary A. Condit
 Ranking Minority Member, Subcommittee
 on Risk Management and
 Specialty Crops

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