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26 February 1999

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Ms Brooksley Born
Chairperson
Commodity Futures Trading Commission
2033 K Street N W
Washington DC 20581
United States

COMMENT

Dear Chair Born,

CFTC Rules for Overseas Exchanges

I am writing to you and your fellow Commissioners to request you to issue as a matter of urgency the rules which will apply to overseas exchanges seeking to place electronic trading terminals in the United States.

The IPE is a Recognised Investment Exchange under the UK Financial Services Act and is supervised by the Financial Services Authority. With the assistance of our attorneys Katten Munchin Zavis we have over the last 6 months been preparing an application for placing IPE screens in the US, and your staff at the Commission will be aware of this. Permission to place screens in the US is of major importance to the IPE. The IPE is presently preparing to extend its present trading hours by making available its Crude Oil and Gas Oil contracts on an electronic trading platform. Many IPE Members have US affiliates that have said that they wish to trade direct from the US. Obviously we can not allow this to happen until we receive permission from CFTC, and we cannot even make firm plans in this respect whilst this matter is so uncertain.

Consequently, this is proving to be a barrier to the development of the IPE's business strategy and an impediment to its commercial growth. Also, we believe that it must be in the interests of the US business community to access our market more efficiently. This delay in approval is particularly disappointing given that the world's only other major energy exchange, NYMEX, has had its terminals in London for several years.

I hope that you can reach a resolution to this issue in the very near future. If you wish to discuss any aspect of this letter or have any questions about IPE or its application please do not hesitate to call.

Yours sincerely,

Lynton Jones
Chief Executive

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The International Petroleum Exchange of London Limited
Recognised as an Investment Exchange under the Financial Services Act 1986.