



FUTURES INDUSTRY ASSOCIATION INC.

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April 22, 1998

COMMENT

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

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COMMODITY FUTURES
TRADING COMMISSION
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Re: Regulation of Noncompetitive Transactions Executed on or
Subject to the Rules of a Contract Market (63 FR 3708 (January 26, 1998))

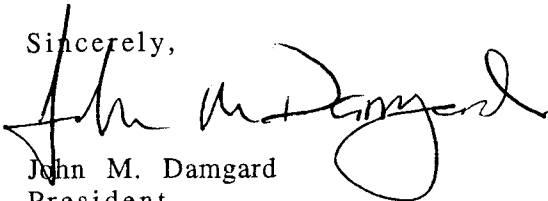
Dear Ms. Webb:

On behalf of the Futures Industry Association, I am writing regarding the CFTC's concept release on non-competitive transactions. At the request of the Coffee, Sugar and Cocoa Exchange, the Commission recently extended the comment period until April 27, 1998. Given the importance of the issue, the FIA requests additional time until September 1, 1998, to file comments on the block trading section of the notice.

A major focus of the release concerns exchange for physical transactions. We believe the discussion of EFPs and the related requests for comments on EOP and EFS transactions can be logically separated from the block trading analysis; EFPs are well accepted and well understood by the industry having been around since the 1930's. Also, the new proposals submitted by the exchanges, which build on the established models, have similar economic and other characteristics and should not be difficult for the industry to address.

The issues involving block trading or upstairs trading, however, although well understood in the securities industry, are new to the futures industry. The FIA has stressed the importance to intermediaries and end users of providing trading mechanisms that will encourage institutional participation in the futures markets. We would use the additional time to work with the exchanges and their members to consider areas of common interest and we will keep you apprised of our progress.

Thank you for your consideration.

Sincerely,

John M. Damgard
President

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