

COMMODITY MARKETS OVERSIGHT COALITION

An Alliance of Derivatives End-Users & Reform Advocates

June 30, 2010

To: All Members of the House and Senate
Washington, DC 20010

The undersigned members of the Commodity Markets Oversight Coalition represent businesses and commercial end-users such as agriculture, airline, trucking and petroleum marketing related industries that rely on derivatives to hedge commodity price fluctuations and to insulate their businesses and consumers from risk. We strongly urge you to support immediate passage of the recently completed conference report on H.R. 4173, the "Restoring American Financial Stability Act of 2010." This legislation will increase transparency, close all known loopholes in the regulation of commodities futures markets and reduce volatility in commodity prices which continue to wreak havoc on commercial businesses and consumers.

CMOC members are among the most significant commodity end users in the country. As such, we have suffered disproportionately due to the recent staggering volatility in commodity futures markets and the impacts that rampant speculation and inadequate regulation have had on those markets. For years, we have been supporting efforts to provide regulators with significantly expanded authorities and mandates for overseeing energy and other commodity markets.

The conference report would make several very positive changes to commodities oversight laws, including requiring all clearable speculative contracts to trade on exchanges and clear through centralized clearinghouses with an appropriately narrow exemption for legitimate end-users of commodity derivatives, greatly strengthening traders' and exchanges' record keeping and reporting requirements, and closing many of the loopholes that undermine the price discovery functions of the futures markets. As you know, CMOC believes that, with the addition of a provision in the Wall Street reform bill that would require the Commodity Futures Trading Commission (CFTC) to impose aggregate speculative position limits on traders across all markets, the legislation is needed to address the glaring shortcomings in our nation's commodity derivatives regulation framework.

We have come a long way in the fight to improve the functioning of commodity futures markets and we are now at that pivotal point to bring real reform to the American economy. For these reasons, we urge you to support the conference report for H.R. 4173 as it comes before the House and Senate, and send this critical legislation to the President for his signature. Your support for this landmark legislation will benefit all American consumers and our nation's economy at large.

Sincerely,

American Cottons Shippers Association
Air Transport Association
American Trucking Associations
Masters Capital Management
National Association of Convenience Stores
National Association of Shell Marketers
National Farmers Union
National Grange
National Latino Farmers & Ranchers Trade Association
NATSO
New England Fuel Institute

Petroleum Marketers Association of America
R-CALF USA
United Egg Producers
Western Peanut Growers Association