

Oct 14 1984

October 8, 1984

Ms. Jean Webb
Acting Secretary
Office of the Secretariat
Commodity Futures Trading Commission
2033 K Street, N.W.
Washington, D.C. 20581

Re: National Futures Association Proposed Amendments
to Article VIII, Section 3 and Article VII,
Section 7 of the Articles of Incorporation.

Dear Ms. Webb:

Pursuant to Section 17(j) of the Commodity Exchange Act ("Act"), as amended, National Futures Association ("NFA") hereby submits to the Commodity Futures Trading Commission ("Commission") proposed amendments to NFA's Articles of Incorporation and requests review and approval of these amendments. On February 16, 1984, the amendments were ratified by the Board of Directors. Subsequently, the proposed amendments obtained a majority vote of the Members in each of the Contract Market, FCM and Industry Participant categories. In the text below, where appropriate, additions are underlined and deletions are bracketed.

Amendments to Articles of Incorporation

I. A. Article VIII, Section 3

Article VIII, Section 3 is amended to read as follows:

ARTICLE VIII: EXECUTIVE COMMITTEE

* * *

Section 3: Composition.

The Executive Committee shall be comprised of the following:

- (a) NFA's President, and
- (b) [Eight (8)] Nine (9) Directors, as follows:



- (i) The Chairman of the Board of Directors, and
- (ii) [Seven (7)] Eight (8) other Directors, as follows [,except that whichever of the following categories is represented on the Board of Directors by the Chairman of the Board shall be deemed represented on the Executive Committee by the Chairman (e.g., if the Chairman is an FCM Director, then only two (2) additional FCM Directors shall serve on the Executive Committee)]:
 - (A) Two (2) Directors representing contract markets:
 - (1) One (1) representative of a contract market with two (2) Directors on the Board; and
 - (2) One (1) representative of a contract market that has one (1) Director on the Board and that is in a different region from the contract market represented in paragraph (1) above: Provided, however, if no contract market has two Directors on the Board, there shall be two Directors on the Committee from contract markets with one Director on the Board. Such Directors shall be from contract markets residing in different regions;
 - (B) Three (3) Directors representing FCMs, except that no more than two (2) of the Directors may represent FCMs residing in the same region;
 - (C) Two (2) Directors representing Industry Participants other than commercial banks, except that the Participants so represented must be from different categories of eligible Industry Participants (see Section 2(c)(i)(A)-(C) of Article VII) and must reside in different regions; and
 - (D) One (1) Director who is a Public Representative.

B. Explanation of Amendment

Article VIII, Section 3, of NFA's Articles of Incorporation, currently provides for the Chairman of the Board to represent a particular category of membership and region. The Board believes that the Chairman should serve on the Committee by virtue of his role as a leader of and spokesman for the entire Board and that it is inconsistent with that essential role to view the Chairman as representing his particular membership category and region.

NFA

The proposed Amendment to Article VIII, Section 3, addresses this concern.

II. A. Article VII, Section 7

Article VII, Section 7 is amended to read as follows:

ARTICLE VII: BOARD OF DIRECTORS

* * *

Section 7: Chairman and Vice Chairman

There shall be a Chairman and Vice Chairman of the Board, who shall reside in different regions. They shall serve for one-year terms and shall be elected by the Board at its regular annual meeting, by majority vote [,]. The Chairman shall be elected from among the Directors in office[.] and the Vice Chairman shall be elected from among Directors elected to serve on the Executive Committee.

B. Explanation of Amendment

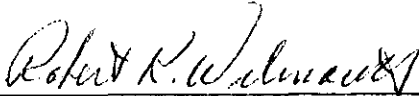
Article VII, Section 7, of NFA's Articles of Incorporation, currently provides for the election of a Chairman and a Vice Chairman at the regular annual Board meeting. It does not provide that the Vice Chairman, who also chairs the Finance Committee, should serve on the Executive Committee. The interests of continuity of NFA governance would best be served by insuring that the Vice Chairman, like the Chairman, serves on the Executive Committee.

The proposed Amendment to Article VII, Section 7, addresses this concern.

NFA respectfully requests the Commission to declare the proposed amendments effective upon approval by the Commission, as authorized by Section 17(j) of the Commodity Exchange Act.

Very truly yours,
National Futures Association

By:



Robert K. Wilmouth
President

Certificate of Amendment
of
Certificate of Incorporation

National Futures Association, a corporation organized and existing by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said corporation, at a meeting held on February 16, 1984, adopted a resolution proposing and declaring advisable the following amendments to the Certificate of Incorporation of said corporation:

Resolved, that the Certificate of Incorporation of National Futures Association be amended by changing Article VIII, Section 3 thereof so that, as amended, said Article shall be and read as follows:

ARTICLE VIII: EXECUTIVE COMMITTEE

* * *

Section 3: Composition.

The Executive Committee shall be comprised of the following:

- (a) NFA's President, and
- (b) Nine (9) Directors, as follows:
 - (i) The Chairman of the Board of Directors, and
 - (ii) Eight (8) other Directors, as follows:
 - (A) Two (2) Directors representing contract markets:
 - (1) One (1) representative of a contract market with two (2) Directors on the Board; and
 - (2) One (1) representative of a contract market that has one (1) Director on the Board and that is in a different region from the contract market represented in paragraph (1) above: Provided,

however, if no contract market has two Directors on the Board, there shall be two Directors on the Committee from contract markets with one Director on the Board. Such directors shall be from contract markets residing in different regions;

- (B) Three (3) Directors representing FCMs, except that no more than two (2) of the Directors may represent FCMs residing in the same region;
- (C) Two (2) Directors representing Industry Participants other than commercial banks, except that the Participants so represented must be from different categories of eligible Industry Participants (see Section 2(c)(i)(A)-(C) of Article VII) and must reside in different regions; and
- (D) One (1) Director who is a Public Representative.

Resolved, further, that the Certificate of Incorporation of National Futures Association be amended by changing Article VII, Section 7 thereof so that, as amended, said Article shall be and read as follows:

ARTICLE VII: BOARD OF DIRECTORS

* * *

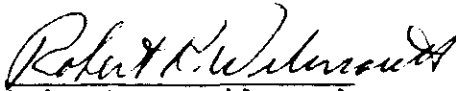
Section 7: Chairman and Vice Chairman

There shall be a Chairman and Vice Chairman of the Board, who shall reside in different regions. They shall serve for one-year terms and shall be elected by the Board at its regular annual meeting, by majority vote. The Chairman shall be elected from among the Directors in office and the Vice Chairman shall be elected from among Directors elected to serve on the Executive Committee.


SECOND: that in lieu of a meeting and vote of Members, the Members have given a majority written vote, of the Members in each category, to said amendments in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendments were duly adopted in accordance with the applicable provisions of Section 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Eileen T. Flaherty has caused this certificate to be signed by Robert K. Wilmouth, its President and attested by Joseph H. Harrison, Jr., its Secretary, this 8th day of October, 1984.

By: 
Robert K. Wilmouth
President

ATTEST

By: 
Joseph H. Harrison, Jr.
Secretary

UNITED STATES OF AMERICA
COMMODITY FUTURES TRADING COMMISSION

2033 K Street, N.W.
Washington, D.C. 20581



November 28, 1984


Mr. Robert K. Wilmouth
President
National Futures Association
200 West Madison Street
Chicago, Illinois 60606

Re: Amendments to NFA Articles of Incorporation

Dear Mr. Wilmouth:

This is to notify the National Futures Association that on November 27, 1984, the Commission approved the amendments to NFA's Article VIII, Section 3 (composition of the Executive Committee) and Article VII, Section 7 (election of the Vice President) as submitted by your letter dated October 8, 1984, pursuant to Section 17(j) of the Act.

Very truly yours,


Jean A. Webb
Secretary of the Commission

cc: Joseph H. Harrison, Jr. ✓

COPY TO :

ATTORNEYS

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