



U.S. Commodity Futures Trading Commission
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J. Christopher Giancarlo
Commissioner

March 6, 2015

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The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Elijah E. Cummings
Ranking Member
United States House of Representatives
Committee on Oversight and Government Reform
2471 Rayburn House Office Building
Washington, D.C. 20510

Dear Senator Warren and Representative Cummings:

Thank you for your letter of February 20, 2015. You have asked about the divestiture of my financial interests in my former employer, GFI Group Inc. ("GFI"), and potential conflicts of interest related to my service as a Commissioner. I am pleased to respond to your letter and provide you with accurate information concerning my nomination and appointment to the Commodity Futures Trading Commission ("CFTC").

It is an honor to serve our country and offer my expertise in the global derivatives markets as a Commissioner at the CFTC. In my transition from the private sector to public service, I fully satisfied both the spirit and the letter of all my ethics obligations under law.

Disclosures Made in Course of Nomination

During the vetting process leading up to my nomination to become a CFTC Commissioner, I fully disclosed my GFI separation payment and financial interests to the White House, the Senate Committee on Agriculture, Nutrition and Forestry ("Committee"), CFTC ethics staff and the Office of Government Ethics ("OGE"). This financial information was fully available for review by all Senators at the time the Senate voted on my confirmation on June 3, 2014.

My Ethics Obligations

Further, I was informed by CFTC ethics staff that, should I be nominated and confirmed, I would be required to divest myself of my GFI financial interests within 90 days. Pursuant to that guidance, at the time of my August 2013 nomination I entered into an ethics agreement that

required divestiture of all my equity interests in GFI within 90 days of my swearing-in as a Commissioner.

The ethics agreement provided further that until such divestiture was completed, I would not participate personally and substantially in any particular matter that would have a direct and predictable effect on the financial interests of GFI or any of its wholly owned subsidiaries unless I first obtained a written waiver pursuant to 18 U.S.C § 208(b)(1), or qualified for a regulatory exemption pursuant to 18 U.S.C. § 208(b)(2). I have fully complied with those obligations.

Rule 10b5-1 Plan

In October 2013, following my nomination by President Obama I entered into a written plan to sell my securities interests in GFI, when and if I was ever confirmed by the Senate, pursuant to Securities and Exchange Commission Rule 10b5-1 (17 C.F.R. § 10b5-1(c), commonly known as a “Rule 10b5-1 plan”). Internal GFI policy required senior executives such as me to utilize a Rule 10b5-1 plan in connection with all sales of GFI stock. The purpose of a Rule 10b5-1 plan is to allow a person who may have or be deemed to have material non-public information to sell company shares without implicating insider trading prohibitions. A Rule 10b5-1 plan generally should not be terminated while the signatory has material non-public information.

After my appointment as a Commissioner, a significant portion of my GFI stock was divested through regular sales under this Rule 10b5-1 plan. Following such sales, the plan was terminated in order to complete the divestiture of my remaining GFI stock within the required 90 days of being sworn-in as a Commissioner under the terms of my ethics agreement and after I no longer had or was deemed to have material non-public information under the securities laws. By divesting all of my GFI stock by September 12, 2014, I fully complied with my divestiture obligations under my ethics agreement.

Ethics Agreements Governing My Service

Upon my appointment to the CFTC and in accordance with the advice of CFTC ethics staff and OGE regulations, I established rigorous screening procedures to ensure that I did not and will not participate personally and substantially in any particular matter that would have a direct and predictable effect on my financial interests, or those of any person whose interests are imputed to me, unless I first obtain a written waiver pursuant to 18 U.S. C. § 208(b)(1), or qualify for a regulatory exemption pursuant to 18 U.S.C. § 208(b)(2).

As required by OGE regulations I also committed, for a period of two years from the date I received my separation payment from GFI, to refrain from participating personally and substantially in any particular matter involving specific parties in which GFI or any of its wholly owned subsidiaries is a party, or represents a party, unless I am first authorized to participate pursuant to 5 C.F.R. § 2635.503(c). I have fully complied and will continue to comply with these obligations.

I have also signed the Ethics Pledge established by Executive Order 13490. Pursuant to the Ethics Pledge, I am committed to refrain from participating in any particular matter involving specific parties that is directly and substantially related to my former employers or former clients for a period of two years from the date of my appointment. I understand that this recusal obligation includes meetings and conversations with my former employers and clients, unless the meeting or conversation is about a particular matter of general applicability and participation in the meeting or conversation is open to all interested parties. I have fully complied and will continue to comply with my obligations under the Ethics Pledge.

Conflicts of Interest

I am currently in the process of updating my ethics screening arrangements in consultation with CFTC ethics staff to reflect the recently announced acquisition of GFI by BGC Partners ("BGC"). According to recent media reports, GFI will be controlled by and operate as a division of BGC. To avoid any conflict of interest or the appearance of a conflict of interest, I will not participate personally or substantially in any particular matter involving BGC or GFI, including any wholly owned subsidiaries, unless I am first authorized to participate by appropriate CFTC ethics staff.

I appreciate the opportunity to respond to your letter.

Sincerely,



J. Christopher Giancarlo

Cc: The Honorable Jason Chaffetz, Chairman, House Committee on Oversight and Government Reform

The Honorable Dean Heller, Chairman, Senate Committee on Banking, Housing, and Urban Affairs, Subcommittee on Economic Policy