Sutton, Gary

Cc:

From: Fox, Elizabeth L. R. [efox@CFTC.gov]
Sent: Wednesday, December 05, 2001 1:45 PM

To: 'Norman.Carleton@do.treas.gov'; Alexander_M_Brill@cea.eop.gov; nazaretha@sec.gov;

blaineb@sec.gov; colbyr@sec.gov; Zwirb, Robert S.; dwall@fdic.gov; Dow, De'ana H.; diane.virzera@ny.frb.org; donald.lamson@occ.treas.gov; Matthew.Eichner@do.treas.gov;

Fox, Elizabeth L. R.; eric.hirschhorn@ots.treas.gov; Viva.Hammer@do.treas.gov; polisej@sec.gov; joyce.hansen@ny.frb.org; kathryn.dick@occ.treas.gov; kurt.wilhelm@occ.treas.gov; lsantamorena@bpd.treas.gov; mbrowne@fdic.gov; Peter.Nickoloff@do.treas.gov; Michael.Novey@do.treas.gov; dombalagiano@sec.gov;

m1pmp00@frb.gov; m1apw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov

Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov; Martha.Ellett@do.treas.gov;

Jose.Gabilondo@do.treas.gov; Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov;

Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov

Subject: RE: New Draft of the Retail Swaps Report

I have contacted both Enron and Blackbird--Enron is fine with being named as an interviewee, have not yet heard from Blackbird.

```
----Original Message-----
From: Norman.Carleton@do.treas.gov [mailto:Norman.Carleton@do.treas.gov]
Sent: Wednesday, December 05, 2001 1:38 PM
To: Alexander_M._Brill@cea.eop.gov; nazaretha@sec.gov; blaineb@sec.gov;
colbyr@sec.gov; bzwirb@cftc.gov; dwall@fdic.gov; ddow@cftc.gov;
diane.virzera@ny.frb.org; donald.lamson@occ.treas.gov;
Matthew.Eichner@do.treas.gov; efox@cftc.gov;
eric.hirschhorn@ots.treas.gov; Viva.Hammer@do.treas.gov;
polisej@sec.gov; joyce.hansen@ny.frb.org; kathryn.dick@occ.treas.gov;
kurt.wilhelm@occ.treas.gov; lsantamorena@bpd.treas.gov;
mbrowne@fdic.gov; Peter.Nickoloff@do.treas.gov;
Michael.Novey@do.treas.gov; dombalagiano@sec.gov; m1pmp00@frb.gov;
mlapw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov
Cc: Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov;
Martha.Ellett@do.treas.gov; Jose.Gabilondo@do.treas.gov;
Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov;
Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov
Subject: New Draft of the Retail Swaps Report
```

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<<Retail Swap St -- (12-05 draft)1.doc>> <<12-05 draft redline1.doc>>
```

To the Retail Swaps Study Group:

Attached is a new draft of the retail swaps report. One of the attachments is a clean document; the other shows changes made to the December 3 draft.

[(b)(5)]

Please send around any comments you have as soon as possible.

Also, for those who have not done it yet, please contact the interviewees for which your agency is responsible in order to determine that they agree

the state of the s

to have their names listed in an appendix to this report. Norman Carleton

Nickoloff, Peter

From:

Carleton, Norman

Sent:

Tuesday, June 19, 2001 2:42 PM

To:

Annette Nazareth (E-mail); Belinda Blaine (E-mail); Bob Colby (E-mail); Bob Zwirb (E-mail); David Wall; Diane Virzera; Eichner, Matthew; Elizabeth Fox (E-mail); Eric Hirschhorn (E-mail); Hammer, Viva; John Polise (E-mail); Joyce Hansen; Kathryn Dick (E-mail); Kevin Erickson (E-mail); Kurt Wilhelm (E-mail); Lori Sanatamorena (E-mail); Miguel Browne; Nickoloff, Peter;

Novey, Michael; Pat Parkinson (E-mail); Pat White; Schultheiss, Heidilynne

Cc:

Gross, Jared; Ellett, Martha; Sutton, Gary; Gabilondo, Jose; DeMarco, Edward; Hughes, Gerry

Subject:

FW: Suggested Interviewees

----Original Message----

From: Zwirb, Robert S. [mailto:bzwirb@CFTC.gov]

Sent: Tuesday, June 19, 2001 2:35 PM To: 'Norman.Carleton@do.treas.gov' Subject: Suggested Interviewees

Here is our list of organizations/individuals that we propose to interview for the retail swaps study:

National Grain Trade Council Enron FIA Managed Funds Assn Refco Bob MacKay (former chief of staff at CFTC)

Nickoloff, Peter

From:

Remy, Christine [cremy@CFTC.gov]

Sent:

Monday, August 13, 2001 11:11 AM

To:

'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov'; 'matthew.eichner@do.treas.gov';

'mbrowne@fdic.gov'; 'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov'; 'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov'; 'Joyce.Hansen@ny.frb.org'; 'Diane.Virzera@ny.frb.org'; 'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';

'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'

Cc:

Fox, Elizabeth L. R.

Subject:

Retail Swaps Study





Enron - retail swaps

Blackbird-revised.DOC

interview...

Attached please find notes from the interviews conducted with

Enron and Blackbird.

<<Enron - retail swaps interview-not highlighted_.doc>> <<Blackbird-revised.DOC>>

Retail Swaps Interview with Enron on August 2, 2001.

Christopher Long, Vicki Sharp, Ken Raisler, Scott Gahn, and Mark Taylor represented Enron at the interview.

[For convenience, Enron's responses are condensed and have been reorganized such that they appear under the relevant questions.]

1. What do you see as the potential uses of retail swaps?

[(b)(4), (b)(5)]

2. Are you willing to offer retail swaps (or currently doing so)? If not, why not?

[(b)(4), (b)(5)]

· What types of underlying assets?

[(b)(4), (b)(5)]

What types of contracts?
 [(b)(4), (b)(5)]

- In what notional amounts?
 [(b)(4), (b)(5)]
- What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

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3.	What is the appropriate regulatory structure to address customer protection issues that may arise in connection with the offering of retail swaps? [(b)(5)]
	 Is there a need for regulation to protect customers? [(b)(5)]
	 Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated? [(b)(5)]
	 Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation? [(b)(5)]
4.	What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address? [(b)(4)]

Retail Swaps Interview with Blackbird on August 1, 2001.

Mark Brickell and Shawn Dorsch represented Blackbird.

In an attempt to organize Blackbird's comments and responses, I have placed their comments under the most suitable question.

1. What do you see as the potential uses of retail swaps?

[(b)(4), (b)(5)]

Are you willing to offer retail swaps (or currently doing so)? If not, why not?
 [(b)(4), (b)(5)]

· What types of underlying assets?

[(b)(4), (b)(5)]

- · What types of contracts?
- · In what notional amounts?

[(b)(4), (b)(5)]

- What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]
- What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

3. What is the appropriate regulatory structure to address customer protection issues that may arise in connection with the offering of retail swaps?

[(b)(5)]

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Is there a need for regulation to protect customers?
 [(b)(5)]

- Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated?
 [(b)(5)]
- Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?
 [(b)(5)]

4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

Nickoloff, Peter

From: Sent:

Remy, Christine [cremy@CFTC.gov]

Wednesday, August 15, 2001 9:39 AM

To:

'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov'; 'matthew.eichner@do.treas.gov'; 'mbrowne@fdic.gov'; 'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov'; 'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov'; 'Joyce.Hansen@ny.frb.org'; 'Diane.Virzera@ny.frb.org'; 'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org'; 'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'

Cc:

Fox, Elizabeth L. R.

Subject:

Retail Swaps Study-Blackbird & Enron Interviews





-FINAL.DOC...

FINAL doc

Attached please find final versions of the notes from the

Blackbird & Enron interviews. [(b)(5)]

5

CONFIDENTIAL

Retail Swaps Interview with Blackbird on August 1, 2001.

Mark Brickell and Shawn Dorsch represented Blackbird.

In an attempt to organize Blackbird's comments and responses, I have placed their comments under the most suitable question.

1. What do you see as the potential uses of retail swaps?

[(b)(4), (b)(5)]

Are you willing to offer retail swaps (or currently doing so)? If not, why not?
 [(b)(4), (b)(5)]

· What types of underlying assets?

[(b)(4), (b)(5)]

- What types of contracts?
- · In what notional amounts?

[(b)(4), (b)(5)]

- What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]
- What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

3. What is the appropriate regulatory structure to address customer protection issues that may arise in connection with the offering of retail swaps?

[(b)(5)]

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11	n	(5)	n
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Is there a need for regulation to protect customers?

[(b)(5)]

- Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated?
 - [(b)(5)]
- Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?

[(b)(5)]

4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

CONFIDENTIAL

Retail Swaps Interview with Enron on August 2, 2001.

Christopher Long, Vicki Sharp, Ken Raisler, Scott Gahn, and Mark Taylor represented Enron at the interview.

[For convenience, Enron's responses are condensed and have been reorganized such that they appear under the relevant questions.]

1. What do you see as the potential uses of retail swaps?

[(b)(4), (b)(5)]

Are you willing to offer retail swaps (or currently doing so)? If not, why not?
 [(b)(4), (b)(5)]

· What types of underlying assets?

What types of contracts?

[(b)(4), (b)(5)]

· In what notional amounts?

[(b)(4), (b)(5)]

What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)	5)]
-----------------	-----

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[(b)(5)]

· Is there a need for regulation to protect customers?

[(b)(5)]

 Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated?

[(b)(5)]

 Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?

[(b)(5)]

4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

Nickoloff, Peter

From: Sent: Fox, Elizabeth L. R. [efox@CFTC.gov] Thursday, December 13, 2001 11:48 AM

To:

'Peter.Nickoloff@do.treas.gov'

Subject:

RE: Retail Swaps Study -- Complete with Appendix 3

Enron should be listed as "Enron Energy Services, Inc."

----Original Message---From: Peter.Nickoloff@do.treas.gov [mailto:Peter.Nickoloff@do.treas.gov]
Sent: Thursday, December 13, 2001 10:38 AM
To: Peter.Nickoloff@do.treas.gov; Norman.Carleton@do.treas.gov;
nazaretha@sec.gov; blaineb@sec.gov; colbyr@sec.gov; ddow@cftc.gov;
efox@cftc.gov; polisej@sec.gov; dombalagiano@sec.gov; mlpmp00@frb.gov;
mlapw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov
Cc: Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov;
Martha.Ellett@do.treas.gov; Jose.Gabilondo@do.treas.gov;
Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov;
Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov;
Michael.Novey@do.treas.gov; Matthew.Eichner@do.treas.gov;
Viva.Hammer@do.treas.gov
Subject: Retail Swaps Study -- Complete with Appendix 3

Attached is the final draft of the retail swaps study, complete with Appendix 3 (tax treatment).

[(b)(5)]

Please let us know as soon as possible today if this proposal is acceptable.

Thank you.

<<Retail Swap St -- (12-10 draft)3.doc>>

Nickoloff, Peter

From: Sent: Fox, Elizabeth L. R. [efox@CFTC.gov] Tuesday, December 18, 2001 1:40 PM

To:

'Peter.Nickoloff@do.treas.gov'

Subject:

RE: Retail Swaps Study -- Clearance status?

Did you change Enron to Enron Energy Service, Inc., and Blackbird to Blackbird Holdings, Inc.?

----Original Message-----

From: Peter.Nickoloff@do.treas.gov [mailto:Peter.Nickoloff@do.treas.gov]

Sent: Tuesday, December 18, 2001 10:25 AM

To: efox@cftc.gov

Subject: Retail Swaps Study -- Clearance status?

Hi Elizabeth,

What the clearance status of the report at the CFTC? It's nearly ready to go to the Secretary here, and the Fed Board yesterday voted 7-0 to approve the report. It's making slow but steady progress at the SEC.

Also, how many copies of the report will the CFTC require?

Please let me know. Thanks.

Peter Nickoloff Office of Federal Finance Policy Analysis U.S. Department of the Treasury Room 5011 MT Washington, D.C. 20220

- t. 202/622-1692
- f. 202/622-0974
- e. peter.nickoloff@do.treas.gov

Schultheiss, Heidilynne

From: Sent: To:

Remy, Christine [cremy@CFTC.gov]
Monday, August 13, 2001 11:11 AM
'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov'; 'matthew.eichner@do.treas.gov';
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'piane.Virzera@ny.frb.org'; 'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Fox. Elizabeth L. R.

Cc: Subject: Fox, Elizabeth L. R. Retail Swaps Study





Enron - retail swaps interview

Attached please find notes from the interviews conducted with

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'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'

Cc:

Fox, Élizabeth L. R.

Subject:

Retail Swaps Study-Blackbird & Enron Interviews





Blackbird interview -FINAL DOC...

Enron interview -FINAL doc

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Blackbird & Enron

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[(b)(5)]

<<Blackbird interview -FINAL.DOC>> <<Enron interview - FINAL.doc>>

CONFIDENTIAL

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Wednesday, December 05, 2001 1:45 PM

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Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov RE: New Draft of the Retail Swaps Report

Subject:

Cc:

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polisej@sec.gov; joyce.hansen@ny.frb.org; kathryn.dick@occ.treas.gov;

kurt.wilhelm@occ.treas.gov; lsantamorena@bpd.treas.gov;

mbrowne@fdic.gov; Peter.Nickoloff@do.treas.gov;

Michael. Novey@do.treas.gov; dombalagiano@sec.gov; mlpmp00@frb.gov;

mlapw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov

Cc: Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov;

Martha.Ellett@do.treas.gov; Jose.Gabilondo@do.treas.gov; Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov;

Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov

Subject: New Draft of the Retail Swaps Report

<<12-05 draft <<Retail Swap St -- (12-05 draft)1.doc>> redline1.doc>>

To the Retail Swaps Study Group:

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Please send around any comments you have as soon as possible.

Also, for those who have not done it yet, please contact the interviewees for which your agency is responsible in order to determine that they agree to have their names listed in an appendix to this report.

01265

Bair, Sheila

From: Fox, Elizabeth L. R. [efox@CFTC.gov] Wednesday, December 05, 2001 1:45 PM Sent: To: 'Norman.Carleton@do.treas.gov'; Alexander M. Brill@cea.eop.gov; nazaretha@sec.gov; blaineb@sec.gov; colbyr@sec.gov; Zwirb, Robert S.; dwall@fdic.gov; Dow, De'ana H.; diane.virzera@ny.frb.org; donald.lamson@occ.treas.gov; Matthew.Eichner@do.treas.gov; Fox, Elizabeth L. R.; eric.hirschhorn@ots.treas.gov; Viva.Hammer@do.treas.gov; polisej@sec.gov; joyce.hansen@ny.frb.org; kathryn.dick@occ.treas.gov; kurt.wilhelm@occ.treas.gov; lsantamorena@bpd.treas.gov; mbrowne@fdic.gov; Peter.Nickoloff@do.treas.gov; Michael.Novey@do.treas.gov; dombalagiano@sec.gov; m1pmp00@frb.gov; m1apw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov Cc: Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov; Martha.Ellett@do.treas.gov; Jose.Gabilondo@do.treas.gov; Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov; Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov Subject: RE: New Draft of the Retail Swaps Report I have contacted both Enron and Blackbird--Enron is fine with being named as an interviewee, have not yet heard from Blackbird. ----Original Message----From: Norman.Carleton@do.treas.gov [mailto:Norman.Carleton@do.treas.gov] Sent: Wednesday, December 05, 2001 1:38 PM To: Alexander_M._Brill@cea.eop.gov; nazaretha@sec.gov; blaineb@sec.gov; colbyr@sec.gov; bzwirb@cftc.gov; dwall@fdic.gov; ddow@cftc.gov; diane.virzera@ny.frb.org; donald.lamson@occ.treas.gov; Matthew.Eichner@do.treas.gov; efox@cftc.gov; eric.hirschhorn@ots.treas.gov; Viva.Hammer@do.treas.gov; polisej@sec.gov; joyce.hansen@ny.frb.org; kathryn.dick@occ.treas.gov; kurt.wilhelm@occ.treas.gov; lsantamorena@bpd.treas.gov; mbrowne@fdic.gov; Peter.Nickoloff@do.treas.gov; Michael.Novey@do.treas.gov; dombalagiano@sec.gov; mlpmp00@frb.gov; mlapw00@frb.gov; Heidilynne.Schultheiss@do.treas.gov Cc: Sheila.Bair@do.treas.gov; Timothy.Bitsberger@do.treas.gov; Martha.Ellett@do.treas.gov; Jose.Gabilondo@do.treas.gov; Jared.Gross@do.treas.gov; Brian.Roseboro@do.treas.gov; Gary.Sutton@do.treas.gov; Mark.Wiedman@do.treas.gov Subject: New Draft of the Retail Swaps Report <<Retail Swap St -- (12-05 draft)1.doc>> <<12-05 draft redlinel.doc>>

To the Retail Swaps Study Group:

Attached is a new draft of the retail swaps report. One of the attachments is a clean document; the other shows changes made to the December 3 draft.

[(b)(5)]

Please send around any comments you have as soon as possible.

Also, for those who have not done it yet, please contact the interviewees

for which your agency is responsible in order to determine that they agree to have their names listed in an appendix to this report.

Norman Carleton

From: Sent: To:

Remy, Christine [cremy@CFTC.gov]
Wednesday, August 15, 2001 9:39 AM
'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov'; 'matthew.eichner@do.treas.gov';
'mbrowne@fdic.gov'; 'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov';
'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov'; 'Joyce.Hansen@ny.frb.org';
'Diane.Virzera@ny.frb.org'; 'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Fox. Elizabeth L. R.

Cc: Subject:

Fox, Elizabeth L. R. Retail Swaps Study-Blackbird & Enron Interviews

[(b)(5)]

<<Blackbird interview -FINAL.DOC>> <<Enron interview - FINAL.doc>>

CONFIDENTIAL

Retail Swaps Interview with Enron on August 2, 2001.

Christopher Long, Vicki Sharp, Ken Raisler, Scott Gahn, and Mark Taylor represented Enron at the interview.

[For convenience, Enron's responses are condensed and have been reorganized such that they appear under the relevant questions.]

1. What do you see as the potential uses of retail swaps?

[(b)(4), (b)(5)]

Are you willing to offer retail swaps (or currently doing so)? If not, why not?
 [(b)(4), (b)(5)]

· What types of underlying assets?

[(b)(4), (b)(5)]

What types of contracts?

[(b)(4), (b)(5)]

· In what notional amounts?

[(b)(4), (b)(5)]

• What types of retail counterparties? Individuals? Small businesses? Other?

[(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

	What is the appropriate regulatory structure to address customer protection issues that
	may arise in connection with the offering of retail swaps?

[(b)(5)]

- Is there a need for regulation to protect customers?
 [(b)(5)]
- Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated?

[(b)(5)]

 Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?

[(b)(5)]

4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

....

From: Sent:

To:

Remy, Christine [cremy@CFTC.gov]
Monday, August 13, 2001 11:11 AM
'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov'; 'matthew.eichner@do.treas.gov';
'mbrowne@fdic.gov'; 'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov';
'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov'; 'Joyce.Hansen@ny.frb.org';
'Diane.Virzera@ny.frb.org'; 'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Fox, Elizabeth L. R.
Retail Swaps Study

Cc: Subject:

[(b)(5)]

<<Enron - retail swaps interview-not highlighted_.doc>> <<Blackbird-revised.DOC>>

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What types of underlying assets?
 [(b)(4), (b)(5)]

[(b)(4), (b)(5)]

What types of contracts?
 [(b)(4), (b)(5)]

- In what notional amounts?
 [(b)(4), (b)(5)]
- What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

3.	What is the appropriate regulatory structure to address customer protection issues that may arise in connection with the offering of retail swaps?
	[(b)(5)]
	 Is there a need for regulation to protect customers? [(b)(5)]
	 Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated? [(b)(5)]
	 Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation? [(b)(5)]
1.	What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address? [(b)(4)]

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 [(b)(4), (b)(5)]

[(b)(4), (b)(5)]

· What types of contracts?

[(b)(4), (b)(5)]

· In what notional amounts?

[(b)(4), (b)(5)]

What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

[(b)(4), (b)(5)]

3.	What is the appropriate regulatory structure to address customer protection issues that may arise in connection with the offering of retail swaps?		
	[(b)(5)]		
	 Is there a need for regulation to protect customers? [(b)(5)] 		
	 Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated? [(b)(5)] 		
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١.	What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address? [(b)(4)]		

From: Sent:

Carleton, Norman

To:

Thursday, August 30, 2001 9:34 AM Schultheiss, Heidilynne; Nickoloff, Peter FW: More on the Enron Issue

Subject:

-----Original Message-----

From:

McInerney, Roberta

Sent: To:

Wednesday, August 29, 2001 6:48 PM

Subject:

Carleton, Norman RE: More on the Enron Issue

[(b)(5)]

-----Original Message-----

From:

Carleton, Norman

Sent: To:

Wednesday, August 29, 2001 2:41 PM

Fisher, Peter; Roseboro, Brian; Bair, Sheila; Nickoloff, Peter; Schultheiss, Heidilynne; DeMarco, Edward; Hughes, Gerry; Gross, Jared; Smith, Amy; Sutton, Gary; Ellett, Martha; Gabilondo, Jose; McInerney, Roberta; Lori Sanatamorena (E-mail); Novey,

Michael; Eichner, Matthew; Hammer, Viva

Subject:

More on the Enron Issue

[(b)(5)]

Thoughts?

Tracking:

Recipient

Schultheiss, Heidilynne

Nickoloff, Peter

Delivery

Delivered: 8/30/01 9:34 AM

Delivered: 8/30/01 9:34 AM

Read

Read: 8/30/01 9:34 AM Read: 8/30/01 9:38 AM

From:

Carleton, Norman

Sent: Tuesday, S

To:

Tuesday, September 04, 2001 5:39 PM

Don Lamson (E-mail)

Subject: FW: Retail Swaps Study-Blackbird & Enron Interviews





Blackbird interview -FINAL DOC ... Enron interview -FINAL doc

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----Original Message----
From: Remy, Christine [mailto:cremy@CFTC.gov]
Sent: Wednesday, August 15, 2001 9:39 AM
To: 'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov';
'matthew.eichner@do.treas.gov'; 'mbrowne@fdic.gov';
'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov';
'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov';
'Joyce.Hansen@ny.frb.org'; 'Diane.Virzera@ny.frb.org';
'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Cc: Fox, Elizabeth L. R.
Subject: Retail Swaps Study-Blackbird & Enron Interviews
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[(b)(5)]

<<Blackbird interview -FINAL.DOC>> <<Enron interview - FINAL.doc>>

CONFIDENTIAL

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[(b)(4), (b)(5)]

· In what notional amounts?

[(b)(4), (b)(5)]

What types of retail counterparties? Individuals? Small businesses? Other?
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 What are the risks involved in offering these products? How would you (do you) manage those risks?

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[(b)(5)]

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[(b)(5)]

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[(b)(5)]

 Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?

[(b)(5)]

4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

From:

Carleton, Norman

Sent: Friday, Sept

To: Subject: Friday, September 07, 2001 11:55 AM

Alexander M. Brill (E-mail)

FW: Retail Swaps Study-Blackbird & Enron Interviews





Blackbird interview -FINAL DOC...

Enron interview -

```
----Original Message----
From: Remy, Christine [mailto:cremy@CFTC.gov]
Sent: Wednesday, August 15, 2001 9:39 AM
To: 'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov';
'matthew.eichner@do.treas.gov'; 'mbrowne@fdic.gov';
'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov';
'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov';
'Joyce.Hansen@ny.frb.org'; 'Diane.Virzera@ny.frb.org';
'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Cc: Fox, Elizabeth L. R.
Subject: Retail Swaps Study-Blackbird & Enron Interviews
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[(b)(5)]

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<<Blackbird interview -FINAL.DOC>> <<Enron interview - FINAL.doc>>
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CONFIDENTIAL

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What types of contracts?

[(b)(4), (b)(5)]

· In what notional amounts?

[(b)(4), (b)(5)]

What types of retail counterparties? Individuals? Small businesses? Other?
 [(b)(4), (b)(5)]

 What are the risks involved in offering these products? How would you (do you) manage those risks?

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[(b)(5)]

[(b)(5)]

- Should the regulatory structure differ depending on whether the market for the underlying asset is subject to regulation?
- 4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

[(b)(4)]

From: Sent: To: Zwirb, Robert S. [bzwirb@CFTC.gov] Tuesday, June 19, 2001 2:35 PM 'Norman.Carleton@do.treas.gov'

Subject:

Suggested Interviewees

Here is our list of organizations/individuals that we propose to interview for the retail swaps study:

National Grain Trade Council Enron FIA Managed Funds Assn Refco Bob MacKay (former chief of staff at CFTC)

From:

Carleton, Norman

Sent:

Friday, September 07, 2001 5:11 PM

Lori Sanatamorena (E-mail) To:

Subject:

FW: Retail Swaps Study-Blackbird & Enron Interviews





Blackbird interview -FINAL DOC ...

Enron interview -FINAL.doc

----Original Message----From: Carleton, Norman

Sent: Friday, September 07, 2001 11:55 AM

To: Alexander M. Brill (E-mail)

Subject: FW: Retail Swaps Study-Blackbird & Enron Interviews

```
----Original Message-----
From: Remy, Christine [mailto:cremy@CFTC.gov]
Sent: Wednesday, August 15, 2001 9:39 AM
To: 'blaineb@sec.gov'; 'kurt.wilhelm@occ.treas.gov';
'matthew.eichner@do.treas.gov'; 'mbrowne@fdic.gov';
'norman.carleton@do.treas.gov'; 'polisej@sec.gov'; 'pwhite@frb.gov';
'patrick.parkinson@frb.gov'; 'dombalagiano@sec.gov';
'Joyce.Hansen@ny.frb.org'; 'Diane.Virzera@ny.frb.org';
'Adelina.Bonanno@ny.frb.org'; 'Bob.Gasperini@ny.frb.org';
'Heidilynne.Schultheiss@do.treas.gov'; 'Peter.Nickoloff@do.treas.gov'
Cc: Fox, Elizabeth L. R.
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[(b)(5)]

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· What types of contracts?

· In what notional amounts?

· What types of retail counterparties? Individuals? Small businesses? Other?

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и	w	(4	•

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[(b)(5)]

Is there a need for regulation to protect customers?

[(b)(5)]

 Should the regulatory structure differ depending on whether the entity offering/booking the swaps is otherwise regulated?

[(b)(5)]

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4. What other matters (for example, tax and other regulatory issues) are necessary or appropriate for a study of retail swaps to address?

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