

CFTC Letter No. 00-102**November 14, 2000****Exemption****Division of Trading & Markets**

Dear:

This is in response to your letter dated April 24, 2000, and your subsequent correspondence received by facsimile dated November 3, 2000, in which you request on behalf of XX, an exemption from the requirements of Rules 4.22(c) and (d) that the commodity pool operator ("CPO") distribute and file a certified Annual Report for the pool's fiscal year ending December 31, 1999 and file a certified closing report for the pool for 2000.

In support of your request, you state, among other things, that during the year ended December 31, 1999, the Managing Member of the Fund was XX and the only other Member of the Fund was Y the sole shareholder and Chairman of XX. Y, in his capacity as sole shareholder of the Managing Member and individually as the only other Member, represents that he waives his right to receive a certified Annual Report for 1999. As of March 31, 2000, the Net Asset Value of the Fund was \$5,366,270.00. There was an addition of \$50,000 and the withdrawals from the Fund totaled \$2,004,588.00. You have also submitted a non-certified annual report for the period ended December 31, 1999.

Subsequent to responding to this request, you have provided this office information indicating that the Fund closed at the end of August 2000. The ownership of the Fund remained the same as 1999 with Y and XX his wholly owned company being the only investors. You have provided the balance sheet, income statement and partnership reports for the period ended August 2000.

Rules 4.22(c) and (d) require each registered CPO to file a certified Annual Report with the Commission and distribute copies to the pool participants within 90 calendar days of the end of the pool's fiscal year. The principal purpose of financial reporting required by Rule 4.22 is to ensure that pool participants receive accurate, fair and timely information on the overall trading performance and financial condition of the pool. Based upon the representations made in your letter, the Division believes that granting the request on behalf of the Fund is neither contrary to the purposes of Rule 4.22 nor to the public interest. Accordingly, pursuant to the authority delegated by Rule 140.93(a)(1), the Fund is hereby granted relief from the distribution and certification requirements of Rules 4.22(c) and (d) for the pool's fiscal year ending December 31, 1999.

In light of the fact that the Fund closed in August 2000, the Division grants your subsequent request for exemption from compliance with the distribution requirement of Section 4.22(c) and the certification requirement of Section 4.22(d) for the fiscal year ending December 31, 2000.

This letter is based on the representation you have made to us. Any different, changed or omitted facts or conditions might cause us to reach a different conclusion. If you have any questions regarding this letter, please contact me or Z. Patricia Ross, Futures Trading Specialist on my staff, at (202) 418-5469.

Very truly yours,

Kevin P. Walek
Assistant Director

cc: Anthony Gialanella, Compliance
National Futures Association