



U.S. COMMODITY FUTURES TRADING COMMISSION

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Division of Clearing and
Intermediary Oversight

Kevin P. Walek
Assistant Director

CFTC Letter No. 09-33
Exemption
June 26, 2009
Division of Clearing and Intermediary Oversight

Re: "A," a registered commodity pool operator for "B" and "C"

Dear:

This is in response to your letter dated March 30, 2009, to the Division of Clearing and Intermediary Oversight ("Division") of the Commodity Futures Trading Commission ("Commission"), as well as numerous subsequent communications with staff via telephone and email. You request on behalf of "A," the commodity pool operator ("CPO") for "B" and "C" ("Master Fund" and "Feeder Fund" respectively; collectively the "Pools"), an exemption from the requirement of Regulation 4.22(c) that the Pool's certified Annual Reports be filed within 90 days of the end of the fiscal year on December 31, 2008, and propose instead that you be permitted to file one certified Annual Report for the Pools for the 18-month period from January 1, 2008, to when the Feeder Fund will permanently cease trading and make a distribution to participants on June 30, 2009.

Based upon the representations made in your correspondence, we understand the facts to be as follows. You request, on behalf of the CPO and Pool, an exemption from the requirements of Regulation 4.22(c) that the CPO distribute and file a certified Annual Report within 90 days of the close of the Pools' fiscal year. You further request that you be permitted to file one certified Annual Report for the Pool for the 18-month period from January 1, 2008, to the cessation of trading on June 30, 2009. You state that it is the CPO's intention to file and distribute the certified Annual Report within the 90-day period following the cessation of trading as set forth in the Regulation. Additionally, you state that the Feeder Fund suspended redemptions and the calculation of its net asset value in November 2008 and had been unable to resume calculating net asset value due to one participant in the Feeder Fund. In an effort to comply with the regulatory obligations imposed by the Commission, the Feeder Fund has determined to liquidate the Feeder Fund and make a distribution to participants in cash and in-kind as of June 30, 2009.

Regulation 4.22(c) requires that each registered CPO file a certified Annual Report with the Commission and distribute copies to the pool participants within 90 calendar days of a pool's permanent cessation of trading. The principal purpose of financial reporting required by Regulation 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 letters, the Division believes that granting your request on behalf of "A" is neither contrary to the purposes of Rule 4.22 nor to the public interest. Accordingly, pursuant to the authority delegated by Regulation 140.93 and 4.12(a), you are hereby granted relief from the Annual Report requirement of Regulation 4.22(c) for the Pool's fiscal year ending December 31, 2008.

This exemption is conditioned on the CPO distributing to the Pools' participants and filing with NFA a certified Annual Report for the period from January 1, 2008 through the Feeder Fund's cessation of trading on June 30, 2008 within the 90-day period set forth in Regulation 4.22(c). This exemption does not relieve the CPO from any other applicable requirements of Part 4 of the Commission's regulations.

This exemption is based upon the representations that you have made to the Division. Any different or omitted facts may result in a different determination. Should you have any questions, please do not hesitate to contact me at (202) 418-5463 or Amanda Olear, an attorney on my staff, at (202) 418-5283.

Very truly yours,

Kevin P. Walek

cc: Regina Thoele, Compliance
National Futures Association