



## U.S. COMMODITY FUTURES TRADING COMMISSION

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Division of Swap Dealer and  
Intermediary Oversight

Thomas J. Smith  
Acting Director

CFTC Letter No. 15-23  
Exemption  
March 27, 2015  
Division of Swap Dealer and Intermediary Oversight

**RE: “A”, a registered commodity pool operator for “B”**

Dear :

This letter is in response to your letter dated March 20, 2015, to the Division of Swap Dealer and Intermediary Oversight (“Division”) of the Commodity Futures Trading Commission (“Commission”). You request on behalf of “A”, the commodity pool operator (“CPO”) for the “B” (the “Pool”), exemptive relief from Commission Regulation 4.7(b)(3), which requires that the CPO distribute to its participants, and file with the National Futures Association (“NFA”), an Annual Report within 90 days of the close of the Pool’s fiscal year. Instead, you propose to file a 13-month Annual Report for the Pool for the period from January 1, 2014, through January 31, 2015, the date the Pool permanently ceased trading. The Pool had been operated pursuant to an exemption under Commission Regulation 4.7.

Based upon the representations made in your letter, we understand the relevant facts to be as follows. You are requesting an exemption from the requirement of filing an Annual Report for the Pool’s fiscal year ending December 31, 2014, and instead, are seeking permission to distribute an Annual Report to the Pool’s participants with respect to the period beginning on January 1, 2014, and ending on January 31, 2015. You state that the CPO determined in mid-January 2015 to wind up the Pool’s operations. As of December 31, 2014, the Pool had seven participants and a net asset value of \$. By January 31, 2015, the Pool had permanently ceased trading, and the CPO had completed the liquidation process, making a final distribution of \$ to the remaining participants. In support of your request, you have also attached waivers from all of the pool participants, consenting to receive a 13-month Annual Report.

Commission Regulation 4.7(b)(3) requires each registered CPO to file an Annual Report with NFA and distribute copies to the pool participants within 90 calendar days of the end of the pool’s fiscal year or the permanent cessation of trading. The principal purpose of financial reporting required by Commission Regulation 4.7 is to ensure that pool participants receive accurate, fair and timely information on the overall trading performance and financial condition

**RE: "A"**

Page 2

of the pool. Based upon the representations made in your letter, the Division believes that granting the request of the CPO to file an Annual Report for the Pool for the 13-month period from January 1, 2014 to January 31, 2015 is neither contrary to the purposes of Commission Regulation 4.7 nor to the public interest. Accordingly, pursuant to the authority delegated by Commission Regulations 140.93 and 4.12(a), the Division will grant the CPO's request for relief from the Annual Report requirement of Regulation 4.7(b)(3), thereby permitting it to file an Annual Report for the Pool for the 13-month period from January 1, 2014 to January 31, 2015.

This relief is based upon the representations that you have made to the Division. Any different or omitted facts may result in a different determination and may render any relief set forth in this letter void. Therefore, you must notify the Division immediately in the event that the operations or activities of the CPO or the Pool changes in any material way from those represented to the Division. Further, the relief granted in this letter is conditioned on the distribution to the Pool's participants and the filing with NFA of an Annual Report containing combined financial information for the period beginning January 1, 2014 and ending January 31, 2015, in full compliance with Commission Regulation 4.7(b)(3).

This relief shall not excuse the CPO from compliance with any other applicable requirements contained in the Commodity Exchange Act or in the Commission's regulations issued thereunder, including, but not limited to, Part 4 of the Commission's regulations.

If you have any questions regarding this letter, please contact Amanda Olear, Associate Director, at 202-418-5283 or aolear@cftc.gov, or Elizabeth Groover, Special Counsel, at 202-418-5985 or egroover@cftc.gov.

Very truly yours,

Thomas J. Smith  
Acting Director  
Division of Swap Dealer and  
Intermediary Oversight