



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
Telephone: (202) 418-5000
mkulkin@cftc.gov

Division of Swap Dealer and
Intermediary Oversight

Matthew B. Kulkin
Director

CFTC Letter No. 19-04 No-Action February 28, 2019

February 28, 2019

Re: Request for No-Action Relief from the Requirement to Register as a Commodity Pool Operator under Section 4m(1) of the Commodity Exchange Act

Dear:

This is in response to your letter dated October 31, 2018 to the Division of Swap Dealer and Intermediary Oversight (“Division”) of the Commodity Futures Trading Commission (“Commission”). In the letter, you request, on behalf of “A” and “B”, that “B” receive the same relief that it received in CFTC Staff Letter No. 18-23 (“Letter 18-23”)¹ with respect to additional commodity pools (“Pools”) for which it serves as the general partner. Specifically, “A” and “B” request that the Division not recommend to the Commission an enforcement action against “B” for failing to register with the Commission as a commodity pool operator (“CPO”) under section 4m(1) of the Commodity Exchange Act (“Act”)² in connection with its role as the general partner of the Pools (which are listed in Appendix A), if “B” delegates certain of its responsibilities as the CPO of the Pools to “A”, which is a registered CPO, pursuant to the applicable requirements of CFTC Staff Letter No. 14-126,³ except for criterion 6 therein.

In support of your relief request, you state that all of the representations that were made in Letter 18-23 about “A” and “B”, including the representations concerning their relationship to each other and to the applicable pools in that letter, continue to be true and are applicable with respect to the Pools as well.

¹ CFTC Staff Letter No. 18-23 (Aug. 21, 2018), *available at* CFTC Staff Letter No. 18-23 (Aug. 21, 2018), *available at* <https://www.cftc.gov/sites/default/files/csl/pdfs/18/18-23.pdf> (last retrieved Feb. 28, 2019). This and the other Commission staff letters referenced herein are also available on the Commission’s website, <http://www.cftc.gov>.

² 7 U.S.C. 6m(1). The Act is found at 7 U.S.C. 1 et seq. (2016). It, and the Commission’s regulations, may be accessed through the Commission’s website, <http://www.cftc.gov>.

³ CFTC Staff Letter No. 14-126 (Oct. 15, 2014), *available at* <https://www.cftc.gov/sites/default/files/csl/pdfs/14/14-126.pdf> (last retrieved Feb. 28, 2019).

“B”

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Based upon the representations made in your letter and additional correspondence with the Division, the Division will not recommend to the Commission an enforcement action against “B” for failing to register with the Commission as a CPO under section 4m(1) of the Act in connection with its current role as the general partner of the Pools. This position is subject to and taken in reliance on all of the representations that you have made in connection with your relief request. Furthermore, this relief is subject to the same conditions that formed the basis for the relief that was granted in Letter 18-23 but with respect to the Pools.

The relief issued by this letter does not excuse persons relying on it from compliance with any other applicable requirements contained in the Act or in the Commission regulations issued thereunder. Further, this letter, and the relief contained herein, is based upon the representations made to the Division. Any different, changed, or omitted material facts or circumstances may render this letter void. The Division retains the authority to condition, further, modify, suspend, terminate, or otherwise restrict the terms of the relief provided herein in its discretion. Finally, this letter and the position taken herein represent the views of this Division only, and do not necessarily represent the views of the Commission or of any other office or division of the Commission.

Should you have any questions, please contact Amanda Olear, Associate Director, at 202-418-5283, or Chang Jung, Special Counsel, at 202-418-5202.

Very truly yours,

Matthew B. Kulkin
Director
Division of Swap Dealer and
Intermediary Oversight

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Appendix A

“C”
“D”