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January 17, 2006

**Via e-mail: secretary@cftc.gov**

Jean A. Webb  
Secretary of the Commission  
Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, DC 20581

COMMENT

OFFICE OF THE SECRETARY

2006 JAN 17 PM 2: 23

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Re: RIN 3038-AC25 – Commodity Pool Operator Electronic  
Filing of Annual Reports

Dear Ms. Webb:

NFA fully supports the Commission's proposed amendments that will, among other things, eliminate the requirement that CPOs file manually signed pool financial statements (PFS) with NFA and replace it with a requirement that CPOs electronically file these statements and satisfy the required oath or affirmation through compliance with NFA's electronic filing procedure. NFA believes that mandatory participation in our electronic filing system furthers the goal of both the Commission and NFA to ensure that CPOs are regulated in the most efficient and effective manner.

As you know, NFA implemented a pilot program for the electronic filing system beginning with the December 31, 2004 CPO annual reports. This pilot program has been successful and has demonstrated the efficiencies that can be realized using the electronic filing system. In fact, many CPO Members who participated in the pilot program provided NFA with positive feedback on their experience and felt that the electronic filing system is a much more efficient method of filing pool financial statements. Mandatory participation should dramatically increase these efficiencies without imposing any undue hardships on our CPO Members.

NFA also supports the additional proposed changes in the Commission's release including the recordkeeping requirements related to the oath or affirmation and the key financial balances required by the electronic filing system. In addition, NFA supports the requirement that a CPO notify NFA if it changes its certified public accountant. As currently drafted, however, the rule requires a CPO to comply with

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Commission Regulation 1.16(g) if it changes its certified public accountant. Rule 1.16(g) requires, in part, that registrants file notice of this change with both the Commission and their designated self-regulatory organization. NFA requests that the Commission clarify that for NFA CPO Members, this notice need only be filed with the CPO's designated self-regulatory organization, NFA. The Commission already has access to NFA's database that contains this information.

Again, NFA commends the Commission for proposing these important changes. Please do not hesitate to contact me if NFA can be of any further assistance in this matter.

Very truly yours,

Thomas W. Sexton, III  
Vice President and General Counsel

(caw:electronic pool filing comment)