

MEMO# 31217

May 21, 2018

Information Regarding CFTC Rule 4.5: Response Requested by June 1

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May 21, 2018 TO: Registered Fund CPO Advisory Committee RE: Information Regarding CFTC Rule 4.5: Response Requested by June 1

As we have previously advised, there appears to be a good opportunity for the asset management industry to work with the CFTC to rationalize its regulation of commodity pool operators and commodity trading advisers. For its part, ICI has begun work on developing proposals for Rule 4.5 reform.[\[1\]](#)

To inform this work and our related advocacy efforts, we would like to gain a better understanding of the number and types of funds that are unable to satisfy the trading and marketing conditions in the current rule. To this end, we invite you to share with us the following “census” data **on or before Friday, June 1**:

- The name of each fund (mutual fund, closed-end fund, or ETF) that does not qualify for the Rule 4.5 exclusion[\[2\]](#)
- The name of the CPO for the fund
- The CUSIP number for the largest share class of the fund[\[3\]](#)
- The one category below that best describes the fund/its primary objective:
 1. Pursues a managed futures strategy
 2. Provides exposure to physical commodities through the use of futures, options and/or swaps
 3. Pursues a leverage or inverse strategy
 4. Pursues a commodity options-based strategy
 5. Is categorized as an “alternative” fund (but does not fit within categories 1-4 above)
 6. Is broadly diversified (e.g., index fund, asset allocation fund, target date fund, inflation-protected fund)
 7. Is a concentrated or specialized equity fund (e.g., small cap, focused, country/regional)
 8. Is a fixed income fund
 9. Other—please explain: _____

If you prefer, we can provide you with a list of all funds that are part of your ICI membership, including their CUSIP numbers. Using that list, you would indicate: (a) which

funds do not qualify for the Rule 4.5 exclusion, (b) the name of the fund's CPO, and (c) the category best describing each fund. Please let us know if you would like such a list.

Please be assured that all individual data will be kept confidential and will not be released or published in any way. Data will be compiled and used only on an aggregate basis.^[4]

If you have any questions or concerns, please do not hesitate to contact me or Sarah Bessin.

Rachel H. Graham
Associate General Counsel

endnotes

[1] See Institute [Memorandum No. 31201](#) (May 7, 2018).

[2] If all of your funds are able to qualify for the Rule 4.5 exclusion, please respond to let us know that.

[3] The CUSIP number will allow us to match the fund to the asset information that your firm already reports to ICI.

[4] For an example as to how such data may be used, see Table 1: Use of Derivatives by Investment Companies Managed by Selected ICI Member Firms, in Letter to David A. Stawick, Secretary, CFTC, from Karrie McMillan, General Counsel, ICI, dated April 12, 2011, at 19. The letter is available at https://www.ici.org/pdf/11_cftc_rule4.5_exclude.pdf.