

MEMO# 32313

March 24, 2020

NFA Provides Relief to CPOs and CTAs from Certain Periodic Reporting and Dissemination Requirements

[32313]

March 24, 2020 TO: ICI Members

Accounting/Treasurers Committee

Registered Fund CPO Advisory Committee SUBJECTS: Compliance

Derivatives

Disclosure

Distribution

Fund Accounting & Financial Reporting

Investment Advisers

Operations

Recordkeeping RE: NFA Provides Relief to CPOs and CTAs from Certain Periodic Reporting and Dissemination Requirements

As we previously informed you, the Division of Swap Dealer and Intermediary Oversight (DSIO) of the Commodity Futures Trading Commission (CFTC) issued no-action relief to commodity pool operators (CPOs) in response to challenges CPOs may have in meeting certain CFTC requirements due to the COVID-19 pandemic.[\[1\]](#) On March 23, the National Futures Association (NFA) issued similar relief from NFA rules for CPOs and commodity trading advisors (CTAs).[\[2\]](#)

NFA's notice to members provides the following regulatory relief:

1. **CPO Obligation to File NFA Form PQR under NFA Compliance Rule 2-46.** Under the rule, a CPO must file NFA Form PQR on a quarterly basis for each pool it operates within 60 days after the quarters ending in March, June and September and within 90 days after the quarter ending in December. NFA has extended the due dates for upcoming filings. The December 31, 2019 PQR filing will now be due on May 15, 2020 (instead of March 30). The March 31, 2020 PQR filing will now be due on July 15, 2020 (instead of May 30).
2. **CTA Obligation to File NFA Form PR under NFA Compliance Rule 2-46.** Under the rule, a CTA must file NFA Form PR on a quarterly basis within 45 days after each quarter end. NFA has extended the due date for the March 31, 2020 PR filing to June

30, 2020 (instead of May 15).

3. **CPO Obligation to File Pool Annual Reports under NFA Compliance Rule 2-13.** Under the rule, a CPO must file pool annual reports with NFA and distribute those reports to pool participants in accordance with the timing requirements set forth in CFTC Regulations 4.7(b) or 4.22(c), as applicable. NFA's notice to members states that any CPO that complies with the terms of the CFTC's relief (in CFTC Letter 20-11) providing extended due dates for reports due on or before April 30, 2020 will be deemed to have complied with NFA's related requirements.[\[3\]](#)
4. **CPO Obligation to Distribute Pool Periodic Account Statements under NFA Compliance Rule 2-13.** Under the rule, a CPO must distribute periodic account statements to pool participants on either a monthly or quarterly basis in accordance with CFTC Regulations 4.7(b) or 4.22(b), as applicable. NFA's notice to members states that any CPO that is in compliance with the terms of the CFTC's relief (in CFTC Letter 20-11) for distribution of these statements will be deemed to have complied with NFA's related requirements.[\[4\]](#)

Sarah A. Bessin
Associate General Counsel

Rachel H. Graham
Associate General Counsel

Gregory M. Smith
Senior Director, Fund Accounting and Compliance

endnotes

[\[1\]](#) CFTC No-Action Letter No. 20-11 (March 20, 2020). For a detailed summary, see *CFTC Staff Issues No-Action Relief to CPOs from Certain Reporting and Dissemination Requirements*, ICI Memorandum No. 32306, dated March 23, 2020 ([ICI Memorandum No. 32306](#)).

[\[2\]](#) NFA Notice to Members I-20-15, *Coronavirus (COVID-19) Update—Regulatory Relief for CPOs and CTAs* (March 23, 2020), available at <https://www.nfa.futures.org/news/newsNotice.asp?ArticleID=5218>.

[\[3\]](#) For more information on how the CFTC relief applies to registered fund CPOs, see ICI Memorandum No. 32306.

[\[4\]](#) As noted in ICI Memorandum No. 32306, a registered fund CPO may claim an exemption from the periodic account statement requirements of CFTC Regulation 4.22(a) and (b), provided that the CPO makes the fund's net asset value available to investors and satisfies certain disclosure requirements. See CFTC regulation 4.12(c)(3)(ii).

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