

MEMO# 32814

October 8, 2020

Expiration of Temporary CFTC and NFA Relief from Fingerprinting Requirements

[32814]

October 8, 2020 TO: ICI Members
Chief Compliance Officer Committee
Derivatives Markets Advisory Committee
Investment Advisers Committee
Registered Fund CPO Advisory Committee SUBJECTS: Compliance
COVID-19
CPO/CTA
Derivatives
Investment Advisers RE: Expiration of Temporary CFTC and NFA Relief from Fingerprinting Requirements

The Commodity Futures Trading Commission (CFTC or “Commission”) and the National Futures Association (NFA) recently reminded market participants about the September 30 expiration of the temporary relief the Commission and NFA provided from their fingerprinting requirements, in light of challenges caused by the COVID-19 pandemic.[\[1\]](#)

Background

In April 2020, the CFTC’s Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter granting temporary relief to registrants, including commodity pool operators (CPOs) and commodity trading advisors (CTAs), from the requirement to submit a fingerprint card for new principals and applicants for registration as associated persons (APs).[\[2\]](#) Also in April, NFA issued similar temporary relief from its fingerprinting requirements for natural person principals of registrants and applicants for registration and AP applicants, respectively.[\[3\]](#) In July 2020, DSIO and NFA extended this relief until September 30, 2020.[\[4\]](#)

Expiration of Temporary Relief

DSIO explains that it believes the blanket fingerprinting relief provided by its no-action letters is no longer required and has permitted the relief to expire as of September 30, 2020. DSIO notes that, although for the near future, NFA will not be providing walk-in service for persons to complete a fingerprint card at NFA’s Chicago offices, NFA will be forwarding completed fingerprint cards to the FBI for the required background check procedure. Thus, beginning October 1, 2020, all applicants for AP registration and all natural persons being listed as a principal of an applicant or registrant must submit the

applicant's or natural person principal's fingerprints on an applicant fingerprint card, which is available at facilities offering fingerprinting services.

NFA also notes that all persons currently relying on DSIO's no-action letter and NFA relief from the fingerprinting requirements and APs that have been granted a temporary license must submit a fingerprint card to NFA by November 2, 2020. Any person finding it impossible or inordinately difficult to obtain fingerprints should contact DSIO and NFA that person's situation will be considered on an individual basis.

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Associate General Counsel

endnotes

[1] DSIO's September 29 email alert is *available at* <https://www.nfa.futures.org/news/PDF/CFTC/CFTC-Fingerprinting-Expiration-Alert.pdf>. NFA Notice to Members I-20-37 (October 6, 2020) is *available at* <https://www.nfa.futures.org/news/newsNotice.asp?ArticleID=5289>.

[2] For a summary of that relief, *please see* ICI Memorandum No. 32417 (April 24, 2020), *available at* https://www.ici.org/my_ici/memorandum/memo32417.

[3] For a summary of that relief, *please see* ICI Memorandum No. 32422 (April 27, 2020), *available at* https://www.ici.org/my_ici/memorandum/memo32422.

[4] For a summary of that relief, *please see* ICI Memorandum No. 32613 (July 17, 2020), *available at* https://www.ici.org/my_ici/memorandum/memo32613 and ICI Memorandum No. 32624 (July 21, 2020), *available at* https://www.ici.org/covid19/member_resources/resources_by_topic/usdev/cftc/memo32624.

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