

CFTC Part 4 Exemption Easy Reference Guide

Exemption Type	45	47	412(b)	412(c)	413(a)(1)	413(a)(2)	413(a)(3)	413(a)(5)	CFTC Advisory 18-96	414	
	Entities otherwise regulated	Registered CPO with QEPs - "The Lite Touch"	Securities Pool	Commodity ETF	Closely Held Pool	Small Pool	Deminimus Rule	Director of Trustee of Commodity ETF	Foreign Pool	CTA Exemption	
CPO Reg'd	No	Yes	Yes	Yes	No	No	No	No	Yes	N/A	
General Relief	Exemption provides relief from CPO registration on behalf of a qualifying entity, if entity is already regulated by another regulatory authority.	Registered CPO is provided relief from certain financial reporting and disclosure document requirements for pools with all QEPs	Registered CPO is provided relief from specific requirements if less than 10% of the pool's assets invested in futures.	Registered CPO is provided relief from Disclosure Document delivery, financial statement distribution, and holding of books and records at main business address requirements if the pool is a Commodity ETF	Exemption provides an entity relief from CPO registration	Exemption provides an entity relief from CPO registration	Exemption provides relief from CPO registration in cases where the pool trades minimal amount of futures	Exemption provides relief from CPO registration for a person acting as an independent director or trustee of a Commodity ETF	Registered CPO is provided relief from reporting and disclosure requirements for foreign pools.	Exemption provides relief from CTA registration	
Who Qualifies	An investment company registered as such under the Investment Company Act of 1940; an insurance company subject to regulation by any state; a bank, trust company or any other such financial depository institution subject to US regulation; or a trustee of a named fiduciary or an employer maintaining a pension plan that is subject to ERISA.	CPO or CTA	CPO	CPO	An entity acting as a Pool Operator	An entity acting as a Pool Operator	An entity acting as a Pool Operator	Persons acting as an independent director or trustee with respect to a commodity pool eligible to claim relief under section 4.12(c)	U.S. CPO	An entity acting as a Trading Advisor	
Requirements	If the person claiming the exclusion is an Investment Company, the notice of eligibility must also contain representations that such person will operate the qualifying entity as described in Rule 4.5(b)(1) for bona fide hedging purposes.	All pool participants in the pool must meet definition in CFTC Regulation 4.7 of "qualified eligible person"	Pool offered pursuant to Securities Act of 1933 or related exemption; Pool routinely engages in securities business; Futures trading is incidental to securities trading activities; Futures trading limited to 10% of pool's assets	Pool offered pursuant to Securities Act of 1933; Pool listed for trading on a national securities exchange registered under the Securities Exchange Act of 1934	Person operates only one pool at any time; Operator does not advertise in connection with the pool; Operator does not receive any type of compensation; and Operator is not otherwise required to be registered with the CFTC	Total gross capital contributions in all pools operated or intended to be operated do not in the aggregate exceed \$400,000; and	Participation restricted to accredited investors, a trust formed by an accredited investor for the benefit of a family member, knowledgeable employees, or QEP; and	Persons who act in such capacity solely to comply with the requirements of section 10A of the Securities Exchange Act of 1934 (and any rules and exchange listing requirements adopted thereto) that the pool have an audit committee comprised exclusively of independent director or trustees.	Pool is organized off-shore and has only non-U.S. participants	CTA whose trading advice is only incidental to the conduct of its cash market, trade association or farm organization business; or registered AP or IB incidental to IB business	
	Derivatives trading can not exceed five percent of the liquidation value of the entity's portfolio.			Disclosure Document must be readily accessible on an Internet Website, the address of which must be provided to clients by the pool operator, broker, dealer, or selling agent.		None of the pools operated has more than 15 participants	Pool meets one of two tests with respect to its commodity interest positions	The person has no power or authority to manage or control the operations or activities of the pool except as required by the Act		CTAs who only provide advice to pools operating under a 4.13(a)(3) exemption	
	An alternative net notional test to determine eligibility for exclusion from the definition of a CPO. This test is similar to the test currently in 4.13(a)(3) and permits entities to claim relief if the aggregate net notional values of the entity's commodity interest positions do not exceed 100 percent of the liquidation of the pool's portfolio.				Account statements must be readily accessible on an Internet Website maintained by the CPO within 30 calendar days after the last day of applicable reporting period. The Disclosure Document must indicate the address of this website.		<u>Persons excluded from 15 participants:</u> The pool's operator, CTA, principals and any of their children, siblings or parents. The spouse of any of these persons. Any relative of pool operator, CTA and principals including a relative of a spouse who has the same principal residence.	<u>Two Tests:</u> 1. The aggregate initial margin and premiums does not exceed 5% of the liquidation value of the pool's portfolio 2. The aggregate net notional value of positions does not exceed 100% of the liquidation value of the pool's portfolio (17 CFR part 45)	The CPO will be liable for violations of the Act or the Commission's regulations by the person seeking exemption		CPO who only advises its own pools
	Will not be, and has not been, marketing participations to the public as or in a commodity pool or otherwise as or in a vehicle for trading in the commodity futures, commodity options, or swap markets.				Any books and records not kept by the pool operator at its main business address will be held by the pool's administrator, distributor, custodian, or a bank or registered broker or dealer acting in a similar capacity.			If an individual intends to withdraw from registration to claim this exemption, notice must be sent to participants stating the intent to withdraw to claim this exemption and providing a right to redeem interest in the pool prior to claiming this exemption.		Registered IA advising 4.5 exempt pools, incidental to its securities advice and who does not otherwise hold itself out as a CTA	

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How to File	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Exemption is processed through NFA's Exemption System.	Hard copy of the Exemption Notice must be sent to NFA.	Exemption is processed through NFA's Exemption System.
	Provide the following: Name of person filing notice, name of the qualifying entity (Fund) that the CPO intends to operate pursuant to exclusion.	CPO must select the Pools for which the exemption will be filed.	CPO must select the Pools for which the exemption will be filed.	CPO must select the Pools for which the exemption will be filed.	Provide the following: Name, main business address, main business telephone, main FAX number and main email address of person claiming exemption. The name of the pool for which the exemption is being claimed.	Provide the following: Name, main business address, main business telephone, main FAX number and main email address of person claiming exemption. The name of the pool for which the exemption is being claimed.	Provide the following: Name, main business address, main business telephone, main FAX number and main email address of person claiming exemption. The name of the pool for which the exemption is being claimed.	Provide the following: Name, main business address, main business telephone, main FAX number and main email address of person claiming exemption. The name of the pool for which the exemption is being claimed.	Provide the following: Name, business address, business telephone number, and NFA ID # of CPO claiming exemption. The name of the pool(s) for which the exemption is being claimed. If Section B is claimed (books and records held offshore), the notice must provide the name, title, full mailing address, telephone number and relationship to the pool of the person who will have custody of the pool's books and records and the location outside the U.S. where those books and records will be kept.	Provide the following: Name, main business address, main business telephone, main FAX number and main email address of trading advisor claiming exemption
Annual Requirements	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.	No Annual Notice required	No Annual Notice required	No Annual Notice required	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.	No Annual Notice required	Each person who has filed a notice of exemption from registration under this section must affirm on <u>an annual basis</u> the notice of exemption from registration, withdraw such exemption due to the cessation of activities requiring registration or exemption therefrom, or withdraw such exemption and apply for registration within 60 days of the calendar year end through NFA's exemption system.
	Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.				Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.	Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.	Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.	Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.		Effective date of rule changes is 4/24/2012 and will become implemented on 12/31/12.