

## CFTC Part 4 Exemption Easy Reference Guide

Click on the exemption type for more information on how to file and requirements for each exemption.

| Exemption Type   | General Relief  | Who Qualifies   |
|--|---|---|
| <b>Exemptions from CPO Registration</b>                    |   |   |
| <a href="#">4.13(a)(1) (Pool level for Exempt CPO)</a>     | Exemption provides an entity relief from CPO registration   | An entity acting as a Pool Operator   |
| <a href="#">4.13(a)(2) (Pool level for Exempt CPO)</a>     | Exemption provides an entity relief from CPO registration   | An entity acting as a Pool Operator   |
| <a href="#">4.13(a)(3) (Pool level for Exempt CPO)</a>     | Exemption provides relief from CPO registration in cases where the pool trades minimal amount of futures  | An entity acting as a Pool Operator   |
| <a href="#">4.13(a)(5) (Pool level for Registered CPO)</a> | Exemption provides relief from CPO registration to a director and trustee of a ETF pool operated by a registered CPO                                  | CPO   |
| <a href="#">4.5 (Pool level for Exempt CPO)</a>            | This exclusion provides relief from CPO registration on behalf of a qualifying entity, if entity is already regulated by another regulatory authority | 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 |
| <b>Exemption from CTA Registration</b>                     |   |   |
| <a href="#">4.14(a)(8) (Firm level for CTA)</a>            | Exemption provides relief from CTA registration   | An entity acting as a Trading Advisor   |

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| Exemption Type  | General Relief  | Who Qualifies |
|---|---|---------------|
| <b>Exemptions that provide relief to registered CPOs and/or CTAs from certain regulatory requirements</b> |   |               |
| <a href="#">4.7 (Firm level for CTA)(Pool level for CPO)</a>  | Registered CPO or CTA is provided relief from certain financial reporting and disclosure document requirements for pools with all QEPs                          | CPO or CTA    |
| <a href="#">4.7(b)(4) (Pool level for CPOs of 4.7 pools)</a>  | Registered CPO that operates 4.7 exempt pools is provided relief from maintaining books and records at the main business office                                 | CPO           |
| <a href="#">4.7(c)(2) (Firm level for CTA)</a>  | Registered CTA that is 4.7 exempt is provided relief from maintaining books and records at the main business office   | CTA           |
| <a href="#">4.12(b) (Pool level for CPO)</a>  | Registered CPO is provided relief from specific requirements if less than 10% of the pool's assets invested in futures  | CPO           |
| <a href="#">4.12(c)(2) (Pool level for CPOs of ETFs)</a>  | Registered CPO is provided relief from Disclosure Document delivery, and financial statement distribution if the pool is a Commodity Exchange Traded Fund (ETF) | CPO           |
| <a href="#">4.12(c)(3) (Pool level for CPOs of RICs)</a>  | Registered CPO is provided relief to use substituted compliance if the pool is a Registered Investment Company (RIC)  | CPO           |
| <a href="#">CFTC Advisory 18-96 (Pool level for CPO)</a>  | Registered CPO is provided relief from reporting and disclosure requirements for foreign pools  | U.S. CPO      |
| <a href="#">4.23(c) (Firm level or Pool level for CPO)</a>  | Registered CPO is provided relief from maintaining books and records at the main business office  | CPO           |
| <a href="#">4.33 (Firm level for CTA)</a>   | Registered CTA is provided relief from maintaining books and records at the main business office  | CTA           |

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| <b>Exemptions from CPO Registration</b>       |  |  |  |
|---|--|--|--|
| <b>Exemption Type</b>                         | <b>Requirements</b>  | <b>How to File</b>   | <b>Annual Requirements</b>   |
| <b>4.13(a)(1) (Pool level for Exempt CPO)</b> | Person operates only one pool at any time; Operator does not advertise, receive compensation and is not otherwise required to be registered with the CFTC  | Exemption is processed through NFA's Exemption System  | Each person who has filed a notice of exemption from registration under this section must affirm on an <u>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 |
|   |  | 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. |  |
| <b>4.13(a)(2) (Pool level for Exempt CPO)</b> | Total gross capital contributions in all pools operated or intended to be operated do not in the aggregate exceed \$400,000 and none of the pools operated has more than 15 participants   | Exemption is processed through NFA's Exemption System  | Each person who has filed a notice of exemption from registration under this section must affirm on an <u>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 |
|   | Persons excluded from 15 participants: 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. | 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. |  |

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**Exemptions from CPO Registration**

| Exemption Type                                       | Requirements   | How to File   | Annual Requirements   |
|--|--|---|---|
| <p><b>4.13(a)(3) (Pool level for Exempt CPO)</b></p> | <p>Exemption provides relief from CPO registration in cases where the pool trades only minimal amount of futures. Participation restricted to accredited investors, a trust formed by an accredited investor for benefit of a family member, knowledgeable employees or QEP and pool meets one of two tests (below).</p>     | <p>Exemption is processed through NFA's Exemption System</p>  | <p>Each person who has filed a notice of exemption from registration under this section must affirm on an <u>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</p> |
|  | <p>Two Tests:<br/>                     1. The aggregate initial margin and premiums does not exceed 5% of the liquidation value of the pool's portfolio<br/>                     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)</p> | <p>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.</p> |   |

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**Exemptions from CPO Registration**

| Exemption Type   | Requirements  | How to File   | Annual Requirements   |
|--|---|---|---|
| <p><b>4.13(a)(5) (Pool Level for Pool exempt under 4.12 (c))</b></p> | <p>Provides relief to person acting as a director or trustee with respect to a pool whose operator is a registered CPO and is eligible for relief under 4.12(c). (Exemption exclusive to ETF pools)</p> | <p>Exemption is processed through NFA's Exemption System</p>  | <p>Each person who has filed a notice of exemption from registration under this section must affirm on an <u>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</p> |
|  | <p>The person acts solely to comply with SEC rules and exchange listing requirements that require the pool have an audit committee comprised of independent directors or trustees</p>                   | <p>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.</p> |   |
|  | <p>The person has no power or authority to manage or control the operations or activities of the pool</p>   |   |   |
|  | <p>The registered CPO of the pool is and will be liable for any violation of the CEA or CFTC regulations by the person in connection with the person's serving as a director or trustee</p>             |   |   |

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**Exemptions from CPO Registration**

| Exemption Type   | Requirements  | How to File  | Annual Requirements   |
|--|---|--|---|
| <p align="center"><b>4.5 (Pool level for Exempt CPO)</b></p>   | <p>Provides relief from CPO registration to an investment company under the Investment Company Act of 1940; an insurance company subject to state regulations; a bank, trust or any other such financial depository institution subject to U.S. regulation; or a trustee of a name fiduciary or an employer maintaining a pension plan that is subject to ERISA</p> | <p align="center">Exemption is processed through NFA's Exemption System</p>  | <p align="center">Each person who has filed a notice of exemption from registration under this section must affirm on an annual basis 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</p> |
|  | <p>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</p>   | <p>Provide the following: Name of person filing notice, name of the qualifying entity (Fund) that the CPO intends to operate pursuant to exclusion</p> |   |
|  | <p>Derivatives trading can not exceed 5% of the liquidation value of the entity's portfolio</p>   |  |   |
|  | <p>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% of the liquidation of the pool's portfolio.</p>         |  |   |
| <p>Will not be, and has not been, marketing participation 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</p> |   |  |   |

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**Exemptions from CTA Registration**

| <b>Exemption Type</b>                        | <b>Requirements</b>   | <b>How to File</b>   | <b>Annual Requirements</b>  |
|--|---|--|---|
| <p><b>4.14(a)(8)(Firm level for CTA)</b></p> | <p>CTA who only provides advice to pools operating under a 4.13(a)(3) exemption or provides advice as a registered investment adviser of 4.5 exempt pools, which is incidental to its securities advice and does not otherwise hold itself out as a CTA</p> | <p>Exemption is processed through NFA's Exemption System</p>   | <p>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</p> |
|  | <p>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</p>  | <p>Provide the following: Name, main business address, main business telephone, main FAX number and main email address of the trading advisor claiming the exemption</p> |   |

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**Exemptions that provide relief to registered CPOs and/or CTAs from certain regulatory requirements**

| Exemption Type  | Requirements   | How to File   | Annual Requirements              |
|---|--|---|----------------------------------|
| <p><b>4.7 (Firm level for CTA) (Pool level for CPO)</b></p> | <p>CTA clients and pool participants must meet definition in CFTC Regulation 4.7 of "qualified eligible person." Registered CPO is provided relief from certain financial, reporting and disclosure requirements.</p>  | <p>Exemption is processed through NFA's Exemption System</p>  | <p>No Annual Notice required</p> |
|   | <p>CPO must select the pool for which the exemption will be filed. CTA must file a firm level exemption.</p>   |   |                                  |
| <p><b>4.7(b)(4) (Pool level for CPOs of 4.7 Pools)</b></p>  | <p>CPO is provided relief from maintaining books and records of its 4.7 exempt pools at its main business office. Books and records can be maintained by one or more of the following: the Pool's administrator, distributor or custodian, or a bank or registered broker or dealer.</p> | <p>Exemption is processed through NFA's Exemption System</p>  | <p>No Annual Notice required</p> |
|   | <p>Books and record must be made available to a representative of the CFTC for inspection within 48 hours at main business office or within 72 hours if books and records are located outside the U.S.</p>   | <p>CPO must select the pools for which the exemption will be filed. If for CPO wishes to claim this exemption on the firm behalf, it must file a firm level exemption for the CPO under 4.23(c).</p>  |                                  |
|   | <p>Disclosure of the location of books and records must be made in the pool's Disclosure Document</p>  | <p>CPO must identify by name each alternative record keeper and provide the main business address and main business telephone number of such person</p>   |                                  |
|   |  | <p>CPO must specify by reference the books and records that will be maintained with each third-party record keeper</p>  |                                  |
|   |  | <p>CPO must file electronically with NFA a statement from each person who will be keeping required books and records. The statement must acknowledge that the person will keep and maintain required books and records for the pool or CPO and will keep them in accordance with CFTC Regulation 1.31 and will make such books and records available for inspection by an representatives of the CFTC, NFA or the U.S. Department of Justice.</p> |                                  |



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**Exemptions that provide relief to registered CPOs and/or CTAs from certain regulatory requirements**

| Exemption Type   | Requirements   | How to File   | Annual Requirements              |
|--|--|---|----------------------------------|
| <p><b>4.7(c)(2) (Firm level for 4.7 CTA)</b></p>       | <p>CTA is provided relief from maintaining books and records at its main business office. Books and records can be maintained by a third-party recordkeeper.</p>   | <p>Exemption is not self executing. The CTA must file a notice with the CFTC via email, using the email address <a href="mailto:dsionaction@cftc.gov">dsionaction@cftc.gov</a>.</p> | <p>No Annual Notice required</p> |
|  | <p>Books and records must be made available to a representative of the CFTC for inspection within 48 hours at main business office or within 72 hours if books and records are located outside the U.S.</p>  | <p>Upon filing the notice with the CFTC, the CTA must notify NFA of the exemption by filing the 4.7(c)(2) through NFA's Exemption System.</p>                                       |                                  |
|  | <p>Disclosure of the location of books and records must be made in the CTA's Disclosure Document</p>   | <p>CTA must identify by name each alternative record keeper and provide the main business address and main business telephone number of such person</p>                             |                                  |
|  |  | <p>Specify by reference the books and records that will be maintained with each third-party record keeper</p>   |                                  |
| <p><b>4.12(b) (Pool level for CPO)</b></p>             | <p>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. Registered CPO is provided relief from certain reporting and disclosure requirements.</p> | <p>Exemption is processed through NFA's Exemption System</p>  | <p>No Annual Notice required</p> |
|  |  | <p>CPO must select the pools for which the exemption will be filed</p>  |                                  |
| <p><b>4.12(c)(2) (Pool level for CPOs of ETFs)</b></p> | <p>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</p>   | <p>Exemption is processed through NFA's Exemption System</p>  | <p>No Annual Notice required</p> |
|  | <p>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</p>  | <p>CPO must select the pools for which the exemption will be filed</p>  |                                  |
|  | <p>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.</p>  |   |                                  |

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| Exemption Type   | Requirements   | How to File  | Annual Requirements              |
|--|--|--|----------------------------------|
| <p><b>4.12(c)(3) (Pool level for CPOs of RICs)</b></p> | <p>Pool registered under the Investment Company Act of 1940</p>  | <p>Exemption is processed through NFA's Exemption System</p>           | <p>No Annual Notice required</p> |
|  | <p>The CPO is exempt from the Account Statement distribution requirement under 4.22(a) and (b), provided that the current NAV per share is made available to participants. Causes the pool to clearly disclose that the information will be on an Internet website maintained by the CPO or its designee or otherwise made available to participants and the means through which the information will be made available and the Internet address of such website, if applicable.</p> | <p>CPO must select the pools for which the exemption will be filed</p> |                                  |
|  | <p>The CPO is exempt from Disclosure Document requirements under 4.21, 4.24, 4.25, and 4.26 provided that if the offered pool has less than 3 years of operating history, the Document discloses the performance of all accounts and pools managed by the CPO with substantially similar objectives and strategies to the offered pool</p>   |  |                                  |
|  | <p>Disclosure provided on behalf of the pool complies with Investment Company Act of 1940, the Securities Act of 1933 and 1934</p>   |  |                                  |
|  | <p>Exemption from provisions of CFTC Regulation 4.23 which, requires books and records be made available to participants for inspection</p>  |  |                                  |

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| Exemption Type   | Requirements   | How to File   | Annual Requirements              |
|--|--|---|----------------------------------|
| <p><b>CFTC Advisory 18-96 (Pool level for CPO)</b></p> | <p>Pool is organized offshore and has only non-U.S. participants. Registered U.S. CPO is provided relief from certain reporting and disclosure requirements.</p> | <p>Hard copy of the Exemption Notice must be sent to NFA</p> <p>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.</p> | <p>No Annual Notice required</p> |

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| Exemption Type  | Requirements   | How to File   | Annual Requirements                             |
|---|--|---|---|
| <p align="center"><b>4.23(c) (Firm level or Pool level for CPO)</b></p> | <p>CPO is provided relief from maintaining books and records at its main business office. Books and records can be maintained by one or more of the following: the pool's administrator, distributor or custodian, or a bank or registered broker or dealer.</p> | <p align="center">Exemption is processed through NFA's Exemption System</p>   | <p align="center">No Annual Notice required</p> |
|   | <p>Books and records must be made available to a representative of the CFTC for inspection within 48 hours at main business office or within 72 hours if books and records are located outside the U.S.</p>  | <p>CPO must select the pools for which the exemption will be filed. If for CPO wishes to claim this exemption on the firm behalf, it must file a firm level exemption for the CPO.</p>  |   |
|   | <p>Disclosure of the location of books and records must be made in the pool's Disclosure Document</p>  | <p align="center">CPO must identify by name each third-party recordkeeper and provide the main business address and main business telephone number of such person</p>   |   |
|   |  | <p align="center">Specify by reference the books and records that will be maintained with each third-party recordkeeper</p>   |   |
|   |  | <p align="center">CPO must file with NFA electronically a statement from each person who will be keeping required books and records. The statement must acknowledge that the person will keep and maintain required books and records for the pool or CPO and will keep them in accordance with CFTC Regulation 1.31 and will make such books and records available for inspection by an representatives of the CFTC or the U.S. Department of Justice.</p> |   |

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| Exemption Type   | Requirements  | How to File   | Annual Requirements                             |
|--|---|---|---|
| <p align="center"><b>4.33 (Firm level for CTA)</b></p> | <p>CTA is provided relief from maintaining books and records at its main business office. Books and records can be maintained by one or more third-party recordkeepers.</p>                                 | <p>Exemption is not self executing. The CTA must file a notice with the CFTC via email, using the email address <a href="mailto:dsionoaction@cftc.gov">dsionoaction@cftc.gov</a>.</p> | <p align="center">No Annual Notice required</p> |
|  | <p>Books and records must be made available to a representative of the CFTC for inspection within 48 hours at main business office or within 72 hours if books and records are located outside the U.S.</p> | <p>CTA must identify by name each alternative record keeper and provide the main business address and main business telephone number of such person</p>                               |   |
|  | <p>Disclosure of the location of books and records must be made in the CTA's Disclosure Document</p>  | <p>Specify by reference the books and records that will be maintained with each third-party record keeper</p>   |   |
|  |   | <p>Upon filing the notice with the CFTC, the CTA must notify NFA of the exemption by filing the 4.7(c)(2) through NFA's Exemption System.</p>   |   |