

August 27, 2014

**Via Federal Express**

Mr. Christopher J. Kirkpatrick  
Secretary  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

Re: National Futures Association: Electronic Filing of Introducing Broker  
Certified Focus Reports – NFA Financial Requirements Section 5  
Regarding Introducing Broker Financial Requirements\*

Dear Mr. Kirkpatrick:

Pursuant to Section 17(j) of the Commodity Exchange Act, as amended, National Futures Association (“NFA”) hereby submits to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the proposed amendments to NFA Financial Requirements Section 5 regarding the electronic filing of introducing broker certified focus reports. NFA’s Board of Directors (“Board”) approved the proposal on August 21, 2014.

NFA is invoking the “ten-day” provision of Section 17(j) of the Commodity Exchange Act (“CEA”) and plans to make these proposals effective ten days after receipt of this submission by the Commission unless the Commission notifies NFA that the Commission has determined to review the proposals for approval.

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**PROPOSED AMENDMENTS  
(deletions are ~~stricken through~~)**

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**FINANCIAL REQUIREMENTS**

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**SECTION 5. INTRODUCING BROKER FINANCIAL REQUIREMENTS.**

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(b)(1) Each Member IB, except an IB operating pursuant to a guarantee agreement which meets the requirements set forth in CFTC Regulation 1.10(j), must file financial reports with NFA semi-annually, including its fiscal year end, within 17 business days of the date for which the report is prepared. All financial reports must be filed on Form 1-FR-IB or, if the Member is a broker-dealer, on Form 1-FR-IB or the FOCUS Report, and all financial reports ~~except those filed on the FOCUS Report and required to be certified by a Certified Public Accountant~~ must be filed electronically.

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### EXPLANATION OF PROPOSED AMENDMENTS

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In order to accommodate the CFTC's recent amendment to its FCM financial reporting requirements, which requires FCMs to file their certified financial reports electronically rather than in hard-copy form, NFA made modifications to the WinJammer™ system to accept these filings.

NFA Financial Requirements Section 5 requires IBs to file all of their financial reports electronically except for annual certified FOCUS reports filed by IBs that are also broker/dealers. Although the Commission's filing requirement pursuant to CFTC Regulation 1.10(h) does not specifically require IBs to file electronically (it requires certified FOCUS reports to be filed either in paper or electronically in accordance with NFA's procedures), NFA believes that it would be more efficient to receive financial reports electronically. Therefore, given the recent upgrade to WinJammer™, the proposed amendments to NFA Financial Requirements Section 5 eliminates the current exception from electronic filing for IB certified FOCUS reports and therefore requires that all IB financial reports be filed electronically.

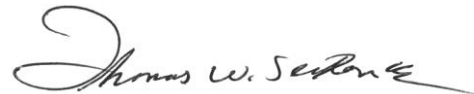
As mentioned earlier, NFA is invoking the “ten-day” provision of Section 17(j) of the Commodity Exchange Act. NFA intends to make the proposed amendments to NFA Financial Requirements Section 5 regarding the electronic filing of introducing broker certified focus reports effective ten days after receipt of this submission by the

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Commission, unless the Commission notifies NFA that the Commission has determined to review the proposal for approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas W. Sexton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Thomas W. Sexton  
Senior Vice President and  
General Counsel

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\*The proposed amendments to NFA Financial Requirements Section 5 became effective September 30, 2014.