



Possible Delegation to NFA Regarding Collection of CPO/CTA Data

The regulatory reform legislation may require the CFTC and SEC to coordinate efforts to gather and share certain information from firms that operate as both hedge funds and CPOs or CTAs. We have had preliminary discussions with CFTC staff concerning a possible role for NFA in obtaining the required information on behalf of the Commission.

As you are aware, NFA currently obtains information on a quarterly basis from CPO Members concerning pools they operate. That information includes: aggregate dollar value of the pool's investments in swaps (by type), futures (by sector), forwards, equities, fixed income options, alternative investments, funds and cash. The CPOs must also report information concerning changes in net asset value, monthly rates of return and the pool's relationships with carrying brokers, pool administrators, custodians and trading managers.

We believe that the core information currently obtained by NFA is a useful template for the Commission to consider in determining the information that the CFTC and SEC should be obtaining. Whatever final decisions are made concerning the types of information to be filed, the frequency of the filings, the timeliness of the filings and the Members required to make the filings, our existing Pool Quarterly Reporting system could be modified to accommodate any changes requested by the Commission. With this infrastructure already in place, we believe that NFA could perform any responsibilities in this area that the Commission chooses to delegate to us.

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