

## CFTC ANNUAL REPORT FILING EXTENSIONS FOR FUNDS OF FUNDS

On December 26, 2000, the Commodity Futures Trading Commission (“CFTC”) adopted amendments to Rule 4.22(f) that permit the commodity pool operator (“CPO”) of a fund of funds to claim an automatic 60-day extension of time within which to distribute and file the required annual report for the fund of funds. A fund of funds is a pool that is invested in one or more other collective investment vehicles. New Rule 4.22(f) is effective immediately.

New Rule 4.22(f) is intended to provide a standardized and simplified extension procedure for CPOs of pools invested in other collective investment vehicles. The rule may be used by a CPO who cannot obtain the information its accountant requires in time for the pool's annual report to be prepared, audited, and distributed within 90 calendar days of the pool's fiscal year end. To claim the extension, the CPO must file a notice for extension (the “Notice”) with the National Futures Association (“NFA”) and the CFTC. The initial Notice with respect to a pool must be filed within 90 calendar days of the end of the pool's fiscal year.

The Notice must contain:

- (a) identifying information about the CPO and the pool;
- (b) the name of the CPO's accountant; and
- (c) the date by which the annual report will be distributed to pool participants and filed with the NFA and the CFTC.

The CPO must represent in the Notice that:

1. The pool for which the annual report is being prepared has investments in one or more collective investment vehicles;
2. The CPO has been informed by the accountant selected to audit the pool that specified information establishing the value of such investments is necessary in order to render an opinion on the pool's financial statements; and
3. The information specified by the accountant cannot be obtained in sufficient time for the annual report to be prepared, audited, and distributed before the date stated in the Notice, which must be within 150 calendar days of the pool's fiscal year end (item c above)

A Notice filed pursuant to Rule 4.22(f) is effective upon receipt by the CFTC. A Notice must be filed for each year in which an extension is claimed. After the initial Notice is filed, however, the CPO may file subsequent Notices along with the pool's annual report. The Notice must be signed by a person qualified to sign the pool's annual report. CPOs may follow new Rule 4.22(f) in filing annual reports due in calendar year 2001 for fiscal years ending in 2000.

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If you have any questions regarding the amendments to Rule 4.22(f), please call Emily M. Zeigler at (212) 728-8284 or Rita M. Molesworth at (212) 728-8727.

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