

**CPO ALERT: ELECTRONIC FILING REQUIREMENT FOR  
COMMODITY POOL ANNUAL REPORTS**

On February 16, 2006, the Commodity Futures Trading Commission adopted amendments to its commodity pool operator financial reporting rules. Annual reports filed by CPOs after the amendments become effective must be filed and affirmed electronically. This new requirement will apply to annual reports filed thirty days or more after publication of the amendments in the *Federal Register*. Therefore, the requirement will apply to most reports filed for the year ending December 31, 2005.

In order to file annual reports electronically, a CPO must:

- Obtain access to National Futures Association's EasyFile system
  - register a Security Manager to use the system
  - on NFA's home page ([www.nfa.futures.org](http://www.nfa.futures.org)) click:
    - ✓ **Compliance**
    - ✓ **Electronic Filings**
    - ✓ **EasyFile (Pool Filers)**
- Enter into EasyFile key balances from the pool's financial statements
- Upload a copy of the complete annual report in PDF format to EasyFile
- Designate a person with authority to bind the CPO who will
  - affirm the contents of the annual report (*i.e.*, provide the oath or affirmation required by CFTC Rule 4.22(h) that the information in the annual report is accurate and complete); and
  - submit the filing
- Maintain in its records for five years
  - a manually signed copy of the annual report including the CPO's oath or affirmation; and
  - supporting documentation for the key financial balances submitted via EasyFile

**Annual CPO Letter**

On February 17, 2006, the CFTC's Division of Clearing and Intermediary Oversight issued its annual guidance letter to registered CPOs. The letter is intended to assist CPOs and public accountants in complying with CFTC rules regarding commodity pool annual financial reports. The letter discusses common deficiencies observed in prior years' annual reports. The letter is available on the Commission's website at [www.cftc.gov/files/tm/tmcpoannualguidanceletter2005.pdf](http://www.cftc.gov/files/tm/tmcpoannualguidanceletter2005.pdf).

**Confidential Treatment of Annual Reports**

Annual reports filed by CPOs are available to the public under the Freedom of Information Act. A CPO may request that the CFTC afford confidential treatment to its annual reports by filing a request for such treatment pursuant to CFTC Rule 145.9.

\* \* \* \* \*

If you have any questions regarding the new requirement or the filing of pool financial statements, please contact Rita M. Molesworth (212-728-8727, rmolesworth@willkie.com), Emily M. Zeigler (212-728-8284, ezeigler@willkie.com), or the attorney with whom you regularly work.

Willkie Farr & Gallagher LLP is headquartered at 787 Seventh Avenue, New York, NY 10019-6099. Our telephone number is (212) 728-8000 and our facsimile number is (212) 728-8111. Our website is located at [www.willkie.com](http://www.willkie.com).

February 21, 2006

Copyright © 2006 by Willkie Farr & Gallagher LLP.

All Rights Reserved. This memorandum may not be reproduced or disseminated in any form without the express permission of Willkie Farr & Gallagher LLP. This memorandum is provided for news and information purposes only and does not constitute legal advice or an invitation to an attorney-client relationship. While every effort has been made to ensure the accuracy of the information contained herein, Willkie Farr & Gallagher LLP does not guarantee such accuracy and cannot be held liable for any errors in or any reliance upon this information.