

CFTC Letter No. 99-38**August 31, 1999****Exemption****Division of Trading & Markets**

X

XX

XXX

XXXX

RE: Request for exemption from filing a certified annual
report for Y

Dear X:

In your letter of August 9, 1999, you request on behalf of Y ("XX") a commodity pool operator ("CPO"), an exemption from filing a certified report for XX as of July 1999, the date of permanent cessation of trading. XX is making this request in order to save the shareholders the expense of the report that all agree is not necessary for their protection.

In support of your request, you state that: all of the investors in XX have requested, in writing, a waiver of the audited liquidating financial statement requirement; the fund was very small, approximately \$100,000, and had only W shareholders; and all shareholders have been returned the funds due them.

Under regulation 4.22 (c)(17 C.F.R. §4.22(c), each CPO registered under the Commodity Exchange Act must distribute an annual report to each participant in each pool that it operates, and must file two copies of the Report with the Commission within 90 calendar days after the end of the pool's fiscal year or after the permanent cessation of trading, whichever is earlier. Under regulation 4.22 (d) (17 C.F.R. § 4.22(D)(17 C.F.R. § (d)(1998)), the financial statements in the annual report must be presented and computed in accordance with generally accepted accounting principles consistently applied and must be certified by an

independent public accountant.

Based on your representation, XX is hereby exempted from the requirement in regulation 4.22(c) that a certified report for XX for the period ended with the permanent cessation of trading be distributed to each participant in XX and to the Commission, provided XX distributes to XX participants, and files copies with the Commission and National Futures Association of an unaudited report for XX for the period ended with the permanent cessation of trading.

If you have any questions, please contact me at (202) 418-5463 or Bill Yowell at (202) 418-5454.

Sincerely,

Kevin Walek

Assistant Director

cc: