

# CFTC (Commodity Futures Trading Commission) Staff Announces Expedited No-Action Relief for CPO (Commodity Pool Operators) Delegation

VedderPrice

Article By

[Investment Services Group](#)

[Vedder Price](#)

[Investment Services Regulatory Update](#)

- [Financial Institutions & Banking](#)
- [Administrative & Regulatory](#)
- [All Federal](#)

Friday, June 6, 2014

On May 12, 2014, the staff of the Commodity Futures Trading Commission (CFTC) issued a letter setting forth the criteria for seeking streamlined registration no-action relief for **commodity pool operators (CPOs)** who delegate their status and responsibility as a CPO to another party. The letter clarified that no-action relief is required if a CPO seeks to delegate its responsibilities to another party. While an investment adviser is deemed to be the CPO of a registered investment company (RIC) that also is a commodity pool (and therefore delegation is not necessary), the same does not apply to a wholly-owned subsidiary of a RIC. Each director of the wholly-owned subsidiary will likely have to seek no-action relief to delegate their CPO status and responsibilities to the investment adviser to the wholly-owned subsidiary. The CFTC staff's letter details the criteria which must be satisfied in order for a delegating CPO to use the streamlined process for relief. The relief is not self-executing and the delegating CPO (e.g., the directors) must complete a form of no-action request and file such request with the CFTC, which the CFTC staff will review on an expedited basis. If a delegating CPO does not qualify for the streamlined no-action relief, the CFTC staff will continue to evaluate requests for CPO registration no-action relief on a non-expedited basis.

The CFTC staff letter is available at  
[www.cftc.gov/ucm/groups/public/@lrllettergeneral/documents/letter/14-69.pdf](http://www.cftc.gov/ucm/groups/public/@lrllettergeneral/documents/letter/14-69.pdf)

© 2019 Vedder Price

**Source URL:** <https://www.natlawreview.com/article/cftc-commodity-futures-trading-commission-staff-announces-expedited-no-action-relief>