

# CORONAVIRUS INFORMATION & UPDATES

March 24, 2020

## In Response to COVID-19 CFTC and NFA Issue Temporary Relief to Commodity Pool Operators and Commodity Trading Advisors

On March 20, 2020, in response to the COVID-19 pandemic, the Division of Swap Dealer and Intermediary Oversight (“CFTC Staff”) of the U.S. Commodity Futures Trading Commission (“CFTC”) issued temporary no-action relief to asset managers who are registered commodity pool operators (“CPOs”) from certain obligations under the Commodity Exchange Act and CFTC regulations (the “[Relief](#)”). The National Futures Association (the “NFA”) followed the Relief on March 23, 2020 by issuing Notice to Members [I-20-15](#), which granted similar relief from rules applicable to member CPOs and commodity trading advisors (“CTAs”).

Attorneys  
[Deborah A. Monson](#)  
[Jeremy A. Liabo](#)

**Filing Form PQR under CFTC Regulation 4.27:** CFTC Staff has extended the deadline for filing Form PQR for the year ended December 31, 2019 for small and mid-sized CPOs from the end of March to **May 15, 2020** and for filing Form PQR for the quarter ending March 31, 2020 for large CPOs from the end of May until **July 15, 2020**. The NFA has also extended the deadline for filing the December 31, 2019 NFA Form PQR until **May 15, 2020** and the March 31, 2020 NFA Form PQR until **July 15, 2020**.

**Filing Form PR:** The NFA has extended the deadline for filing the March 31, 2020 NFA Form PR from May 15, 2020 until **June 30, 2020**.

**Pool Annual Reports under CFTC Regulations 4.7(b)(3) and 4.22(c):** The Relief grants CPOs that are required to file annual audited pool financial statements and distribute such statements to investors on or before April 30, 2020 an extension from such deadline of **45 days** from the original due date. The Relief does not foreclose a CPO from requesting an additional hardship extension of up to 180 days from the end of the pool’s fiscal year-end under CFTC regulation 4.22(f). Likewise, the NFA, in its Notice to Members, has stated that CPOs that are in compliance with the terms of the Relief will be deemed to comply with NFA Rule 2-13.

**Pool Periodic Account Statements under CFTC Regulations 4.7(b)(2) and 4.22(b):** The Relief extends the deadline for CPOs to distribute periodic account statements to pool participants on either a monthly or quarterly basis for all reporting periods ending on or before April 30, 2020 by **45 days**. The NFA’s Notice provides the same relief under NFA Rule 2-13.

The Relief is self-executing, as is the relief provided by the NFA. Notably, in this regard, this approach differs from the reporting relief issued by the Securities and Exchange Commission (“SEC”) on March 13, 2020. Under the [SEC order](#), the SEC extended the deadline for registered investment advisers for Form ADV and Form PF filings due to COVID-19. However, several conditions must be satisfied to claim relief under the SEC order. In particular, the adviser must disclose why the adviser is unable to file or deliver the application form on a timely basis and an estimated date of filing/delivery (i) in a notice delivered to the SEC and (ii) on its public website (or if it does not have a public website, by providing notice to its clients and/or private fund investors).

CFTC Staff expects CPOs relying on the Relief to establish and maintain systems that are reasonably designed to supervise activities of personnel while acting from an alternative or remote location. CFTC further expects registrants to

# CORONAVIRUS INFORMATION & UPDATES

return to compliance with all regulatory obligations as the COVID-19-related risks decrease. The expectations of the CFTC Staff in this regard are consistent with those expressed by the NFA in its Notice to Members, [I-20-12](#), published on March 13, 2020. (See our [Alert](#).)

Please contact [Deborah A. Monson](#), [Jeremy A. Liabo](#), or the Ropes & Gray attorney who usually advises you with any questions you may have or if you would like additional information.