



February 24, 2026

**Via Electronic Mail: MPDLetters@cftc.gov**

U.S. Commodity Futures Trading Commission  
Market Participants Division  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

Attn: Thomas J. Smith  
Acting Director  
Market Participants Division

**Re: CFTC Staff Letters 14-126 and 25-50; Request to Revise and Republish Staff Letter No. 25-50**

Dear Acting Director Smith:

MFA<sup>1</sup> respectfully submits this letter to request that the Staff the Commodity Futures Trading Commission (“**CFTC**” or “**Commission**”) revise slightly CFTC Staff No-Action Letter No. 25-50 (Dec.19, 2025) (“**Staff Letter 25-50** ”)<sup>2</sup> and republish it. We appreciate the Staff’s thoughtful action in granting MFA’s no-action request, which sought the reinstatement of an exemption from commodity pool operator (“**CPO**”) and commodity trading advisor (“**CTA**”) registration for certain investment advisers registered with the Securities and Exchange Commission (“**SEC**”) operating commodity pools offered solely to qualified eligible persons (“**QEPs**”) in a nonpublic offering.

Shortly after issuance of Staff Letter 25-50, MFA member firms informed us that clarification may be warranted for long-standing delegation agreements for CPOs seeking to withdraw from CPO registration pursuant to Staff Letter 25-50. To avoid potentially adding uncertainty to existing delegations and frustrating the purpose of Staff Letter 25-50,

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<sup>1</sup> Managed Funds Association (“**MFA**”), based in Washington, D.C., New York City, Brussels, and London, represents the global alternative asset management industry. MFA’s mission is to advance the ability of alternative asset managers to raise capital, invest it, and generate returns for their beneficiaries. MFA advocates on behalf of its membership and convenes stakeholders to address global regulatory, operational, and business issues. MFA has more than 180 fund manager members, including traditional hedge funds, private credit funds, and hybrid funds, that employ a diverse set of investment strategies. Member firms help pension plans, university endowments, charitable foundations, and other institutional investors diversify their investments, manage risk, and generate attractive returns throughout the economic cycle.

<sup>2</sup> CFTC Staff Letter No. 25-50, No-Action Position for Commodity Pool Operator Registration for Certain Investment Managers to Qualified Eligible Persons (Dec. 19, 2025), avail. at <https://www.cftc.gov/csl/25-50/download>.

MFA requests that CFTC Staff revise and republish Staff Letter 25-50 to clarify the scope of relief provided to CPOs that delegate investment management responsibilities.

MFA requests that MPD revise Staff Letter 25-50 by adding the paragraph set forth below and republishing Staff Letter 25-50 to preserve longstanding delegation agreements previously approved by the Staff. The below addition is important to confirm that the longstanding no-action relief provided in Staff Letter No. 14-126 remains available where the Designated CPO relies on a QEP no-action position rather than being registered as a CPO.<sup>3</sup>

## Background

Staff Letter 14-126,<sup>4</sup> (“**Staff Letter 14-126**”) established a no-action position permitting a Delegating CPO, such as the general partner or board of directors of a private fund, to not be subject to CPO registration if the CPO delegates responsibility under specified conditions. The Designated CPO of a private fund is typically registered as an investment adviser with the SEC and assumes responsibility for investment management and compliance. One of the conditions of Staff Letter 14-126 is that the Designated CPO be registered with the Commission as a CPO.<sup>5</sup>

Staff Letter 25-50 modernized the CPO regulatory framework by providing targeted no-action relief addressing managers to pools offered only to QEPs. However, Letter 25-50 does not expressly address the interaction between the Letter 14-126 delegation framework and QEP-based no-action relief for Designated CPOs. This has created uncertainty for market participants that otherwise fully satisfy the conditions of Letter 14-126 and are interested in withdrawing from CPO registration pursuant to Staff Letter 25-50.

## Requested Clarification

To address this uncertainty and to promote regulatory consistency, MFA requests that MPD revise and republish Staff Letter 25-50 to include the following paragraph:

Additionally, at the request of MFA, MPD is providing a further no-action position in relation to Letter 14-126, which provided a no-action position for Delegating CPOs where certain Criteria are satisfied, including for the related Designated CPO (each as defined in Letter 14-126). MPD will not recommend that the Commission commence an enforcement action against a Delegating CPO for failure to register as a CPO where all of such Criteria are satisfied except that the Designated CPO is a QEP No-Action CPO instead of being a registered CPO (as otherwise required in Criteria 2).

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<sup>3</sup> *Id.* at Criterion 2.

<sup>4</sup> CFTC Staff Letter No. 14-126, CEA Section 4m(1) – Self-Executing Registration No-Action Relief for Delegating CPOs when Certain Requirements are Satisfied (Oct. 15, 2014), avail. at <https://www.cftc.gov/csl/14-126/download>.

<sup>5</sup> *See id.*

## Rationale

This clarification would not expand the substantive scope of relief beyond what MPD has already recognized in other contexts. Rather, it would confirm that a Designated CPO operating pursuant to a QEP-based no-action position may stand in the place of a registered CPO for purposes of Criterion 2 of Staff Letter 14-126, where all other conditions are satisfied.

Providing this clarification would recognize long-standing, proper delegations from a board or general partner to a designated CPO such as an affiliated investment manager. This clarification also promotes regulatory certainty for delegating CPO structures that are widely used by institutional market participants. The policy goals behind Staff Letter 25-50 would be frustrated if the above clarification is not granted. Importantly, the requested relief would remain limited to pools whose participants are all QEPs and would not otherwise affect the Commission's authority under the Commodity Exchange Act.

## Conclusion

For the reasons discussed above, MFA respectfully requests that MPD revise and republish Staff Letter 25-50 to include the proposed paragraph. MFA and its members would welcome the opportunity to discuss this request with Staff and to provide any additional information that may be helpful. Should you have questions or require additional information, please contact Jeff Himstreet ([jhimstreet@mfaalts.org](mailto:jhimstreet@mfaalts.org)) or the undersigned ([jhan@mfaalts.org](mailto:jhan@mfaalts.org)).

Respectfully submitted,

/s/ Jennifer W. Han

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