

Corporate & Financial Weekly Digest

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NFA Proposes Amendments to Interpretive Notice on Enhanced Supervisory Requirements

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The National Futures Association (NFA) has submitted proposed amendments to its Interpretive Notice entitled “NFA Compliance Rule 2-9: Enhanced Supervisory Requirements” to the Commodity Futures Trading Commission. The Interpretive Notice sets out enhanced supervisory requirements that apply to certain NFA member firms due to the prior association of their associated persons or principals with disciplined firms. Among other things, the amendments provide limited relief to certain firms that are currently subject to enhanced supervisory requirements due to a principal’s prior affiliations; amend the enhanced capital requirements applicable to futures commission merchants, commodity pool operators and commodity trading advisors who are subject to enhanced supervisory requirements; require the inclusion of certain information in the written supervisory procedures of such firms; and require quarterly (rather than monthly, as is currently the case) reporting by such firms of their compliance with the enhanced supervisory requirements.

The NFA proposal was submitted to the CFTC on October 6 and, unless the CFTC notifies NFA that it has determined to review the proposal, will take effect 10 days after receipt by the CFTC.

The proposed amendments can be found [here](#).

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