



April 12, 2011

VIA EMAIL: NFAamendrule4.5@cftc.gov

VIA FACSIMILE: 202-418-5521

David A. Stawick, Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Proposed Rulemaking on Amendments to Compliance Obligations for
Commodity Pool Operators and Commodity Trading Advisors

Dear Mr. Stawick:

Campbell & Company, Inc. ("Campbell & Company") appreciates the opportunity to make this submission of comments to the Commodity Futures Trading Commission (the "Commission") in response to its notice of proposed rulemaking on amendments to compliance obligations for commodity pool operators ("CPOs") and commodity trading advisors ("CTAs") (the "Release").¹ We commend the Commission and its staff for addressing these important investor protection issues.

Campbell & Company is one of the oldest commodity trading advisors and commodity pool operators in the United States. Campbell & Company has been registered with the Commission as a commodity trading advisor ("CTA") since May 1978 and as a commodity pool operator ("CPO") since September 1982. Our subsidiary, Campbell & Company Investment Adviser LLC ("CCIA"), has been registered as an investment adviser with the Securities and Exchange Commission ("SEC") since February 2005 and with the Commission as a CTA since December 2005.

Campbell & Company has served as the CPO and CTA to a number of privately and publicly offered commodity pools, including the Campbell Fund Trust, a privately offered pool in continuous operation since 1972, and the Campbell Strategic Allocation Fund, L.P., a publicly offered pool in continuous operation since 1994. CCIA serves as investment adviser to several funds, including the Campbell Multi-Strategy Trust, a

¹ 76 FR 7976 (Feb. 11, 2011).

David A. Stawick, Secretary
Commodity Futures Trading Commission
April 12, 2011
Page 2

privately offered closed-end, non-diversified management investment company registered as such under the Investment Company Act of 1940 (the "1940 Act").

Campbell & Company also has served as a CTA to several funds operated by other commodity pool operators.

Included in the Release is the Commission's proposal to reinstate certain restrictions for entities seeking to be excluded from the definition of Commodity Trading Advisor under Regulation 4.5. We understand that the Commission's proposal was made after consideration of the petition of the National Futures Association ("NFA") dated August 18, 2010 to amend Regulation 4.5. Campbell & Company has previously submitted a comment letter to the Commission dated October 18, 2010 in which we stated our general support for the NFA Petition to Amend Regulation 4.5 (the "NFA Petition"). A copy of that letter is attached.

In that comment letter, we stressed two points:

1. Investors in funds seeking exposure to managed futures should receive comparable information, regardless of the registration scheme of the fund; and
2. Any operational relief from the Part 4 regulations granted to mutual funds should also be granted to public commodity pools.

I. The NFA's Effort to Seek Input from Industry Participants

As the NFA has mentioned in its comment letter dated April 12, 2011, the NFA sought input from industry participants by assembling an informal group of representatives from public commodity pools, those who operate commodity-related mutual funds, and private counsel who specialize in both areas.

Campbell & Company was pleased to participate in that group and commends the NFA and its Staff for its effort to seek input from industry participants to assist it in formulating its recommendations. We believe that this type of discussion between and among regulators and industry participants is crucial to developing and implementing effective regulatory requirements that consider not only the valid goals of protecting investors but also the most efficient and realistic means of meeting those goals while still providing investors broad choices of innovative investment strategies.

We have reviewed the NFA comment letter dated April 12, 2011 and, subject to the additional comments below, support the comments of the NFA in that letter.

II. Investors in Funds Seeking Exposure to Managed Futures Should Receive Comparable Information, Regardless of the Registration Scheme of the Fund.

Campbell & Company believes that investors in a managed futures mutual fund or a managed futures commodity pool must be able to set the prospectus and offering document of the two funds side-by-side and make a fair comparison of the programs being offered, particularly with regard to the fee structures/break-even points of the respective offerings.

To further clarify the statements in our October 18, 2010 letter, one significant concern is that in the structure used by some commodity-related mutual funds, the commodity exposure is generated by investments by the fund's wholly-owned subsidiary in commodity pools or managed accounts. Unless the expense structures of those pools or accounts (including management and performance fees, where applicable) are included in the break-even analysis of the mutual fund, investors will not be able to conduct a fair, side-by-side comparison of the offerings. The mutual fund may appear to have a lower break-even point than a comparable commodity pool, where in reality the mutual fund's break-even point may be equal to or higher than that of the commodity pool.

We recognize that there are differences between the current disclosure requirements with regard to fees and expenses of CFTC Regulation 4.24 and those of Form N-1A. We believe the NFA discussion of harmonization in its letter addresses these differences and suggests practical ways to harmonize the issues. However, the underlying concept that we believe should be first and foremost in this consideration is that the Commission and the SEC should be able to work together to develop a set of disclosure rules that allow investors and their financial advisors to make an informed comparison of the two products. Adequate investor protection requires full and fair disclosure and should override the inertia of existing regulatory rules.

III. Any Operational Relief from the Part 4 Regulations Granted Mutual Funds Should Also be Granted to Public Commodity Pools.

The NFA comment letter dated April 12, 2011 recommends that if the Commission grants relief from certain requirements to commodity pool operators offering commodity-related mutual funds, the Commission grant the same relief to commodity pool operators offering public commodity pools, especially with respect to the disclosure document and delivery requirements. This recommendation comes after discussion with the informal committee that included representatives from public commodity pools, those who operate commodity-related mutual funds, and private counsel who specialize in both areas.

Likewise, we understand that the Managed Funds Association (“MFA”) is making the same recommendation in its comment letter on amendments to CPO and CPA compliance obligations.

We agree with these recommendations, which are consistent with our letter dated October 18, 2010. We understand that other commentators, in urging the Commission to grant relief for commodity-related mutual funds, have stressed certain investor protection aspects of the mutual fund structure. With that in mind, we want to remind the Commission of the investor protections relating to public commodity pools.

The public commodity pool is, in our view, the most heavily regulated offering in the securities industry. The pool disclosure document/prospectus is filed with and reviewed by the NFA to assure compliance with the Commodities Exchange Act and Commission regulations. It is filed with and reviewed by the SEC Division of Corporation Finance to assure compliance with the Securities Act of 1933. It is filed with and reviewed by FINRA Corporate Financing Department to assure compliance with FINRA rules on underwriting terms and arrangements, including detailed rules governing underwriting compensation. It is also filed with and reviewed by each of the State Securities Administrators of each of the fifty states in which it will be sold to assure compliance with each state’s securities laws. In addition, the marketing materials are filed with the SEC, FINRA (Advertising Department) and many of the State Securities Administrators. Each of these regulators has the opportunity to issue comments on the structure of the offering and the disclosures to prospective investors, which they frequently do. The offering will not be declared effective without the clearance of each of the NFA, SEC, FINRA, and each State in which it is to be sold. Finally, principals of commodity pool operators must each be registered with the NFA and are subject to fingerprinting and background checks.

It is not surprising that, with all these layers of investor protection, the incidence of regulatory violations and investor lawsuits with respect to public commodity pools has been very low. Indeed, the Campbell Strategic Allocation Fund, L.P. has been in operation for over 17 years, offered publicly and sold to over 70,000 investors, and has never been sued by an investor or, to our knowledge, the subject of an investor complaint to regulators.

Accordingly, we agree with the recommendations of the NFA and MFA that if the Commission grants relief from certain requirements to commodity pool operators offering commodity-related mutual funds, the Commission grant the same relief to commodity pool operators offering public commodity pools, especially with respect to the disclosure document and delivery requirements. Granting the same relief to both fund structures would enable investors and financial advisors to consider the pros and cons of each investment on their respective merits, rather than simply the ease of doing business.

David A. Stawick, Secretary
Commodity Futures Trading Commission
April 12, 2011
Page 5

IV. Summary

As discussed above and in our letter of October 18, 2010, Campbell & Company submits that all collective investment vehicles that give retail investors exposure to managed futures should come under the jurisdiction of the Commission and should give investors comparable information and be purchased in comparable manners, so that the investors and the financial advisors who consider all such products can do so with a complete understanding of all material aspects of the respective products, without regard to the regulatory scheme under which the fund chooses to register.

If you have any questions, please call me at 410-413-4546 or our General Counsel, Tom Lloyd, at 410-413-4552. Thank you in advance for your prompt attention to this matter and for your continuing cooperation.

Sincerely,

A handwritten signature in cursive script, reading "Theresa D. Becks". The signature is written in dark ink and is positioned above the printed name and title.

Theresa D. Becks
President and CEO



October 18, 2010

VIA EMAIL: NFAamendrule4.5@cftc.gov
VIA FACSIMILE: 202-418-5521

Attention: David A. Stawick, Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581

Re: National Futures Association Petition to Amend Commission Rule 4.5

Ladies and Gentlemen:

Campbell & Company, Inc. ("Campbell & Company") appreciates the opportunity to make this submission of comments to the Commodity Futures Trading Commission (the "Commission") in response to the petition of the National Futures Association ("NFA") to amend Commission Rule 4.5. We commend the Commission and its staff for addressing this important investor protection issue.

Campbell & Company is one of the oldest commodity trading advisors and commodity pool operators in the United States. Campbell & Company has been registered with the Commission as a commodity trading advisor ("CTA") since May 1978 and as a commodity pool operator ("CPO") since September 1982. Our subsidiary, Campbell & Company Investment Adviser LLC ("CCIA"), has been registered as an investment adviser with the Securities and Exchange Commission ("SEC") since February 2005 and with the Commission as a CTA since December 2005.

Campbell & Company has served as the CPO and CTA to a number of privately and publicly offered commodity pools, including the Campbell Fund Trust, a privately offered pool in continuous operation since 1972, and the Campbell Strategic Allocation Fund, L.P., a publicly offered pool in continuous operation since 1994. CCIA serves as investment adviser to several funds, including the Campbell Multi-Strategy Trust, a privately offered closed-end, non-diversified management investment company registered as such under the Investment Company Act of 1940 (the "1940 Act").

Campbell & Company also has served as a CTA to several funds operated by other commodity pool operators.

Subject to the comments set forth below, we support the NFA Petition to Amend Regulation 4.5 (the "NFA Petition") to restore operating restrictions on registered investment companies in such a way as to permit investors in those funds to receive the same disclosure information received by investors in commodity pools pursuant to the CFTC's Part 4 requirements.

I. Introduction

The NFA Petition cites three funds that have filed for exclusions under Regulation 4.5 that hold themselves out to the public as mutual funds with managed futures exposure. Although these funds are structured differently than public commodity pools to meet investment company and tax rules, their target market is the same: retail investors who want exposure to actively managed futures strategies.

Campbell & Company is aware of other similar funds that have registered and believes, based on discussions with industry participants, that a number of other fund sponsors are considering mutual funds that seek managed futures exposure through similar structures. We agree with the NFA's conclusion that it is likely that "A number of CPOs who currently operate public pools will avail themselves of this structure."

II. Investors in Funds Seeking Exposure to Managed Futures Should Receive Comparable Information, Regardless of the Registration Scheme of the Fund.

Campbell & Company supports the concept as stated in the NFA Petition that all investors in funds that seek returns through managed futures have access to the disclosure information and other investor protections contained in the CFTC's Part 4 requirements.

The NFA notes in its Petition that the offering materials for the mutual funds it reviewed omit substantial disclosures that would otherwise be mandated by Part 4, such as the fund's futures commission merchants, potential conflicts of interest, and performance information of the fund (assuming it has three months performance) or other funds operated by the investment advisor. This is all important information that is required to be included in disclosure documents of commodity pools. However, perhaps the most important omission is the lack of information about the managed futures trading programs, fee structures, and the past performance results of their trading managers.

The absence of information about the fee structures of the trading managers creates the possibility for confusion of investors. Under the Part 4 requirements, a commodity pool must include this information and must clearly set forth the amount of trading returns necessary to break even in a break-even table presented in accordance with applicable rules of the CFTC and the NFA. It is our opinion that the lack of this information in a mutual fund that seeks managed futures return will create confusion

when an investor or financial advisor seeks to compare the returns of such a fund to a commodity pool that discloses all fees in a break-even table. The failure to include all of these costs may make the mutual fund product appear to have a lower break-even point than a comparable commodity pool, where in reality the mutual fund may in fact have a higher break-even point when all of the disclosed fees are included.

Likewise, information describing the managed futures programs and the past performance of the managers is very helpful to investors and financial advisors in comparing the different investment opportunities available through either a mutual fund or commodity pool.

Campbell & Company believes that investors in a managed futures mutual fund or a managed futures commodity pool must be able to set the prospectus and offering document of the two funds side-by-side and make a fair comparison of the programs being offered, the fee structures/break-even points, and the performance history of the managers, in order to make an informed investment decision.

III. Any Operational Relief from the Part 4 Regulations Granted Mutual Funds Should Also be Granted to Public Commodity Pools.

The NFA Petition encourages the CFTC to determine whether it is appropriate to grant relief from certain Part 4 Regulations (e.g., disclosure document and reporting and recordkeeping) to public commodity pools that may want to continue operating as registered investment companies. Campbell & Company suggests that if the Commission makes the amendment to Rule 4.5 suggested in the Petition, that the Commission grant both mutual funds and commodity pools the same exemption(s).

For example, if the Commission is considering granting mutual funds that are to be covered by the Part 4 Regulations an exemption from the disclosure document delivery and acknowledgement requirements under Rule 4.21, Campbell & Company suggests that the same exemption be granted to public commodity pools, with the condition that the commodity pools be required to meet the same disclosure delivery requirements as the mutual funds meet. Discussions that we have had with industry participants suggest that if one type of managed futures fund is available as a point-and-click purchase with a prospectus to follow and another requires prior delivery and acknowledgement of a disclosure document, the former fund is going to be preferred in the marketplace, perhaps without regard to more substantive analysis, such as the quality of the manager, performance history, conflicts of interest, break-even points and other information that would lead to a more reasoned analysis and thoughtful consideration of the respective investments.

David A. Stawick, Secretary
Commodity Futures Trading Commission
October 18, 2010
Page 4

This exemption would enable investors and financial advisors to consider the pros and cons of each investment on their respective merits, rather than simply the ease of doing business.

IV. Summary

As discussed above, Campbell & Company submits that all collective investment vehicles that give retail investors exposure to managed futures should come under the jurisdiction of the Commission and should give investors comparable information and be purchased in comparable manners, so that the investors and the financial advisors who consider all such products can do so with a complete understanding of all material aspects of the respective products, without regard to the regulatory scheme under which the fund chooses to register.

If you have any questions, please call me at 410-413-2654 or our General Counsel, Tom Lloyd, at 410-413-4552. Thank you in advance for your prompt attention to this matter and for your continuing cooperation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Theresa D. Becks". The signature is fluid and cursive, with the first name being the most prominent.

Theresa D. Becks
President and CEO