

**PUBLIC COMMODITY POOLS
COMPARISON OF REGULATION S-K AND CFTC DISCLOSURE REQUIREMENTS**

Regulation S-K Section	<u>Relevance to Public Commodity Pools</u>	Applicable CFTC <u>Disclosure Regulation Designed for Pools</u>
Business		
229.101 Description of business	No operating business	4.24(h): “Investment program and use of proceeds.” Requires a description of all operating activities of a pool.
229.102 Description of property	Not relevant	N/A. Commodity pools never own physical properties.
229.103 Legal proceedings	Due to smaller organization and emphasis on individuals, SEC disclosure requirement <u>re</u> legal proceedings not broad enough	4.24(l): “Litigation.” A litigation section specially tailored to commodity pool operations.
Securities of the Registrant		
229.201 Market price of and dividends on the registrant’s common equity and related stockholder matters	Not relevant. Commodity pools are not traded in a market; and distributions, even if made, simply reduce the Net Asset Value of an investor’s interest in the pool.	4.24(r): “Distributions of profits and taxation.”
229.202 Description of registrant’s securities	All commodity pool interests are similar in being non-transferable, redeemable LPA interests	4.24(p): “Transferability and redemption” 4.24(q): “Liability of pool participants”

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Financial Information		
229.301 Selected financial data	SEC requirements tailored to operating businesses	4.25 performance history disclosures specifically tailored to pools. Commodity pool income is trading profit and loss covered by 4.25. Also see 4.24(v): “Supplemental information.”
229.302 Supplementary financial information	N/A	_____
229.303 Management’s discussion and analysis of financial condition and results of operations	SEC requirements tailored to operating business with industry trends, etc. rather than to speculative trading vehicles	4.25 performance history contains all necessary information as all that a pool does is engage in speculative trading.
229.304 Changes in and disagreements with accountants on accounting and financial disclosure	Due to daily marked-to-market nature of valuation and single purpose of speculative trading, these disagreements have never occurred in a public commodity pool.	4.24(w): “Material information.” If there were any such disagreement, it would certainly constitute “Other Material Information.”
229.304T Temporary Section Applicable to Issuers Using Arthur Andersen as Independent Public Accountant	_____	_____

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229.305 Quantitative and qualitative disclosures about market risk	Should not be relevant to commodity pools, in which all the pool’s assets are subject to speculative loss. The concept of Value at Risk is, if anything, misleading in the context of an investment vehicle whose entire value is always entirely at risk.	4.24(g): “Principal risk factors.” Risk factors indicating risk of total speculative loss, and that business of the pool is speculative trading.
229.306 Audit committee report	Due to marked-to-market valuation and straightforward nature of accounts, commodity pools do not have audit committees	_____
Management and Certain Security Holders		
229.401 Directors, executive officers, promoters and control persons	(Relevant to commodity pools only in terms of the persons with input into trading strategies)	4.24(e): “Persons to be identified” and 4.24(f): “Business background.” Description of pool operator and trading advisor principals.
229.402 Executive compensation	(Relevant to commodity pools only in terms of the persons with input into trading strategies). More accurately covered by CFTC Rules	4.24(i): “Fees and expenses.” Required description of all fees not only paid by a pool but in connection with it.
229.403 Security ownership of certain beneficial owners and management	More accurately covered by CFTC Rules. As public commodity pools are all partnerships, they generally issue a single generic type of security — limited partnership interests or trust beneficial interests — there are no options, restricted securities, etc. granted.	4.24(t) “Ownership in pool”

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229.404 Certain relationships and related transactions	More accurately covered by CFTC Rules	4.24(j): “Conflicts of interest” 4.24(k): “Related party transactions” 4.24(m): “Trading for own account”
229.405 Compliance with Section 16(a) of the Exchange Act	As there is no trading in commodity pool interests, only Net Asset Value redemptions, they should be exempt from Section 16.	No comparable section. If Section 16 continues applicable to public pools, this should be added.
Registration Statement and Prospectus Provisions		
229.501 Forepart of registration statement and outside front cover page of prospectus	More accurately covered by CFTC Rules	4.24(a): “Cautionary Statement” 4.24(b): “Risk Disclosure Statement” 4.24(c): “Table of contents” 4.24(d): “Information required in the forepart of the Disclosure Document”
229.502 Inside front and outside back cover pages of prospectus	More accurately covered by CFTC Rules	4.24(a): “Cautionary Statement” 4.24(b): “Risk Disclosure Statement”
229.503 Summary information, risk factors and ratio of earnings to fixed charges	More accurately covered by CFTC Rules	4.24(d): “Information required in the forepart of the Disclosure Document” 4.24(i): “Fees and expenses”
229.504 Use of proceeds	The proceeds of public commodity pool offerings are used simply as margin to support speculative trading.	4.24(h): “Investment program and use of proceeds”
229.505 Determination of offering price	The description of the determination of Net Asset Value provides this information	All interests are sold at NAV or some derivative thereof.

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229.506 Dilution	N/A	N/A; no dilution can occur in pools whose interests are sold at NAV; the only dilution possible results from the incentive fee calculation, covered in 4.24(i), “Fees and expenses.”
229.507 Selling security holders	N/A	N/A. Existing investors redeem their interests; they do not publicly resell them.
229.508 Plan of distribution	More accurately covered by CFTC Rules	4.24(d): “Information required in the forepart of the Disclosure Document” 4.24(s): “Inception of trading and other information”
229.509 Interest of named experts and counsel	Generally, not relevant as commodity pools have such limited business lines there is little chance for such are interest to arise.	4.24(w): “Material information”
229.510 Disclosure of Commission position on indemnification for Securities Act liabilities	N/A	N/A
229.511 Other expenses of issuance and distribution	More accurately covered by CFTC Rules	4.24(i): “Fees and expenses.” Complete description of all expenses

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229.512 Undertakings	N/A	N/A
Exhibits		
229.601 Exhibits	The SEC Exhibit Rules are appropriately applicable to public commodity pools	The SEC Exhibits Rules are appropriately applicable to public commodity pools and do not have a CFTC counterpart.
229.601T Temporary Section Applicable to Issuers Using Arthur Andersen as Independent Public Accountant	_____	_____
Miscellaneous		
229.701 Recent sales of unregistered securities; use of proceeds from registered securities	This SEC Rule deals with securities-law related issues and is appropriately applicable to public commodity pools.	This SEC Rule deals with securities-law related issues and is appropriately applicable to public commodity pools.
229.702 Indemnification of directors and officers	More accurately covered by CFTC Rules	4.24(w): "Material information."
229.703 (Proposed) Report on management's responsibilities	_____	_____