

**Commodity Futures Trading Commission  
Division of Clearing and Intermediary Oversight**

Part I- CFTC Regulation 1.25- Investment of Customer Funds

**Name of Respondent:**  
**National Futures Association Number:**

**1. Please provide the following information pertaining to your direct investment of customer funds in permitted investments under Regulation 1.25(a)(1)(i)-(viii) as of November 30, 2007 (your response should include permitted investments that are subject to a repurchase agreement):**

<u>Type of Investment</u>	<u>Approximate Dollar Amount</u>	<u>Percentage of Total Regulation 1.25 Direct Investments</u>
US Government Securities		
Municipal Securities		
Government-Sponsored Enterprise Securities		
Certificates of Deposit		
Commercial Paper		
Corporate Notes or Bonds		
General Obligations of a Sovereign Nation		
Money Market Mutual Funds		
Total	<hr style="border-top: 1px solid black; width: 100%;"/> \$0	<hr style="border-top: 1px solid black; width: 100%;"/> 0.00%

**2. For the period from December 1, 2006 through November 30, 2007, did you engage in repurchase transactions using customer cash or securities purchased with customer cash, as permitted by Regulation 1.25(a)(2)(i)?**

Yes   
No

**If so, please provide the following information pertaining to reverse repurchase agreements (cash out, securities in) and repurchase agreements (securities purchased with customer cash out, cash in), as of November 30, 2007:**

<u>Type of Investment</u>	<u>Approximate Dollar Amount</u>
Reverse Repurchase Agreements	
Repurchase Agreements	
Total	<hr style="border-top: 1px solid black; width: 100%;"/> \$0

**For reverse repurchased agreements, as permitted by Regulation 1.25(a)(2)(i), please provide the following information regarding the securities obtained in the transactions, as of November 30, 2007:**

<u>Incoming Securities</u>	<u>Approximate Dollar Amount</u>
US Government Securities	
Municipal Securities	
Government-Sponsored Enterprise Securities	
Certificates of Deposit	
Commercial Paper	
Corporate Notes or Bonds	
General Obligations of a Sovereign Nation	
Total	\$0

**3. For the period from December 1, 2006 through November 30, 2007, did you engage in in-house transactions permitted by Regulation 1.25(a)(3)(i)-(iii)?**

Yes   
No

**If so, please provide the following information pertaining to in-house transactions, as of November 30, 2007:**

<u>Type of Investment</u>	<u>Approximate Dollar Amount</u>
Regulation 1.25(a)(3)(i) (cash out, securities in)	
Regulation 1.25(a)(3)(ii) (securities for securities)	
Regulation 1.25(a)(3)(iii) (securities out, cash in)	
Total	<hr style="border-top: 1px solid black; width: 100%;"/> \$0

**For investments under Regulation 1.25(a)(3)(i) (cash out, securities in), please provide the following information, as of November 30, 2007:**

<u>Incoming Securities</u>	<u>Approximate Dollar Amount</u>
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US Government Securities	
Municipal Securities	
Government-Sponsored Enterprise Securities	
Certificates of Deposit	
Commercial Paper	
Corporate Notes or Bonds	
General Obligations of a Sovereign Nation	
Total	\$0

**For investments under Regulation 1.25(a)(3)(ii) (securities for securities), please provide the following information, as of November 30, 2007**

<u>Incoming Securities</u>	<u>Approximate Dollar Amount</u>
US Government Securities	
Municipal Securities	
Government-Sponsored Enterprise Securities	
Certificates of Deposit	
Commercial Paper	
Corporate Notes or Bonds	
General Obligations of a Sovereign Nation	
Total	\$0

**4. For the period December 1, 2006 through November 30, 2007, did you directly or indirectly invest in any instruments that contain an embedded derivative, as permitted under Regulation 1.25(b)(3)(i)?**

Yes

No

**5. For the period December 1, 2006 through November 30, 2007, did you directly or indirectly invest in any adjustable rate securities, as permitted under Regulation 1.25(b)(3)(iv)?**

Yes

No

**6. Does the information provided in your responses to questions 1 through 5 as of November 30, 2007, substantially reflect your overall investment strategy for the period from December 1, 2006 through November 30, 2007? If not, please describe how it differs.**

**7. Please indicate in which types of investments, as permitted by Regulation 1.25(a)(1)(i)-(viii), you directly invested at any time during the period from December 1, 2006 through November 30, 2007:**

<u>Type of Investment</u>	<u>Did you invest?</u>
US Government Securities	
Municipal Securities	
Government-Sponsored Enterprise Securities	
Certificates of Deposit	
Commercial Paper	
Corporate Notes or Bonds	
General Obligations of a Sovereign Nation	
Money Market Mutual Funds	

**8. For the period from December 1, 2006 through November 30, 2007, did you intentionally limit your Regulation 1.25 investments to those that were acceptable to clearing organizations as margin deposits?**

Yes

No

**Part II- CFTC Regulation 30.7- Investment of Secured Amounts**

**9. Please provide the following information pertaining to your direct investment of secured amounts under Regulation 30.7, as of November 30, 2007 (your response should include securities that are subject to a repurchase agreement):**

<u>Type of Investment</u>	<u>Approximate Dollar Amount</u>	<u>Percentage of Total Regulation 30.7 Investments</u>
US Government Securities		
Municipal Securities		

Government-Sponsored Enterprise Securities  
 Certificates of Deposit  
 Commercial Paper  
 Corporate Notes or Bonds  
 General Obligations of a Sovereign Nation  
 Money Market Mutual Funds  
 Other (see question 10)  
 Total

\$0 0.00%

**10. Please provide the following information pertaining to additional investments of secured amounts, not otherwise identified in question 10 above, as of November 30, 2007:**

<u>Type of Investment</u>	<u>Approximate Dollar Amount</u>
Total	\$0

**11. For the period from December 1, 2006 through November 30, 2007, did you engage in repurchase transactions with securities purchased with secured amounts?**

Yes   
 No

**12. For the period from December 1, 2006 through November 30, 2007, did you directly or indirectly invest in any instruments that contain an embedded derivative (e.g., a call option, or interest cap, floor or collar)?**

Yes   
 No

**13. For the period from December 1, 2006 through November 30, 2007, did you directly or indirectly invest in any adjustable rate securities?**

Yes   
 No

**14. Does the information provided in your responses to questions 9 through 13 as of November 30, 2007, substantially reflect your overall investment strategy for the period from December 1, 2006 through November 30, 2007? If not, please describe how it differs.**

[Part III- Additional Comments](#)

**12. Please provide any additional comments which might assist the CFTC in understanding your investment strategies and evaluating requirements applicable to the investment of customer funds and secured amounts.**