



September 3, 2004

Ms. Barbara Z. Sweeney
Mr. Eugene Buchanan
Mr. Joseph Price
National Association of Securities Dealers
Office of the Corporate Secretary
1735 K Street, NW
Washington, DC 20006-1500

**Re: The Beacon Financial Futures Fund, L.P.; NASD filing ID 2004-0512-010
and
The Notice of Filing and Immediate Effectiveness of Proposed Rule
Change Relating to the Treatment of Commodity Pool Trail Commissions;
Release No. 34-50065; File No. SR-NASD-2004-108**

First of all we would like to thank you for your phone call inviting us to explain our circumstances and describe how the above referenced policy change regarding trail commissions would cause undue hardship for Beacon Management Corporation which is the General Partner of the fund. The purpose of this letter is to provide the following information to you and to respectfully request that this filing be "grandfathered" under the original guidelines.

There are two reasons while we feel that "grandfathering" is warranted:

1. Beacon has already expended substantial costs structuring this product and developing a distribution plan compliant with longstanding NASD policies;
and
2. Beacon had already filed the offering document, paid filing fees, and received NASD comments prior to the policy change.

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Beacon has devoted most of its financial and human resources to this project for over 12 months. Not only was it necessary to draft the offering document itself, but we

were required to engage in a number of activities that were necessitated by the filing of a publicly registered fund. The direct and indirect costs of these efforts have been substantial. The offering document lists the direct issuance costs of the fund at approximately \$400,000 but that is only a fraction of the total cost of bringing this fund to market.

When the opportunity costs of focusing our staff on this project are factored in, the cost of this fund becomes several multiples larger. Beacon was willing to incur this cost (which is not being reimbursed by the fund) because we felt that we could rely upon a distribution structure that was well entrenched in the marketplace and had been approved by regulators for over two decades.

We have spent considerable time working with potential distribution groups to develop a structure that offers a low cost to the investor in conjunction with sufficient compensation to brokers for providing ongoing support for investors. We feel that this ongoing support is critical given the public's smaller experience base with alternative investments and the fact that programs such as ours have a substantially different pattern of returns than those of traditional assets.

Application of the NASD policy change to this fund would force us to restructure the fund and develop an alternative infrastructure to provide investors with the necessary support. This would incur substantial additional costs and considerably delay the implementation of this fund, causing our firm undue hardship.

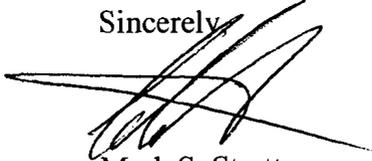
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As you are aware, our firm, Beacon Management Corporation, filed an S-1 for the above mentioned fund with both the SEC and NASD on May 11th of this year. At this time, we paid substantial filing fees to both organizations to register the document. On May 27, the NASD issued a comment letter to our lead underwriter, Uhlmann Price Securities raising 11 separate points that required clarification prior to the NASD issuing a "no objections" comment letter. At that time NASD did not provide us with any indication that our structure was not compatible with policy changes that the NASD was actively considering.

On August 2nd we filed an amended S-1 which addressed each of the issues raised in the comment letter. Therefore, given that the NASD accepted our filing (and fees) for review under the prior rules, and given that the NASD has already issued its comments on this filing without raising objections to the fund's payout of trailing commissions, we feel that our filing should be subject to the rules that were in place at that time that it was originally submitted for review.

For the reasons stated above we respectfully request that you “grandfather” this fund and continue to review this filing in the context of the policies that were in effect at the time of our initial filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'MS Stratton', written over a horizontal line.

Mark S. Stratton
President
Beacon Management Corporation

Cc: Daniel A. Driscoll, Executive Vice President, National Futures Organization
John Gaine, President, Managed Futures Association
William H. Donaldson, Chairman, Securities and Exchange Commission
Jonathan G. Katz, Secretary, Securities and Exchange Commission