A, a United States person, owns stock in FX, a PFIC. A makes a QEF election in 1996 with respect to the FX stock. For taxable year 2005, A makes a timely Code §1296 election with respect to its stock, and thus its QEF election is automatically terminated pursuant to Treas. Reg. §1.1295-1(i)(3). In 2006, A's stock in FX ceases to be marketable, and therefore its Code §1296 election is automatically terminated under Treas. Reg. §1.1296-1(h)(3). Beginning with taxable year 2006, A is subject to the rules of Code §1291 with respect to its FX stock unless it makes a new QEF election. See Treas. Reg. §1.1295-1(i)(5).