FILED

SEP 27 2007

NATIONAL FUTURES ASSOCIATION
LEGAL DOCKETING

NATIONAL FUTURES ASSOCIATION
BEFORE THE HEARING PANEL

In the Matter of: FOREX CAPITAL MARKETS LLC (NFA ID #308179), and DROR NIV (NFA ID #308183), Respondents.	)	NFA Case No. 06-BCC-046

DECISION

Having reviewed all matters relevant to the Complaint issued by the Business Conduct Committee ("BCC") against Forex Capital Markets LLC ("FXCM") and Dror Niv ("Niv") in the above-captioned matter, and the Offer of Settlement ("Offer") submitted by them and having accepted the Offer, the Panel issues the following Decision.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On December 8, 2006, the BCC issued a Complaint against FXCM, a futures commission merchant forex dealer Member of NFA. In Count I, the Complaint charged that FXCM and certain of its unregistered solicitors used promotional material, which was deficient in certain respects, in violation of NFA Compliance Rule 2-36. The Complaint also charged, in Count II, that FXCM failed to "mark" certain customer accounts (although legally permitted) as high risk, based on the Financial Action Task Force's list of non-cooperative countries and territories, in violation of NFA Compliance

Rule 2-9(c). Finally, in Count III, the Complaint alleged that FXCM and Niv failed to supervise, in violation of NFA Compliance Rule 2-36(e).

II

OFFER OF SETTLEMENT

FXCM and Niv submitted an Offer in which, without admitting or denying the allegations in the Complaint, they proposed to settle this case by agreeing that FXCM would pay a fine of $175,000, due and payable thirty days after the issuance of a Decision accepting their Offer. In consideration of the Offer, NFA agreed to recommend that the allegations against Niv be dismissed with prejudice and that no findings or adjudication be made against FXCM with respect to the allegations of Count I.

III

FINDINGS

Pursuant to the Offer, the Panel finds that FXCM violated NFA Compliance Rules 2-9(c) and 2-36(e). The Panel makes no findings with respect to the allegations in Count I and the prosecution by NFA of the allegations in Count I is hereby terminated, with prejudice. The Panel hereby dismisses the charges against Niv, with prejudice.

IV

PENALTY

Having considered the matter and having accepted the Offer, the Panel orders FXCM to pay a fine of $175,000, within thirty days after the issuance of this Decision.

This Decision, which accepts FXCM and Niv's Offer, shall operate to bar any future Member Responsibility Action or BCC Complaint against FXCM and/or Niv for any conduct occurring prior to the date of this Decision, of which NFA had corporate knowledge, including, but not limited to, any and all deficiencies noted during NFA's 2007 audit of FXCM (NFA audit #2007EEXM00217), and set forth in NFA's audit report dated August 17, 2007. This Decision shall also resolve and terminate all complaints (including NFA Case No. 06-BCC-046), investigations and audits relating to FXCM and/or Niv that were pending as of the date this Decision accepting their Offer. Lastly, FXCM and Niv's Offer and this Decision accepting their Offer shall not be used as a basis for any other action or proceeding by NFA against FXCM and/or Niv, including any registration matter, except that their Offer and this Decision may be used only in an action to enforce the terms of the Offer and this Decision or, in a subsequent disciplinary action or regulatory action, where they may be considered only as disciplinary history and evidence in aggravation on the issue of sanctions.

NATIONAL FUTURES ASSOCIATION HEARING PANEL

Date: 09-27-07

By: Elaine Matthews Harris
Chairperson

m/rvh/FXCM (FINAL DECISION 9-19)

AFFIDAVIT OF SERVICE

I, Nancy Miskovich-Paschen, on oath state that on September 27, 2007, I served copies of the attached Decision, by sending such copies in the United States mail, postage prepaid, certified mail, return receipt requested, and by regular mail, first-class delivery, in envelopes addressed as follows:

David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Lawrence B. Patent
Associate Chief Counsel
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Richard Foelber
Deputy Chief
Division of Enforcement
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Tempest Thomas
Proceedings Clerk
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

And also sent such copy by e-mail and regular mail, first-class delivery to:

Lloyd Kadish, Esq.
Lloyd Kadish & Associates, Ltd.
345 North Canal Street
Suite 901
Chicago, IL 60606
E-mail: lkadish@aol.com

Nancy Miskovich-Paschen
Nancy Miskovich-Paschen

Subscribed and sworn to before me
on this 27th day of September 2007.

Mary A. Patton
Notary Public

OFFICIAL SEAL
Mary A. Patton
Notary Public, State of Illinois
MY COMMISSION EXPIRES 7-17-09