

**FILED**

**AUG 30 2006**

**NATIONAL FUTURES ASSOCIATION  
BEFORE THE  
BUSINESS CONDUCT COMMITTEE**

**NATIONAL FUTURES ASSOCIATION  
LEGAL DOCKETING**

In the Matter of:

INTERBANK FX LLC  
(NFA ID #326091),

Respondent.

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NFA Case No. 06-BCC-016

**COMPLAINT**

Having reviewed the investigative report submitted by the Compliance Department of National Futures Association ("NFA"), and having found reason to believe that NFA Requirements are being, have been or are about to be violated and that the matter should be adjudicated, NFA's Business Conduct Committee ("Committee") issues this Complaint against Interbank FX LLC ("Interbank").

**ALLEGATIONS**

**JURISDICTION**

1. At all times relevant to this Complaint, Interbank was a futures commission merchant and an NFA Forex Dealer Member ("FDM") located in Salt Lake City, Utah.

**APPLICABLE RULES**

2. NFA Financial Requirements Section 12(a) provides, in pertinent part, that an FDM shall collect security deposits equal to at least 1% or 4% of the notional value of off-exchange foreign currency futures and options ("forex") transactions with retail customers, depending upon the currency.

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3. NFA Financial Requirements Section 12(b) provides that an FDM that consistently maintains adjusted net capital twice the greater of the amount required by NFA Financial Requirements Section 11(a)(i) or (ii) is exempt from NFA Financial Requirements Section 12(a).

**COUNT I**

**VIOLATION OF NFA FINANCIAL REQUIREMENTS SECTION 12(a).**

4. The allegations contained in paragraphs 1 through 3 are realleged as paragraph 4.
5. Pursuant to NFA Financial Requirements Section 12(b), as expanded upon in the interpretive notice entitled "Forex Transactions with Forex Dealer Members," an FDM that claims the exemption from NFA Financial Requirements Section 12(a), but falls below the required capital amount three times within 90 days may not claim the exemption for six months.
6. Interbank fell below the capital amount required to claim the exemption on March 10, 13, and 31, 2006. Accordingly, Interbank was precluded from claiming the exemption for six months (beginning March 31, 2006) and was required to collect security deposits from retail customers during such period as prescribed in NFA Financial Requirements Section 12(a).
7. During the aforementioned six-month period (beginning March 31, 2006), Interbank failed to collect security deposits as prescribed by NFA Financial Requirements Section 12(a).
8. By reason of the foregoing acts and omissions, Interbank is charged with violations of NFA Financial Requirements Section 12(a).

## **PROCEDURAL REQUIREMENTS**

### **ANSWER**

You must file a written Answer to the Complaint with NFA within thirty days of the date of the Complaint. The Answer shall respond to each allegation in the Complaint by admitting, denying or averring that you lack sufficient knowledge or information to admit or deny the allegation. An averment of insufficient knowledge or information may only be made after a diligent effort has been made to ascertain the relevant facts and shall be deemed to be a denial of the pertinent allegation.

The place for filing an Answer shall be:

National Futures Association  
200 West Madison Street  
Suite 1600  
Chicago, Illinois 60606-3447  
Attn: Legal Department-Docketing

Failure to file an Answer as provided above shall be deemed an admission of the facts and legal conclusions contained in the Complaint. Failure to respond to any allegation shall be deemed an admission of that allegation. Failure to file an Answer as provided above shall be deemed a waiver of hearing.

### **POTENTIAL PENALTIES, DISQUALIFICATION AND INELIGIBILITY**

At the conclusion of the proceedings conducted as a result of or in connection with the issuance of this Complaint, the Committee may impose one or more of the following penalties:

- (a) expulsion or suspension for a specified period from NFA membership;
- (b) bar or suspension for a specified period from association with an NFA Member;
- (c) censure or reprimand;

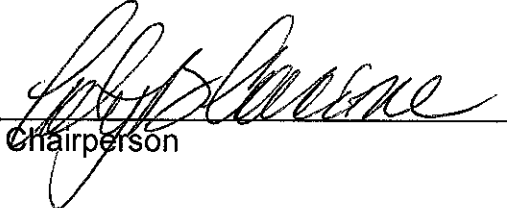
- (d) a monetary fine not to exceed \$250,000 for each violation found; and
- (e) order to cease and desist or any other fitting penalty or remedial action not inconsistent with these penalties.

The allegations in this Complaint may constitute a statutory disqualification from registration under Section 8a(3)(M) of the Act. Respondents in this matter who apply for registration in any new capacity, including as an associated person with a new sponsor, may be denied registration based on the pendency of this proceeding.

Pursuant to the provisions of Commodity Futures Trading Commission ("CFTC") Regulation 1.63, penalties imposed in connection with this Complaint may temporarily or permanently render Respondents who are individuals ineligible to serve on disciplinary committees, arbitration panels and governing boards of a self-regulatory organization, as that term is defined in CFTC Regulation 1.63.

**NATIONAL FUTURES ASSOCIATION  
BUSINESS CONDUCT COMMITTEE**

Dated: 08/30/06

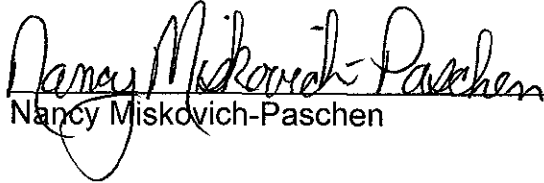
By:   
Chairperson

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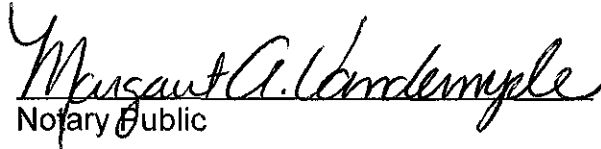
## AFFIDAVIT OF SERVICE

I, Nancy Miskovich-Paschen, on oath state that on August 30, 2006, I served a copy of the attached Complaint, by sending such copy in the United States mail, first-class delivery, and by messenger service, in envelopes addressed as follows:

Kevin M. Foley, Esq.  
Katten Muchin Rosenman LLP  
525 West Monroe Street  
Suite 1900  
Chicago, IL 60661

  
Nancy Miskovich-Paschen

Subscribed and sworn to before me  
on this 30th day of August 2006.

  
Notary Public

