NATIONAL FUTURES ASSOCIATION
BEFORE THE HEARING PANEL

FILED

SEP 13 2007

NATIONAL FUTURES ASSOCIATION
LEGAL DOCKETING

In the Matter of:	)	
	)	
US FINANCIAL GROUP, INC.	)	
(NFA ID #350516),	)	
	)	
and	)	NFA Case No. 07-BCC-003
	)	
TODD A. YOUNG	)	
(NFA ID #271856),	)	
	)	
Respondents.	)	

DECISION

Having reviewed the Complaint issued by the Business Conduct Committee ("Committee" or "BCC") of National Futures Association ("NFA") in the above-captioned case, and having considered the Offer of Settlement ("Offer") submitted by US Financial Group, Inc. ("USFG"), and Todd A. Young ("Young"), and having accepted their Offer, the Hearing Panel hereby issues this Decision as to USFG and Young.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On March 1, 2007, the BCC issued a Complaint against USFG, an NFA Member independent introducing broker ("IB") located in Fort Lauderdale, Florida. The Complaint also named Young, USFG's president, who is an associated person of the firm and an NFA Associate. The Complaint charged Young with violations of NFA Compliance Rule 2-5 for failing to abide by the taping requirements of a prior BCC Decision. In addition the Complaint charged USFG with violations of NFA Compliance Rule 2-9 for failing to supervise Young's activities. Finally, the Complaint charged

USFG and Young with violations of NFA Compliance Rule 2-29(a)(1) for making misleading sales solicitations.

II

OFFER OF SETTLEMENT

Without admitting or denying the allegations of the Complaint, USFG and Young submitted an Offer to the Hearing Panel in which they agreed to settle the charges against them on the following terms:

1) USFG agreed that it shall be permanently barred from NFA membership and from acting as a principal of an NFA Member, effective on the date of a Decision accepting its Offer of Settlement;

2) Young agreed that he shall not apply for NFA membership or associate membership or act as a principal of an NFA Member for a period of two years, commencing on the effective date of a Decision accepting his Offer of Settlement. During the two year membership bar, Young agreed not to act in any capacity requiring registration, nor act as a principal of an NFA Member;

3) Young agreed that if, after expiration of the two year membership bar, he is granted NFA membership or associate membership or becomes a principal of an NFA Member, then in such event, he shall pay a fine of $10,000, due and payable thirty days after he is granted NFA membership or associate membership or becomes a principal of an NFA Member;

4) Young agreed that, in the event that he again becomes an NFA Member or Associate, he shall tape record, for two years, all conversations between himself and existing or potential customers; retain such tapes for a period of two years from the date they are created; and make the tapes available to NFA upon request. The two year taping requirement shall commence on the date that Young again becomes an NFA Member or Associate and continue thereafter for a period of two years. In calculating the two year taping period, only periods of time when Young is registered and actively soliciting customers, on a full time basis, shall be counted in such calculation; and

5) Young agreed that, in the event that he becomes a principal of an NFA Member, he shall cause all APs of that firm – and any other firm of which he is a principal – to tape record, for a period of two years, all conversations that occur between them and existing or potential customers; retain these tapes for a period of two years from the date they are created; and make the tapes available to NFA upon request. The two

year taping requirement shall apply to each and every firm of which Young becomes a principal and commence on the date that he becomes a principal of each firm, respectively. In calculating the two year taping period as to each firm, only periods of time when Young is a principal of that particular firm and that firm is actively soliciting customers shall be counted in such calculation. In any and all events, the taping requirements set forth in this paragraph shall expire on December 31, 2010.

III

FINDINGS

In accordance with the Offer submitted by USFG and Young, the Hearing Panel finds that Young failed to abide by the taping requirements of a prior BCC Decision in violation of NFA Compliance Rule 2-5; that USFG failed to supervise Young's activities in violation of NFA Compliance Rule 2-9; and that USFG and Young made misleading sales solicitations in violation of NFA Compliance Rule 2-29(a)(1).

IV

PENALTY

Having considered the matter and having accepted the Offer submitted by USFG and Young, the Hearing Panel orders as follows:

1) USFG shall be permanently barred from NFA membership and from acting as a principal of an NFA Member, effective on the date of this Decision;

2) Young shall not apply for NFA membership or associate membership or act as a principal of an NFA Member for a period of two years, commencing on the effective date of this Decision. During the two year membership bar, Young shall not act in any capacity requiring registration, nor shall he act as a principal of an NFA Member;

3) If, after expiration of the two year membership bar, Young is granted NFA membership or associate membership or becomes a principal of an NFA Member, then in such event, he shall pay a fine of $10,000, due and payable thirty days after he is granted NFA membership or associate membership or becomes a principal of an NFA Member;

4) In the event that Young again becomes an NFA Member or Associate, he shall tape record, for two years, all conversations between himself and

existing or potential customers; retain such tapes for a period of two years from the date they are created; and make the tapes available to NFA upon request. The two year taping requirement shall commence on the date that Young again becomes an NFA Member or Associate and continue thereafter for a period of two years. In calculating the two year taping period, only periods of time when Young is registered and actively soliciting customers on a full time basis shall be counted in such calculation; and

5) In the event that Young becomes a principal of an NFA Member, he shall cause all APs of that firm – and any other firm of which he is a principal – to tape record, for a period of two years, all conversations that occur between them and existing or potential customers; retain these tapes for a period of two years from the date they are created; and make the tapes available to NFA upon request. The two year taping requirement shall apply to each and every firm of which Young becomes a principal and commence on the date that he becomes a principal of each firm, respectively. In calculating the two year taping period as to each firm, only periods of time when Young is a principal of that particular firm and that firm is actively soliciting customers shall be counted in such calculation. In any and all events, the taping requirements set forth in this paragraph shall expire on December 31, 2010.

The Hearing Panel's acceptance of USFG and Young's Offer shall a) operate to bar any future Member Responsibility Action or BCC Complaints against them for any conduct occurring prior to the date of their Offer of which NFA had corporate knowledge and b) resolve and terminate all complaints, investigations and audits relating to USFG and Young that were pending as of the date of their Offer. USFG and Young's Offer and this Decision shall not be used as a sole basis for any other action or proceeding by NFA against USFG and/or Young, including any registration matter, except that USFG and Young's Offer and this Decision may be used in an action to enforce their terms or in a subsequent disciplinary action or regulatory action, where they may be considered as disciplinary history and evidence in aggravation on the issue of sanctions. The Complaint, Offer of Settlement, and this Decision cannot be used as evidence for any purpose in any collateral proceeding brought by a third party except a regulatory or law enforcement agency.

V

INELIGIBILITY

Pursuant to the provisions of Commodity Futures Trading Commission ("CFTC") Regulation 1.63, this Decision and the sanctions imposed herein render Young ineligible, for a period of three years, from serving on a disciplinary committee, arbitration panel, oversight panel or governing board of any self-regulatory organization, as that term is defined in CFTC Regulation 1.63.

NATIONAL FUTURES ASSOCIATION
HEARING PANEL

Date: September 13, 2007

By: _____
Chairperson

m/rvh/Young, Todd Decision)

AFFIDAVIT OF SERVICE

I, Myra Lewis, on oath state that on September 13, 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:

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Myra Lewis
Myra Lewis

Subscribed and sworn to before me
on this 13th day of September 2007.

Margaret A. Vandermyde
Notary Public

OFFICIAL SEAL
Margaret A. Vandermyde
Notary Public, State of Illinois
MY COMMISSION EXPIRES 03-15-10