

FILED

APR 26 2010

NATIONAL FUTURES ASSOCIATION  
BEFORE THE  
HEARING PANEL

NATIONAL FUTURES ASSOCIATION  
LEGAL DOCKETING

In the Matter of:	)	
	)	
AVS CARTER FINANCIAL, INC.	)	
(NFA ID #401563),	)	
	)	
and	)	NFA Case No. 09-BCC-025
	)	
SHAHZAD AKRAM	)	
(NFA ID #380094),	)	
	)	
Respondents.	)	

**DECISION**

Having reviewed the Complaint issued by the Business Conduct Committee ("BCC") of National Futures Association ("NFA") in the above-captioned case, and having considered the Offers of Settlement ("Offers") submitted by AVS Carter Financial, Inc. ("AVS Carter Financial") and Shahzad Akram ("Akram"), and having accepted their Offers, the Hearing Panel hereby issues this Decision as to AVS Carter Financial and Akram.

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**ALLEGED VIOLATIONS OF NFA REQUIREMENTS**

On August 25, 2009, the BCC issued a Complaint against AVS Carter Financial, a commodity trading advisor NFA Member located in Chicago, Illinois. The Complaint also named Akram who, at the time the Complaint was issued, was the sole associated person/principal of AVS Carter Financial and an NFA Associate.

The Complaint alleged that AVS Carter Financial was affiliated with several foreign firms which were non NFA Members, viz., AVS Carter Trading, Inc., AVS Carter Asset Management, Ltd., and AVS Carter Investment, Ltd.; and that the parent company of these affiliated firms – as well as AVS Carter Financial – was AVS Carter Group, Inc., which was also a non NFA Member. The Complaint charged AVS Carter Financial with violating NFA Compliance Rule 2-36(b)(1) for using a misleading website, as well as misleading customer account documents and account statements, that listed "AVS Carter" as the counterparty/broker for customer transactions, in an attempt to mislead and confuse customers as to the specific AVS Carter entity they were dealing with so as to foster the impression that they were dealing with a U.S. regulated entity, when the only AVS Carter entity that was a U.S. regulated entity was AVS Carter Financial. The Complaint also charged Akram with violating NFA Compliance Rule 2-36(3) for failing to supervise AVS Carter Financial's promotional material and website.

## II

### **OFFERS OF SETTLEMENT**

AVS Carter Financial and Akram submitted separate Offers in which they proposed to settle the charges against them on the following terms:

1. AVS Carter Financial agreed that it shall withdraw from NFA membership, effective on the date of a Decision accepting its Offer, and that, thereafter, it shall be permanently barred from NFA membership and from acting as a principal of an NFA Member.
2. AVS Carter Financial agreed that, upon the issuance of a Decision accepting its Offer, it shall deactivate (if it has not already done so) all of its websites which promote it and over which it has control.
3. Akram agreed not to 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.

4. Akram further agreed that, if after expiration of the two-year membership bar described above, he applies for NFA membership or associate membership or becomes a principal of an NFA Member, then in any such event, he shall pay a fine of \$5,000 to NFA, due and payable at the same time he applies for NFA membership or associate membership or becomes a principal of an NFA Member;

### III

#### FINDINGS

Having considered the matter and having accepted the Offers submitted by AVS Carter Financial and Akram, the Hearing Panel finds that, as alleged in the Complaint and described in Section I above, AVS Carter Financial violated NFA Compliance Rule 2-36(b)(1) by using a misleading website, as well as misleading customer account documents and account statements; and that Akram violated NFA Compliance Rule 2-36(3) by failing to supervise AVS Carter Financial's promotional material and website.

### IV

#### PENALTIES

Having considered the matter and having accepted the Offers submitted by AVS Carter Financial and Akram, the Hearing Panel orders as follows:

1. AVS Carter Financial shall withdraw from NFA membership, effective on the date of this Decision and, thereafter, it shall be permanently barred from NFA membership and from acting as a principal of an NFA Member; the provisions and requirements of this paragraph only apply to AVS Carter Financial and do not, in any way, apply to Ahmad Mirza, Vivek Reddy, or Sabyasachi Upadhyay.
2. AVS Carter Financial shall, upon the issuance of this Decision, deactivate (if it has not already done so) all of its websites which promote it and over which it has control.
3. Akram 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.

4. If after expiration of the two-year membership bar described above, Akram applies for NFA membership or associate membership or becomes a principal of an NFA Member, then in any such event, he shall pay a fine of \$5,000 to NFA, due and payable at the same time he applies for NFA membership or associate membership or becomes a principal of an NFA Member.

This Decision accepting AVS Carter Financial's and Akram's Offers shall operate to bar any future Member Responsibility Action or BCC Complaints against AVS Carter Financial and/or Akram for any conduct occurring prior to the date of their Offers, of which NFA had corporate knowledge; and resolve and terminate all complaints, investigations and audits, relative to them, which were pending as of the date of their Offers.

AVS Carter Financial's and Akram's Offers and this Decision accepting their Offers shall not be used as a sole basis for any other action or proceeding by NFA against AVS Carter Financial and/or Akram, including any registration matter, except their Offers and this Decision accepting their Offers may be used in an action to enforce their terms, or, in the case of Akram, in a subsequent disciplinary action or regulatory action against him, where they may be considered as disciplinary history and evidence in aggravation on the issue of sanctions.

## V

### **INELIGIBILITY**

Pursuant to the provisions of Commodity Futures Trading Commission ("CFTC") Regulation 1.63, this Decision and the sanctions imposed herein render Akram ineligible to serve 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, until three years after the effective date of this Decision or until all of the sanctions and conditions imposed on him have been fulfilled, whichever is later.

**NATIONAL FUTURES ASSOCIATION  
HEARING PANEL**

Date: 04/26/2010

By: Doris Lendbergh  
Chairperson

/rvh/AVS Carter and Akram Decision

## AFFIDAVIT OF SERVICE

I, Nancy Miskovich-Paschen, on oath state that on April 26, 2010, 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

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

William Penner  
Deputy Director  
Compliance & Registration, DCIO  
Commodity Futures Trading  
Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

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

AVS Carter Financial, Inc.  
141 West Jackson Boulevard  
Suite 4240  
Chicago, IL 60604  
Attn: Ahmad Mukhtar Mirza

Shahzad Akram  
88 Punjab Block Azam Cloth  
Mkt LaHore  
LaHore Punjab 54000  
Pakistan

and by hand delivery to:

Ronald V. Hirst  
National Futures Association  
300 South Riverside Plaza  
Suite 1800  
Chicago, IL 60606

  
Nancy Miskovich-Paschen

Subscribed and sworn to before me  
on this 26th day of April 2010.

  
Notary Public

