

**FILED**

**NATIONAL FUTURES ASSOCIATION  
BEFORE THE HEARING PANEL**

**JUL 19 2007**

**NATIONAL FUTURES ASSOCIATION  
LEGAL DOCKETING**

In the Matter of: )  
)  
CAL FINANCIAL CORPORATION )  
(NFA ID #342690), )  
)  
and )  
)  
JOHN A. INDELICATO )  
(NFA ID #59727), )  
)  
Respondents. )

NFA Case No. 07-BCC-004

**DECISION**

Having reviewed all matters relevant to the Complaint issued by the Business Conduct Committee ("Committee") of National Futures Association ("NFA") against Cal Financial Corporation ("Cal") and John Indelicato ("Indelicato") (collectively "the Respondents") in the above-captioned matter and having considered the Offer of Settlement ("Offer") submitted by Cal and Indelicato and having accepted the Offer, the Panel designated by the Hearing Committee ("Panel") to consider the matter issues this Decision.

I

**ALLEGED VIOLATIONS OF NFA REQUIREMENTS**

On March 1, 2007, NFA issued a Complaint charging Cal with failure to uphold high standards of commercial honor and just and equitable principles of trade; failing to establish and implement an adequate anti-money laundering program; and failure to file financial statements in a timely manner, in violation of NFA Compliance Rules 2-36(c) and 2-9(c) and NFA Financial Requirements Section 1, respectively. The

Complaint also charged Cal and Indelicato with failure to supervise, in violation of NFA Compliance Rule 2-36(e).

## II

### RESPONSE

Cal and Indelicato submitted their Offer in which Cal agreed that its NFA membership shall terminate immediately upon the issuance of a Decision accepting the Offer and that Cal shall not apply for NFA membership in the future. Indelicato agreed to pay a \$12,000 fine. The Respondents neither admitted nor denied the allegations made against them in the Complaint, but Indelicato consented to the inclusion of findings in this Decision that he committed the violations alleged against him in the above-captioned Complaint.

## III

### FINDINGS

Indelicato has agreed to the inclusion of findings in this Decision that he committed the violations alleged against him in the Committee's Complaint. Therefore, the Panel finds that Indelicato failed to diligently supervise Cal's employees and agents in their conduct of foreign currency futures and options activities, in violation of NFA Compliance Rule 2-36(e).

## IV

### PENALTY

The Panel, having considered this matter and having accepted the Offer made by Cal and Indelicato, orders as follows:

1. Cal Financial Corporation

Cal's NFA membership shall terminate immediately upon the issuance of this Decision and Cal shall not apply for NFA membership in the future.

2. John Indelicato

Indelicato shall pay a fine of \$12,000 to NFA, payable as follows: six (6) payments in the amount of \$2,000, each due every consecutive thirty (30) days commencing within thirty (30) days after the date of this Decision.

V

**INELIGIBILITY**

Pursuant to the provisions of Commodity Futures Trading Commission ("CFTC") Regulation 1.63, this Decision and the sanctions imposed herein render Indelicato 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 the later of three years after the effective date of this Decision, or until he has satisfied all the sanctions and conditions imposed by this Decision.

**NATIONAL FUTURES ASSOCIATION  
HEARING COMMITTEE PANEL**

Date: 07-19-07

By:

  
Chairman

**AFFIDAVIT OF SERVICE**

I, Nancy Miskovich-Paschen, on oath state that on July 19, 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, in envelopes addressed as follows:

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Nancy Miskovich-Paschen

Subscribed and sworn to before  
me on this 19th day of July 2007.

  
Notary Public

