

1. SG Commodities LLC provided information to NFA indicating it is located at 6860 N. Dallas Parkway, Suite 200, Plano, Texas 75024.
2. SG Commodities LLC is registered with the Commodity Futures Trading Commission ("Commission" or "CFTC") as a CTA pursuant to Section 4m of the Act, 7 U.S.C. § 6m (2000). James S. Gossett is the sole principal of SG Commodities LLC.
3. On December 11, 2008, the Financial Industry Regulatory Authority ("FINRA") barred Gossett from association with any FINRA member in any capacity, in connection with FINRA Case No. 2007008653501.
4. The fact that FINRA barred Gossett from association with any FINRA member in any capacity disqualifies Gossett from registration under Section 8a(3)(J) of the Act, 7 U.S.C. § 12a(3)(J) (2000), pursuant to which his registration may be

suspended, conditioned, or revoked under Section 8a(4) of the Act, 7 U.S.C. § 12a(4) (2000).

5. The fact that Gossett is a principal of SG Commodities LLC and his registration may be suspended, conditioned, or revoked under Section 8a(4) of the Act, disqualifies the firm from registration under Section 8a(3)(N) of the Act, 7 U.S.C. § 12a(3)(N), for having an unfit principal.
6. Moreover, Gossett willfully failed to update his registration record while a principal of of SG Commodities LLC to disclose the material fact that FINRA had barred him from association with any FINRA member in any capacity.
7. Gossett's willful failure to update his registration record to disclose the material fact that FINRA barred him from association with any FINRA member in any capacity disqualifies Gossett from registration under Section 8a(2)(G) of the Act, 7 U.S.C. § 12a(2)(G) (2000), pursuant to which his registration may be suspended, conditioned, or revoked.
8. Further, because Gossett is a principal of SG Commodities LLC and his registration may be suspended, conditioned, or revoked under Section 8a(2)(G) of the Act, the firm is disqualified from registration under Section 8a(2)(H) of the Act, 7 U.S.C. § 12a(2)(H), for having an unfit principal.

II

PROCEDURAL REQUIREMENTS

9. A written response to the Notice of Intent to deny, condition, suspend, or revoke registration ("Notice of Intent") must be filed with NFA within 20 days of the date of service of the Notice of Intent. Failure to timely file a written response to the Notice of Intent shall be deemed a waiver of the right to submit such a response, and the facts stated in the Notice of Intent shall be deemed true for the purpose of finding that the applicant or registrant is disqualified under Section 8a(2), 8a(3) or 8a(4) of the Act. Based upon a finding that the Notice of Intent was properly served in accordance with NFA Registration Rule 502 and upon evidence of the statutory disqualification alleged in the Notice of Intent, NFA's Membership Committee or its designated Subcommittee shall enter a Final Order denying, conditioning, suspending or revoking the registration.
10. All applicants and registrants must include the disqualification fee required by Rule 203(a)(11) with their response. The written response to the Notice of Intent shall not be considered timely filed unless it is accompanied by the disqualification fee. The disqualification fee shall be refunded if the Membership Committee or Subcommittee finds that no statutory disqualification exists.

11. In the written response to the Notice of Intent –

- (a) the applicant or registrant may challenge the accuracy of the allegations establishing the statutory disqualification by submitting evidence as to:
 - 1. identity;
 - 2. existence of a clerical error in any record documenting the statutory disqualification;
 - 3. nature or date of the statutory disqualification;
 - 4. post-conviction modification of any record of conviction; or
 - 5. favorable disposition of any appeal.

The applicant or registrant must state the nature of each challenge in the response and submit an affidavit to support facts material to each challenge; and

- (b) the applicant or registrant also shall state whether they intend to show that, notwithstanding the allegations contained in the Notice of Intent, their registration would pose no substantial risk to the public.

12. If a registrant who is alleged to be subject to an 8a(2) disqualification submits a written response challenging the accuracy of the allegations establishing the statutory disqualification, the Vice-President of Registration and Membership may submit a written reply to the Membership Committee or a designated Subcommittee and serve such reply upon the registrant within 10 days of the date of such written response. The reply shall include evidence establishing the existence of the statutory disqualification.

13. After the receipt of a registrant's written response to the Notice of Intent and any reply thereto from the Vice-President of Registration and Membership, the Membership Committee or a designated Subcommittee shall determine whether the registrant is disqualified from registration under Section 8a(2) of the Act.

- (a) If the Membership Committee or a designated Subcommittee determines that the registrant is disqualified under Section 8a(2) of the Act, the Membership Committee or a designated Subcommittee, within 30 days after receipt of the registrant's written response, if any, and any reply thereto, shall issue an interim order suspending the registration of the registrant. The interim order shall inform the registrant that the registration of the registrant shall be suspended, effective five days after the interim order is served upon the registrant, and such suspension shall remain in

effect until a Final Order has been issued. In no event shall the registrant be suspended for a period to exceed six months.

- (b) If the Membership Committee or a designated Subcommittee determines that the registrant is not disqualified from registration under Section 8a(2) of the Act, the Membership Committee or a designated Subcommittee shall, within 30 days after receipt of the registrant's written response and any reply thereto, either issue a Withdrawal of Notice of Intent or, if the Membership Committee or a designated Subcommittee determines that the disqualification constitutes a Section 8a(3) disqualification, it may grant the Vice-President leave to file an Amended Notice of Intent within thirty days. In either event, the Membership Committee or a designated Subcommittee shall make a finding that the registrant is not disqualified under Section 8a(2) of the Act.
 - (c) If the Membership Committee or a designated Subcommittee determines that there is not enough evidence in the written record to decide whether the registrant should be disqualified from registration under Section 8a(2) of the Act, the Membership Committee or a designated Subcommittee may, within 30 days after receipt of the registrant's written response and any reply thereto, either decline to make a finding or issue an order for an oral hearing. The Membership Committee or a designated Subcommittee shall rely upon any evidence produced at an oral hearing and any written submissions to make the determination required in paragraphs 13(a) or 13(b) above.
- 14. If, in the written response to the Notice of Intent, the applicant or registrant states that they intend to make the showing described in paragraph 11(b) above, they shall, at least 30 days before the date of the hearing, file with NFA's Legal Docketing Department a statement identifying and summarizing the testimony of each witness they intend to have testify and copies of all documents they intend to introduce in support of the showing.
 - 15. At least 15 days before the date of the hearing, NFA's Vice-President of Registration and Membership shall serve on the applicant or registrant a description of the disputed, material factual issues raised by the applicant's or registrant's filings, the identity and a summary of the testimony of each witness NFA intends to have testify in its case-in-chief and copies of all documents NFA intends to introduce at the hearing.
 - 16. Within 30 days of the date the applicant or registrant files their response to the Notice of Intent, the Membership Committee or Subcommittee shall notify the parties of the time and place of an oral hearing. At such hearing, the parties shall be limited in their case-in-chief to the presentation of evidence contained in their filings except for good cause shown. Upon notice of the time and place of an oral hearing, a party may file with NFA a written election to participate in the

hearing by telephone. Such an election shall be deemed a waiver of the party's right to a full oral hearing on material disputes of fact. The Membership Committee or Subcommittee shall order a telephone hearing only if all the parties elect such a proceeding.

17. In order to prevent injustice and on such conditions as may be appropriate, the Membership Committee or Subcommittee may set aside default orders. Motions to set aside default orders shall be made within a reasonable time after issuance of such an order, shall state the reasons for the failure to file which resulted in the default order and shall state the nature of the proposed defense.

18. All documents required to be filed with NFA must be addressed as follows:

National Futures Association
300 South Riverside Plaza
Suite 1800
Chicago, Illinois 60606
Attn: Legal Docketing Department

19. Most documents filed in registration cases are available to anyone upon request. However, NFA does not routinely provide copies of documents related to or submitted in support of offers of settlement or documents filed by the parties that identify their exhibits, list of witnesses and the summary of those witnesses' testimony. In addition, for registration cases filed beginning in October 2004, NFA posts the following registration case-related documents in electronic downloadable form on the Case Summary page in its BASIC System at www.nfa.futures.org/basicnet/:

Notice of Intent
Response to Notice of Intent
Withdrawal of Notice of Intent
Interim Order
Final Order
Notice of Appeal
Petition to Stay
CFTC Decision
Order Lifting Conditions

NATIONAL FUTURES ASSOCIATION

Dated: April 29, 2009

By: _____

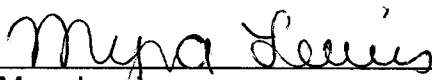

Daniel J. Roth, President

AFFIDAVIT OF SERVICE

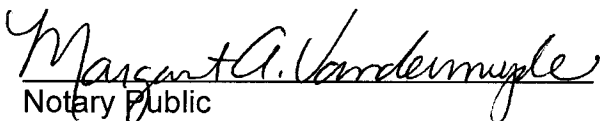
I, Myra Lewis, on oath state that on April 29, 2009, I served copies of the attached Notice of Intent to Suspend and Thereafter Revoke Registration, by sending such copies in the United States mail, first-class delivery and by overnight mail, in envelopes addressed as follows:

James S. Gossett
6916 Crystal Falls Drive
Plano, TX 75024

SG Commodities LLC
6860 N. Dallas Parkway
Suite 200
Plano, TX 75024
Attn: James Gossett,
President


Myra Lewis

Subscribed and sworn to before me
on this 29th day of April 2009.


Notary Public

