

NATIONAL FUTURES ASSOCIATION  
BEFORE THE  
HEARING PANEL

FILED

OCT 18 2011

In the Matter of: )  
)  
ANGUS JACKSON, INC. OF FLORIDA )  
(NFA ID #190396), )  
)  
MARTIN H. BEDICK )  
(NFA ID # 29028), )  
)  
and )  
)  
MICHAEL E. ROSE )  
(NFA ID # 194486), )  
)  
Respondents. )

NATIONAL FUTURES ASSOCIATION  
LEGAL DOCKETING

NFA Case No. 10-BCC-039

**DECISION**

On June 13-14, 2011, a designated Panel of the Hearing Committee held a hearing to consider the charges against Angus Jackson, Inc. of Florida (Angus Jackson), Martin H. Bedick (Bedick) and Michael E. Rose (Rose). The Panel issues the following Decision under National Futures Association (NFA) Compliance Rule 3-10.

I

**PROCEDURAL BACKGROUND**

On December 22, 2010, NFA's Business Conduct Committee issued a three-count Complaint against Angus Jackson, Bedick and Rose. The Complaint charged that Angus Jackson, Bedick and Rose submitted false and misleading information to NFA, in violation of NFA Compliance Rule 2-2(f); failed to observe high standards of commercial honor and just and equitable principles of trade, in violation of NFA Compliance Rule 2-4; did business with a non-NFA Member that was required to be registered with the Commodity Futures Trading Commission (CFTC) and permitted that individual to act as an

Associate of Angus Jackson without being registered with NFA as an Associate, in violation of NFA Bylaw 1101 and NFA Bylaw 301(b). In addition, the Complaint charged that Angus Jackson failed to develop and implement an adequate anti-money laundering (AML) program, in violation of NFA Compliance Rule 2-9(c). Finally, the Complaint charged that Angus Jackson included orders for proprietary or non-customer accounts with orders for customer accounts, in violation of NFA Compliance Rules 2-26, and provided post-execution allocation instructions for the bunched customer orders, in violation of NFA Compliance Rule 2-10. On February 3, 2011, Angus Jackson, Bedick and Rose filed an Answer denying the material allegations in the Complaint.

## II

### **EVIDENCE PRESENTED AT THE HEARING**

NFA presented three witnesses at the hearing and introduced a number of documents into evidence. At the hearing, Respondents presented four witnesses, and Bedick and Rose testified on their own behalf. Respondents also introduced a number of documents into evidence. A summary of the evidence follows:

#### **Martin Rosenthal**

Martin Rosenthal (Rosenthal) testified substantially as follows:

Rosenthal began working in the financial industry in the mid 1960s as a member of Hayden Stone's research department. During his career, he also served as director of commodity programs at Shearson, managed the option program at Oppenheimer & Company, worked at J.T. McKerr & Co. and held seats on COMEX and AMEX. Rosenthal has also held a number of licenses, including the Series 7 and Series 3.

Rosenthal met Rose and Bedick approximately 15 years ago when he opened a brokerage account at Angus Jackson. Around 1998, Bedick and Rose asked