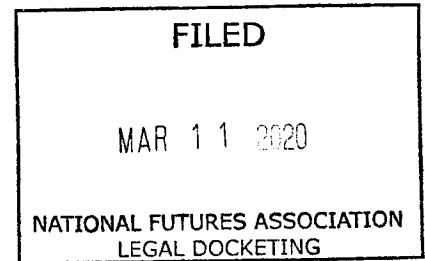


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:)
)
HIGHLAND QUANTITATIVE)
DRIVEN INVESTMENTS LLC)
(NFA ID #497798),)
)
and)
)
MICHAEL TODD ZATORSKI)
(NFA ID #413691),)
)
Respondents.)

NFA Case No. 20-BCC-004

COMPLAINT

Having reviewed the investigative report submitted by the Compliance Department of National Futures Association, and having reason to believe that NFA Requirements are being, have been, or are about to be violated and that the matter should be adjudicated, NFA's Business Conduct Committee issues this Complaint against Highland Quantitative Driven Investments LLC (Highland) and Michael Todd Zatorski.

ALLEGATIONS

JURISDICTION

1. At all times relevant to this Complaint, Highland was a commodity pool operator (CPO) Member of NFA. As such, Highland was and is required to comply with NFA Requirements and is subject to disciplinary proceedings for violations thereof.

2. Zatorski has been approved as an NFA Associate and registered as an associated person (AP) of Highland since June 25, 2018. As such, Zatorski was and is required to comply with NFA Requirements and is subject to disciplinary proceedings for violations thereof. Highland is liable for violations of NFA Requirements committed by Zatorski during the course of his activities on behalf of Highland.

BACKGROUND

3. Highland is located in Aspen, Colorado and has been a CPO Member of NFA since August 2016.
4. Highland operates and is the general partner of one commodity pool, Highland Quantitative Investment Fund, LP (referred to hereafter as "HQIF" or "the Fund"), for which the firm claims an exemption under Commodity Futures Trading Commission (CFTC) Regulation 4.7.
5. Zatorski is the founder, owner and manager of Highland. Zatorski has been listed as a principal of Highland since July 15, 2016 and currently is the firm's sole AP. However, almost two years elapsed before Zatorski became registered as an AP of Highland and approved as an NFA Associate, due to his failure to take and pass the Series 3 exam.
6. In addition to Highland, Zatorski manages and owns Highland Quantitative Investments LLC (Highland Investments). Highland Investments became registered as a commodity trading advisor in March 2015 and approved as an NFA Member in April 2016, but withdrew those statuses in June 2018. Zatorski was listed as a principal of Highland Investments from March 2015 to June 2018,

but was never registered as an AP of the firm or approved as an Associate during this time.

7. Zatorski also owns, and is the president of, Highland Technology Partners LLC (Highland Technology), a non-Member of NFA and an affiliate of Highland.
8. NFA has conducted two examinations of Highland, one which began in October 2017 and the other which began in October 2018.

Overview of the Fund

9. HQIF commenced operations in November 2016, with initial subscriptions totaling approximately \$24 million from roughly 60 participants. Many of the participants were Zatorski's family members and acquaintances, or referrals from individuals whom Zatorski solicited to invest in the Fund.
10. Upon subscribing to the Fund, participants received a private placement memorandum (PPM) dated September 2016, as well as a limited partnership agreement (LPA) also dated September 2016. The PPM identified Zatorski as the president, chief investment officer and a trading principal of Highland and indicated that he directed and controlled the firm.
11. The PPM provided for an 8% annual management fee, a monthly performance fee of 50% of any profits, and a lock-up period of one or two years, depending on a participant's investor class.
12. According to the PPM, Highland intended to trade the Fund's assets using "algorithmic trading strategies" developed by Highland Technology and licensed to Highland, pursuant to a licensing agreement. The PPM indicated these "algorithmic trading strategies" analyze historical and current market data to

generate buy and sell signals. At the time of the events alleged in this Complaint, NFA found that Highland Technology's "algorithmic trading strategies" consisted of computer research that gave various indicators Zatorski would use to trade the Fund's assets.

13. The PPM indicated Highland would initially pay Highland Technology a monthly royalty of \$2,000, subject to annual increases depending on the results achieved. The LPA contained similar references to Highland paying licensing fees to Highland Technology, though a fee amount was not specified. The PPM and LPA each indicated that the Fund would not reimburse Highland for fees paid to Highland Technology.
14. As alleged above, the Fund's initial net asset value (NAV) totaled almost \$24 million. However, the Fund's NAV dropped to less than \$6 million as of December 31, 2017 and declined to less than \$3 million by the time of NFA's October 2018 exam. As of September 30, 2019, the Fund's NAV amounted to less than \$600,000.
15. Trading losses accounted for the sharp decline in the Fund's NAV and totaled almost \$19 million through December 31, 2018. During the same period, Highland collected management fees amounting to almost \$1.7 million.

The December 31, 2017 Audited Pool Financial Statement

16. With few exceptions, CPO Members are required to file an audited pool financial statement (PFS) annually with NFA and distribute the statement to pool participants within 90 calendar days after the end of the pool's fiscal year. CPOs are expected to comply with the due date for filing a PFS, though CPOs may

request an extension from NFA to file and distribute a PFS by submitting a request prior to the PFS's due date.

17. NFA received a timely request on Highland's behalf for an extension to file and distribute the Fund's 2017 PFS. The request indicated the Fund's auditor had informed Highland on March 28, 2018 that it was withdrawing as the auditor and would not issue the audited financial report. The request also indicated that Highland's inability to make a timely filing of the PFS was "due to circumstances beyond" the firm's control. NFA granted Highland an extension to file the 2017 PFS by no later than June 29, 2018.
18. On June 30, 2018, NFA received the Fund's PFS. In reviewing the PFS, NFA noticed a \$240,000 receivable that Zatorski's company, Highland Technology, owed to the Fund for license fees paid on behalf of the general partner (i.e., Highland). The "Subsequent Events" section of the PFS indicated the Fund had made additional payments to Highland Technology during the first half of 2018 that totaled almost \$200,000 and that the amount was to be reimbursed to the Fund.
19. The receivable and the "Subsequent Events" representation caused NFA to request further information from Highland. NFA received a response on August 27, 2018, which indicated the \$240,000 had not yet been reimbursed to the Fund, but would be repaid before the lock-up period ended.
20. Regarding the Fund's additional payments of almost \$200,000 to Highland Technology, the response indicated Highland did not anticipate the Fund would be reimbursed for the additional payments since a July 2018 amendment to the

PPM – made retroactive to January 1, 2018 – allowed the Fund to be charged technology fees of up to \$40,000 a month and replaced the \$2,000 monthly royalty fee in the original PPM.

21. NFA also received a letter dated August 27, 2018 submitted on Highland's behalf, which contained additional information regarding the Fund's change in auditors. The letter discussed a disagreement between Highland and the prior auditor regarding licensing fees the Fund had paid in 2017 and 2018, which the prior auditor believed "were not properly expensed to the Pool, based on the Pool's offering documents." The letter indicated the prior auditor and Highland were unable to resolve their disagreement due to the prior auditor's "abrupt withdrawal." The letter also pointed out the former fund administrator had "approved" the Fund's payment of the fees.
22. The prior auditor submitted a letter to NFA regarding its resignation as Highland's auditor. According to the letter, a fact contributing to the prior auditor's resignation had been omitted from Highland's description of events – namely, that the licensing fees should have been paid by the Fund's general partner (i.e., Highland), as stipulated in the LPA. The prior auditor pointed out the Fund appeared to have paid the fees to an entity owned and controlled by the Fund's general partner. The prior auditor also disagreed with Highland's representation that its resignation was "abrupt" since the prior auditor had attempted over a few weeks to resolve the matter with Highland before formally resigning. In addition, the prior auditor indicated the fund administrator had paid the licensing fees because Highland had originated and authorized their payment.

NFA's Examination of Highland

23. The preceding information prompted NFA to commence its October 2018 examination of Highland. During the exam, NFA reviewed bank records that indicated the Fund had made a payment to Highland Technology in a lump-sum transfer of \$240,000 on October 16, 2017. Bank records also showed that Highland Technology repaid \$240,000 to the Fund almost one year later, in September 2018.
24. In reviewing Highland Technology's bank records, NFA noted two deposits, totaling \$400,000, to the account within days leading up to the September 2018 repayment. Highland Technology could not have made the \$240,000 repayment to the Fund, due to insufficient funds, had it not received the two deposits.
25. During the exam, NFA also reviewed the PPM and LPA. As alleged above, both documents provided for Highland to pay Highland Technology for use of its licensed strategies, without reimbursement from the Fund. However, instead of Highland paying the licensing fee to Highland Technology in accordance with the PPM and LPA, Highland used the Fund's assets to pay the fee.
26. NFA questioned Zatorski about why the Fund – and not Highland – had paid the license fees to Highland Technology. To substantiate the payments, Zatorski produced two license agreements, dated November 1, 2016 and January 1, 2017. The license agreements between Highland Technology and the Fund looked virtually identical, though the 2016 agreement was unsigned, while the 2017 agreement included Zatorski's signature, as the CEO of Highland

Technology and the "CEO" of the Fund. Both agreements stated the Fund would pay a minimum monthly license fee of \$20,000 to Highland Technology at the beginning of each month.

27. Zatorski claimed the Fund was always intended to pay the fee to Highland Technology. Zatorski also asserted that the \$2,000 royalty fee specified in the PPM was separate from the \$20,000 monthly fee, which he said involved a different expense provision in the PPM. However, NFA did not find another provision in the PPM or LPA that applied to – or disclosed – the \$20,000 monthly license fee. Only the license agreements referenced the Fund paying the \$20,000 monthly fee. Zatorski acknowledged, however, that he never gave either license agreement to the Fund participants.
28. Highland and Zatorski also engaged in activity to evade responsibility to repay the Fund. As alleged above, Highland and Zatorski amended the PPM and LPA in July 2018. However, the amendments furthered the interests of Highland and Zatorski, rather than the interests of the Fund participants.
29. For example, Highland and Zatorski backdated the amendments' effective date six months, to January 1, 2018. They also amended the Fund's documents to transfer responsibility for paying the license fee from Highland to the Fund. These amendments allowed Zatorski's company (Highland Technology) to avoid repaying approximately \$200,000 in license fees that the Fund had paid during the first half of 2018, as referenced in the 2017 PFS, and made the Fund responsible for future payments of the license fees.

30. Further, even though the Fund's NAV had declined substantially – mainly due to losses that resulted from using Highland Technology's trading strategies – Highland and Zatorski amended the Fund's documents to increase the license fees from \$2,000 per month to up to \$40,000 per month. Highland and Zatorski also implemented this change when the lock-up provision was still in effect and participants could not withdraw from the Fund.
31. Highland and Zatorski also sent misleading and untimely communications to participants that concealed their activities and the circumstances involving the Fund. For example, in a June 2018 update to Fund participants, Highland announced the fund administrator had resigned in a "surprise, arbitrary" announcement, which delayed the issuance of participants' account statements. However, Highland knew the administrator's resignation – which had occurred approximately three months earlier – coincided with the prior auditor's resignation and likely resulted from Highland using the Fund's assets to pay the license fees to Highland Technology, contrary to the PPM and LPA.
32. In a July 9, 2018 update, Zatorski announced the annual audit of the Fund had been completed. However, the update failed to disclose that the former auditor had resigned in March 2018 over a disagreement involving Highland's use of the Fund's assets to pay the license fees.
33. The July 9, 2018 update also mentioned the Fund documents were being amended to provide for the Fund to pay additional expenses to cover the maintenance and development of the trading software. However, the update failed to disclose the significance of the amendments and their effect on the

Fund's participants (e.g., that Highland and Zatorski had substantially increased the monthly license fee and transferred responsibility for paying the fee to the Fund).

34. A few days later, Highland and Zatorski provided participants a one-page supplement and amendment to the PPM (hereafter referred to as "the supplement"), along with a cover letter that discussed the amendments. Although the supplement referenced the amendments' January 1, 2018 effective date, neither the supplement nor the letter disclosed the significant implications of the amendments on the Fund participants.
35. As alleged in more detail below, Highland and Zatorski engaged in other questionable activities to benefit themselves, to the detriment of the Fund participants, and employed a willfully misleading course of conduct with NFA. In addition, Highland failed to comply with its reporting obligations under NFA's Rules and CFTC Regulations.

APPLICABLE RULES

36. NFA Bylaw 301(b) provides, in pertinent part, that no person may be associated with a Member of NFA unless the person is registered with NFA as an Associate or is an NFA Member.
37. NFA Compliance Rule 2-2(a) provides that no Member or Associate shall cheat, defraud or deceive, or attempt to cheat, defraud or deceive, any commodity futures customers.
38. NFA Compliance Rule 2-2(f) provides that no Member or Associate shall willfully submit materially false or misleading information to NFA or its agents.

39. NFA Compliance Rule 2-4 provides that Members and Associates shall observe high standards of commercial honor and just and equitable principles of trade in the conduct of their commodity futures business.
40. NFA Compliance Rule 2-9(a) provides that each Member shall diligently supervise its employees and agents in the conduct of their commodity futures activities for or on behalf of the Member.
41. NFA Compliance Rule 2-29(a)(1) provides that no Member or Associate shall make any communication with the public which operates as a fraud or deceit.
42. NFA Compliance Rule 2-45 provides that no NFA Member CPO may permit a commodity pool to use any means to make a direct or indirect loan or advance of pool assets to the CPO or any other affiliated person or entity.
43. NFA Compliance Rule 2-13 provides, in pertinent part, that any Member who violates any of CFTC Regulations 4.1, 4.7, 4.12 and 4.16 through 4.41 shall be deemed to have violated an NFA Requirement.
44. CFTC Regulation 4.7(b)(2) provides, in pertinent part, that a pool operator must prepare and distribute statements to pool participants no less frequently than quarterly within 30 days after the end of the reporting period.
45. CFTC Regulation 4.22(c) provides, in pertinent part, that each CPO must distribute an annual report to each participant in the pool that it operates and must file a copy of the report with NFA within 90 calendar days after the end of the pool's fiscal year.

46. NFA Compliance Rule 2-46 provides, in pertinent part, that each CPO Member must file Form PQR on a quarterly basis with NFA for each pool that it operates and for which it has any reporting requirements under CFTC Regulation 4.27.

COUNT I

VIOLATIONS OF NFA COMPLIANCE RULES 2-4 AND 2-45: FAILING TO UPHOLD HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE; PERMITTING A COMMODITY POOL TO MAKE LOANS OR ADVANCES TO ITS CPO OR AN AFFILIATED ENTITY.

47. The allegations contained in paragraphs 1 through 5, 7 through 35, 39 and 42 are realleged as paragraph 47.
48. As alleged above, Highland and Zatorski engaged in a course of conduct which furthered their interests over the interests of the Fund's participants. After the Fund incurred significant trading losses utilizing Highland Technology's "algorithmic trading strategies," Highland and Zatorski faced a diminishing NAV and a declining management fee. Therefore, Highland and Zatorski decided to improperly use the Fund's remaining assets – under the guise of a license fee – to meet the financial needs of Zatorski and/or his company, Highland Technology.
49. Starting in October 2017, Highland permitted the Fund to make a prohibited loan of \$240,000 to Zatorski's company, Highland Technology. The lump-sum payment to Highland Technology represented a monthly licensing fee of \$20,000 and covered the period January 2017 through December 2017. However, the Fund's October 2017 payment to Highland Technology conflicted with the PPM

and LPA, which required Highland to pay the licensing fee. The payment also differed from the 2016 and 2017 license agreements, which provided for the fee to be paid at the beginning of the month and made no mention of prepaying the license fee before the due date.

50. By September 2018, the \$240,000 loan had been fully repaid to the Fund, but without any interest, even though the Fund had been denied the use and enjoyment of the \$240,000 for almost one year.
51. Highland permitted the Fund to continue paying license fees after 2017, even though neither the PPM nor LPA provided for such payments. Highland and Zatorski also amended the Fund documents to avoid responsibility to repay the Fund for the license fees and to provide additional benefits to Zatorski. However, in adopting the amendments, Highland and Zatorski failed to obtain the participants' consent according to the terms of the PPM and LPA. Two participants whom NFA interviewed also disagreed with Highland and Zatorski having the Fund pay the license fees and indicated the 8% management fee they paid should cover those expenses.
52. As alleged above, Highland and Zatorski also engaged in untimely and misleading communications to conceal their conduct and the Fund's circumstances from Fund participants. Such actions also constitute a breach of Highland and Zatorski's duty, as an NFA Member and Associate, to uphold high standards of commercial honor and just and equitable principles of trade.
53. In addition, Highland and Zatorski engaged in other questionable activity involving their use of the Fund's assets. For example, during the first half of

2018, Highland permitted the Fund's payments to Highland Technology to exceed the \$20,000 monthly amount that was supposedly in effect at the time, through payments to Highland Technology of \$50,000 in February 2018 and \$60,000 in March 2018.

54. Highland and Zatorski also permitted the Fund to pay the license fee to Highland in August 2018, but allowed the Fund to pay the fee to Highland Technology the following month. Further, after the Fund paid the \$40,000 license fee to Highland in August 2018, the firm remitted only \$25,000 to Highland Technology. Over the next few days, Zatorski withdrew most of the monies that remained from the payment. NFA's exam also found that Zatorski used the monies received from the license fees for expenses not specified in the Fund's documents, such as Uber and food purchases, and charged the Fund for expenses associated with his taking the Series 3 exam.
55. By reason of the foregoing acts and omissions, Highland is charged with violations of NFA Compliance Rules 2-4 and 2-45, and Zatorski is charged with violations of NFA Compliance Rule 2-4 for his conduct after becoming an NFA Associate on June 25, 2018.

COUNT II

VIOLATION OF NFA COMPLIANCE RULES 2-2(a) AND 2-29(a)(1): USING DECEPTIVE AND MISLEADING COMMUNICATIONS WITH POOL PARTICIPANTS.

56. The allegations contained in paragraphs 1 through 5, 9 through 22, 28 through 34, 37 and 41 are re-alleged as paragraph 56.
57. As alleged above, Highland and Zatorski sent misleading and untimely communications to conceal the Fund's circumstances and their conduct from

participants. Highland misrepresented the events surrounding the fund administrator's resignation and failed to promptly inform the Fund participants regarding the resignation and the corresponding delay in the issuance of account statements.

58. Highland and Zatorski's communications to the Fund participants in July 2018 failed to adequately explain the extent and significance of the amendments to the Fund's documents. Highland and Zatorski also failed to disclose that the prior auditor had resigned and the reasons for the resignation.
59. During interviews with NFA, some participants complained about Highland and Zatorski's infrequent and poor communications.
60. By reason of the foregoing acts and omissions, Highland is charged with violations of NFA Compliance Rules 2-2(a) and 2-29(a)(1), and Zatorski is charged with violations of NFA Compliance Rules 2-2(a) and 2-29(a)(1) for his conduct after becoming an NFA Associate on June 25, 2018.

COUNT III

VIOLATION OF NFA COMPLIANCE RULE 2-2(f): ENGAGING IN WILLFULLY DECEPTIVE AND MISLEADING CONDUCT INVOLVING NFA.

61. The allegations contained in paragraphs 1 through 5, 8, 16 through 22, 35 and 38 are re-alleged as paragraph 61.
62. As alleged above, Highland and Zatorski engaged in a deliberate course of conduct to deceive and mislead NFA. Highland's deceptiveness began with the initial payment of \$240,000 to Highland Technology on October 16, 2017, one business day after NFA concluded fieldwork on its initial exam of Highland.

63. Highland and Zatorski continued the deceitful conduct with the letter that requested an extension to file and distribute the Fund's 2017 PFS, which indicated that Highland's inability to timely file the PFS was "due to circumstances beyond" the firm's control. However, NFA later discovered this representation was not true since the prior auditor's resignation directly resulted from Highland permitting the Fund to pay license fees to Highland Technology, contrary to the terms of the PPM and LPA.
64. Highland and Zatorski continued their attempt to mislead NFA through the August 27, 2018 letter that, as alleged above, stated the prior auditor's withdrawal was "abrupt" and that the administrator had "approved" the Fund's payment of license fees. However, these representations were not true. In truth, the prior auditor had attempted over a few weeks to resolve the disagreement with Highland before resigning, and the administrator only issued payments that Highland had authorized.
65. By reason of the foregoing acts and omissions, Highland and Zatorski are charged with violations of NFA Compliance Rule 2-2(f).

COUNT IV

VIOLATIONS OF NFA BYLAW 301(b) AND COMPLIANCE RULE 2-4: PERMITTING AN INDIVIDUAL TO ACT AS AN AP WITHOUT SPONSORING THE INDIVIDUAL AS AN AP OF THE FIRM.

66. The allegations contained in paragraphs 2, 5 through 6, 9, 35 and 39 are realleged as paragraph 66.
67. As alleged above, Highland permitted Zatorski to act as an AP of the firm without being registered. When Zatorski founded Highland, he became the president

and a principal of the firm. Zatorski also solicited family members and his acquaintances to invest in the Fund. However, Zatorski did not become registered as an AP and an NFA Associate until June 25, 2018.

68. By reason of the foregoing acts and omissions, Highland is charged with violations of NFA Bylaw 301(b) and NFA Compliance Rule 2-4.

COUNT V

VIOLATIONS OF NFA COMPLIANCE RULES 2-13 AND 2-46: FAILURE TO TIMELY DELIVER ACCOUNT STATEMENTS TO POOL PARTICIPANTS AND TIMELY FILE QUARTERLY AND ANNUAL POOL REPORTS WITH NFA.

69. The allegations contained in paragraphs 1, 3 through 4, 16 through 18, 35 and 43 through 46 are re-alleged as paragraph 69.
70. Because Highland claimed a CFTC 4.7 exemption for HQIF, the firm was required to prepare and distribute account statements to the participants within 30 days after the end of the Fund's reporting period. However, the March and June 2018 quarterly statements were delivered to HQIF participants on August 31, 2018, while the September 2018 statement was delivered on November 30, 2018.
71. Highland was also required to distribute an annual report (i.e., PFS) to each participant and file a copy of the report with NFA within 90 calendar days after the end of the pool's fiscal year. However, as alleged above, Highland filed the 2017 PFS with NFA one day late, despite receiving an extension of time to file the PFS. In addition, Highland filed the 2016 PFS six days late.
72. Each CPO Member that operates pools for which it has reporting obligations under Part 4 of the CFTC's Regulations must also report specific information

about the firm and the pools it operates by filing quarterly reports, known as PQRs, with NFA. These PQRs are due to NFA within 60 days after the end of the quarters ending March, June, and September, and a year-end report within 90 days of the calendar year end. However, Highland failed to timely file PQRs with NFA for the quarters ending September 30, 2016; June 30, 2017; September 30, 2018; March 31, 2019 and September 30, 2019.

73. By reason of the foregoing acts and omissions, Highland is charged with violations of NFA Compliance Rules 2-13 and 2-46.

COUNT VI

VIOLATIONS OF NFA COMPLIANCE RULE 2-9(a): FAILURE TO SUPERVISE.

74. The allegations contained in Counts I through V and paragraph 40 are realleged as paragraph 74.
75. As the foregoing allegations reveal, Highland and Zatorski, after he became an AP of the firm and NFA Associate in June 2018, failed to adequately carry out their supervisory duties and failed to ensure that Highland complied at all times with NFA Requirements.
76. By reason of the foregoing acts and omissions, Highland is charged with violations of NFA Compliance Rule 2-9(a), and Zatorski charged with violations of NFA Compliance Rule 2-9(a) for his conduct after becoming an NFA Associate on June 25, 2018.

PROCEDURAL REQUIREMENTS

ANSWER

You must file a written Answer to the Complaint with NFA within thirty days of the date of the Complaint. The Answer shall respond to each allegation in the

Complaint by admitting, denying or averring that you lack sufficient knowledge or information to admit or deny the allegation. An averment of insufficient knowledge or information may only be made after a diligent effort has been made to ascertain the relevant facts and shall be deemed to be a denial of the pertinent allegation.

The place for filing an Answer shall be:

National Futures Association
300 South Riverside Plaza
Suite 1800
Chicago, Illinois 60606
Attn: Legal Department-Docketing
E-Mail: Docketing@nfa.futures.org
Facsimile: 312-781-1672

Failure to file an Answer as provided above shall be deemed an admission of the facts and legal conclusions contained in the Complaint. Failure to respond to any allegation shall be deemed an admission of that allegation. Failure to file an Answer as provided above shall be deemed a waiver of hearing.

POTENTIAL PENALTIES, DISQUALIFICATION AND INELIGIBILITY

At the conclusion of the proceedings conducted in connection with the issuance of this Complaint, NFA may impose one or more of the following penalties:

- (a) expulsion or suspension for a specified period from NFA membership;
- (b) bar or suspension for a specified period from association with an NFA Member;
- (c) censure or reprimand;
- (d) a monetary fine not to exceed \$250,000 for each violation found; and
- (e) order to cease and desist or any other fitting penalty or remedial action not inconsistent with these penalties.

The allegations in this Complaint may constitute a statutory disqualification from registration under Section 8a(3)(M) of the Commodity Exchange Act. Each

Respondent in this matter who applies for registration in any new capacity may be denied registration based on the pendency of this proceeding.

Pursuant to the provisions of CFTC Regulation 1.63, penalties imposed in connection with this Complaint may temporarily or permanently render Respondents who are individuals ineligible to serve on disciplinary committees, arbitration panels and governing boards of a self-regulatory organization, as that term is defined in CFTC Regulation 1.63.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Dated: 03-11-2020

By: 
Chairperson

m/cxc/Complaints/Highland, et al Complaint (FINAL)