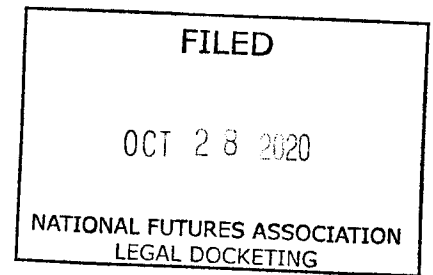


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:)
)
DAFEX GLOBAL LTD., ET AL.) NFA Case No. 20-BCC-012
(NFA ID #527853),)
)
Respondent.)

DECISION

Having reviewed all matters relevant to the Complaint issued by this Committee against Dafex Global Ltd. (Dafex) in the present case, and having found that Dafex was duly served with the Complaint and that it did not file an Answer to the Complaint, the Committee hereby issues the following Decision as to Dafex.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On August 13, 2020, this Committee issued a Complaint against Dafex, which is a former NFA Member and current CFTC-registered commodity pool operator and commodity trading advisor that operates mainly from Malaysia. The Complaint alleged that Dafex, through its agents and employees, violated NFA Compliance Rule 2-4 by engaging in a deceitful course of conduct to obtain NFA membership and CFTC registration, whereby the firm falsely listed an individual as a principal, despite knowing the individual did not qualify or agree to be listed as a principal of the firm; and by sponsoring this individual as an associated person (AP) of the firm, even though the firm knew the individual would not be soliciting orders or customers, or engaging in any other activities that would require his registration as an AP, thereby making the individual a nominal AP of the firm.

The Complaint also alleged that Dafex, through its agent and employees, violated NFA Compliance Rule 2-2(f) by willfully submitting misleading information to NFA, which included attempting in August 2020 to again falsely list the nominal AP – without his consent – as a principal of the firm, in order to prevent the withdrawal of the firm's NFA membership status from becoming effective; filing a certification with NFA that incorrectly represented Dafex had completed the required background check on the nominal AP; falsely claiming to NFA that the nominal AP had agreed to have Dafex's agent verify his NFA membership and CFTC registration application; and falsely listing in NFA's online registration system (ORS) that Dafex's main office is located in Colorado.

II

FAILURE TO RESPOND

NFA served the Complaint on Dafex, by e-mail, to the address of the firm's sole principal, Nithyanandan Pushparaja, and the firm's enforcement/compliance contact person listed in ORS. Subsequently, NFA sent another copy of the Complaint by e-mail to Pushparaja and the firm's enforcement/compliance contact person, together with a reminder letter that advised them that a timely Answer had not been filed; that a failure to file an Answer would be deemed an admission by Dafex of all of the allegations in the Complaint; and that if Dafex intended to file an Answer, the firm should do so immediately. Dafex has not filed an Answer or otherwise responded to any allegation in the Complaint.

Under Compliance Rule 3-6(c), a respondent's failure to file a timely Answer to a Complaint is deemed to be an admission of the facts and legal conclusions

contained in the Complaint and a waiver of the respondent's right to a hearing. Compliance Rule 3-6(c) further provides that if a timely Answer is not filed, this Committee may issue a default decision.

III

FINDINGS AND CONCLUSIONS

The Committee finds that Dafex was duly served with the Complaint. The Committee further finds that Dafex failed to file an Answer to the Complaint. Pursuant to NFA Compliance Rule 3-6(c), Dafex is, therefore, deemed to have admitted the facts and legal conclusions alleged in the Complaint and to have waived its right to a hearing. As a result, the Committee finds that Dafex committed each and every violation alleged against it in the Complaint.

Specifically, the Committee finds that Dafex, through its agents and employees, violated NFA Compliance Rule 2-4 by engaging in a deceitful course of conduct to obtain NFA membership and CFTC registration, whereby the firm falsely listed an individual as a principal, despite knowing the individual did not qualify or agree to be listed as a principal of the firm; and by sponsoring this individual as an AP of the firm, even though the firm knew the individual would not be soliciting orders or customers, or engaging in any other activities that would require his registration as an AP, thereby making the individual a nominal AP of the firm.

The Committee also finds that Dafex, through its agent and employees, violated NFA Compliance Rule 2-2(f) by willfully submitting misleading information to NFA, which included attempting in August 2020 to again falsely list the nominal AP – without his consent – as a principal of the firm, in order to prevent the withdrawal of the

firm's NFA membership status from becoming effective; filing a certification with NFA that incorrectly represented Dafex had completed the required background check on the nominal AP; falsely claiming to NFA that the nominal AP had agreed to have Dafex's agent verify his NFA membership and CFTC registration application; and falsely listing in ORS that Dafex's main office is located in Colorado.

IV

PENALTY

The charges against Dafex are extremely serious and involve Dafex engaging in a deceitful course of conduct to obtain NFA membership and CFTC registration and willfully submitting misleading information to NFA. Such violations are extremely serious and warrant equally significant sanctions. Therefore, the Committee permanently bars Dafex from NFA membership status and from acting as a principal of an NFA Member.

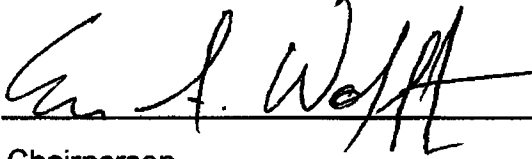
V

APPEAL

Dafex may appeal this Decision to NFA's Appeals Committee by filing a written notice of appeal with NFA's Secretary within fifteen days after the date of this Decision. Pursuant to NFA Compliance Rule 3-13(a), the notice must describe those aspects of the disciplinary action to which exception is taken and must contain any request to present written or oral argument. This Decision shall be final after the expiration of the time for appeal or review, unless it is appealed or reviewed.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Date: 10/28/2020

By: 
Chairperson

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