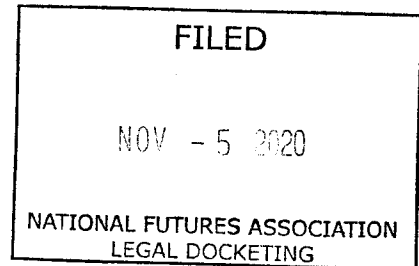


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
HEARING PANEL**

In the Matter of:)
)
YORK BUSINESS ASSOCIATES LLC)
d/b/a TRANSACT FUTURES)
(NFA ID #309379),)
)
INFINITY FUTURES LLC)
(NFA ID #266569),)
)
JAMES PAUL MOONEY)
(NFA ID #194247),)
)
JAMES CAGNINA, JR.)
(NFA ID #312643),)
)
PATRICK ZIELBAUER)
(NFA ID #346230),)
)
and)
)
BRIAN SASS)
(NFA ID #318139),)
)
Respondents.)



NFA Case No. 20-BCC-007

DECISION

Having reviewed the Complaint issued by NFA's Business Conduct Committee (BCC) in the above-captioned case, and having considered the Offer of Settlement (Offer) submitted by York Business Associates LLC, d/b/a Transact Futures (York), Infinity Futures LLC (Infinity), James Paul Mooney (Mooney), James Cagnina, Jr. (Cagnina), Patrick Zielbauer (Zielbauer) and Brian Sass (Sass), and having accepted their Offer, this Panel hereby issues this Decision as to York, Infinity, Mooney, Cagnina, Zielbauer and Sass.

ALLEGED VIOLATION OF NFA REQUIREMENTS

On June 1, 2020, NFA's BCC issued a Complaint against York, a registered futures commission merchant and NFA Member located in Deer Park, Illinois and Infinity Futures, a registered introducing broker and NFA Member located in Chicago, Illinois. Infinity is a wholly-owned subsidiary of York and introduces substantially all of its business to York. Infinity has one branch office, which is located in Bee Cave, Texas (Bee Cave Branch).

The Complaint also named Mooney and Cagnina as respondents, both of whom are registered associated persons (APs) of Infinity and York, NFA Associates and listed principals of Infinity. Additionally, Mooney is also a listed principal of York. The Complaint also named Zielbauer, who is a registered AP of Infinity, an NFA Associate and the branch office manager of the Bee Cave Branch, as a respondent. Further, the Complaint named Sass, a registered AP of York, an NFA Associate and a listed principal of both York and Infinity, as a respondent.

The Complaint alleged that Zielbauer, York and Infinity violated the high standards of commercial honor and just and equitable principles of trade expected of NFA Members and Associates by ignoring or failing to detect the numerous warning signs concerning RBT Capital LLC (RBT Capital) and Joseph Rokop—who each opened trading accounts at York that were introduced by Infinity. The Complaint further alleged that Infinity and York violated NFA Bylaw 1101 for doing business with RBT Capital, an entity that should have been registered with the Commodity Futures Trading

Commission (CFTC) as a commodity pool operator (CPO) and an NFA Member but was not.

Further, the Complaint alleged that Mooney, Cagnina and Infinity failed to diligently supervise Zielbauer and the activities of the Bee Cave Branch, in violation of NFA Compliance Rule 2-9(a). The Complaint also alleged that Infinity violated NFA Bylaw 301(b) by permitting an individual to act in a supervisory capacity without being registered as an AP of Infinity. Moreover, the Complaint alleged that York and Sass failed to diligently supervise the operations of York and a York employee, in violation of NFA Compliance Rule 2-9(a).

II

OFFER OF SETTLEMENT

York, Infinity, Mooney, Cagnina, Zielbauer and Sass submitted an Offer in which they neither admitted nor denied the allegations of the Complaint. Further, Infinity agreed to be liable for payment of a \$120,000 fine and Zielbauer agreed to be liable for payment of a \$20,000 fine, both of which shall be due and payable to NFA within 30 days of the effective date of a Decision accepting the Offer. Infinity further agreed to continue to record all of Zielbauer's communications with both current and prospective customers for a period of three years from the effective date of a Decision accepting the Offer; and Zielbauer further agreed that in the event he secures employment with any other NFA Member during the relevant three-year period, he shall cause any such NFA Member to record all of his communications with both current and prospective customers for the relevant three-year period. Additionally, Infinity agreed to adopt and implement, within 30 days of the effective date of a Decision accepting the Offer,

supervisory procedures regarding Infinity's review of AP communications with both current and prospective customers; and Infinity further agreed that these procedures should, at a minimum, provide details regarding the frequency and scope of the reviews, set forth which supervisory employees will conduct the reviews, how that review process will be documented and include appropriate disciplinary procedures for APs who engage in any type of communication that violates any NFA Requirement, including but not limited to NFA Compliance Rules 2-29, 2-2 or 2-4. Further, Infinity and Zielbauer both agreed that communications would be broadly defined to include all methods of communication, including but not limited to telephone, email, chat/instant message, and Skype etc.

In making the Offer, York, Infinity, Mooney, Cagnina and Zielbauer acknowledged that any Decision accepting their Offer would include findings that they committed the violations alleged against them in the Complaint. York, Infinity, Mooney, Cagnina, Zielbauer and Sass further agreed that the Offer and any Decision accepting their Offer may be used in an action to enforce the terms thereof or in any subsequent proceeding where they may be considered as evidence in aggravation. Finally, NFA agreed to dismiss the charge in Count II of the Complaint which alleged that Infinity violated NFA Bylaw 301(b).

III

FINDINGS

Pursuant to the Offer, the Panel finds that Zielbauer, York and Infinity violated NFA Compliance Rule 2-4 by their failure to uphold the high standards of commercial honor and just and equitable principles of trade expected of NFA Members

and Associates. The Panel further finds that Infinity and York violated NFA Bylaw 1101 by doing business with an entity that should have been registered as a CPO and an NFA Member but was not. Additionally, the Panel finds that Mooney, Cagnina, Infinity and York violated NFA Compliance Rule 2-9(a) by their failure to diligently supervise York and Infinity's operations and each firm's employees. Finally, the Panel makes no findings with respect to Sass.

IV

PENALTIES

Having considered this matter and having accepted the Offer made by York, Infinity, Mooney, Cagnina, Zielbauer and Sass, the Panel hereby orders Infinity to pay a fine of \$120,000 and Zielbauer to pay a \$20,000 fine, both of which are due and payable to NFA within 30 days of the effective date of this Decision. The Panel further orders Infinity to continue to record all of Zielbauer's communications with both current and prospective customers for a period of three years from the effective date of a Decision accepting the Offer. Additionally, the Panel orders that in the event Zielbauer secures employment with any other NFA Member during the three-year time period, he shall cause that NFA Member to record his communications with current and prospective customers during the relevant three-year period.

The Panel further orders Infinity, within 30 days of the effective date of this Decision, to adopt and implement supervisory procedures regarding the supervision of AP communications with both current and prospective customers; and the Panel further orders that Infinity's procedures should, at a minimum, provide details regarding the frequency and scope of the reviews, set forth which supervisory employees will conduct

the reviews. how that review process will be documented and include appropriate disciplinary procedures for APs who engage in any type of communication that violates any NFA Requirement, including but not limited to NFA Compliance Rules 2-29, 2-2 or 2-4.


This Decision and the Offer may be used in an action to enforce the terms thereof or in a subsequent disciplinary action or regulatory action, where they may be considered as disciplinary history and as evidence in aggravation on the issue of sanctions.

INELIGIBILITY

Pursuant to CFTC Regulation 1.63, this Decision and the sanctions imposed herein render Zielbauer, Mooney, Cagnina and Sass ineligible for a period of three years 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

**NATIONAL FUTURES ASSOCIATION
HEARING PANEL**

Dated: 11/05/2020

By: 
Chairperson