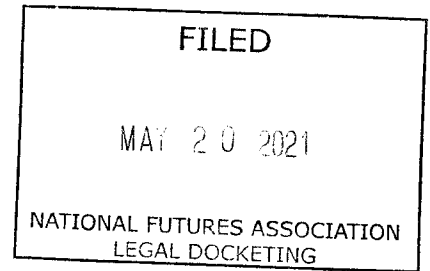


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:)
)
ROY E. ABBOTT FUTURES, INC.) NFA Case No. 21-BCC-005
(NFA ID #287150),)
)
Respondent.)

DECISION

Having reviewed all matters relevant to the Complaint issued by the Business Conduct Committee (BCC or Committee) of National Futures Association (NFA) against Roy E. Abbott Futures, Inc. (Abbott Futures), and having considered the Offer of Settlement (Offer) submitted by Abbott Futures, and having accepted its Offer, this Committee hereby issues this Decision as to Abbott Futures.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On May 20, 2021, this Committee issued a Complaint against Abbott Futures, an introducing broker Member of NFA located in Plymouth, Minnesota. The Complaint alleged that Abbott Futures, acting through its former employee identified in the Complaint, violated NFA Compliance Rules 2-2(a) and 2-4 by utilizing unauthorized trades and fictitious trade transfer requests to improperly allocate winning trades to the accounts of favored customers, while allocating losing or unprofitable trades to the accounts of non-favored customers. The Complaint also alleged that Abbott Futures, acting through the former employee, violated NFA Compliance Rule 2-8(a) by exercising

discretion over customers' accounts without written authorization. Finally, the Complaint alleged that Abbott Futures violated NFA Compliance Rule 2-9(a) by failing to adequately supervise the former employee and the firm's operations.

II

OFFER OF SETTLEMENT

Abbott Futures submitted an Offer in which the firm neither admitted nor denied the allegations of the Complaint and agreed to settle the charges against it on the following terms:

1. Abbott Futures agreed to make restitution in the total amount of \$197,938.73 to customers who incurred net losses as a result of the improper trading activity by the Abbott Futures employee identified in the Complaint, which restitution shall be made in accordance with the terms of the Offer; and
2. Abbott Futures agreed to pay a fine of \$75,000 to NFA, in accordance with the terms of the Offer.

Abbott Futures acknowledged in the Offer that any Decision accepting its Offer would include findings that it committed the violations alleged in the Complaint.

III

FINDINGS

Pursuant to Abbott Futures' Offer, the Committee finds that Abbott Futures, acting through its former employee identified in the Complaint, violated NFA Compliance Rules 2-2(a), 2-4 and 2-8(a); and violated NFA Compliance Rule 2-9(a).

IV

PENALTY

Pursuant to the Offer, the Committee orders Abbott Futures to make restitution in the total amount of \$197,938.73 to customers who incurred net losses as a result of the improper trading activity by the Abbott Futures employee identified in the Complaint, in accordance with the terms of the Offer. The Committee also orders Abbott Futures to pay to NFA a total fine of \$75,000, payable in accordance with the terms of the Offer.

The Complaint in this case as well as this Decision accepting Abbott Futures' Offer may be offered as evidence in an action by NFA to enforce the terms thereof or in any subsequent disciplinary action or regulatory action by NFA where they may be offered as evidence in aggravation on the issue of sanctions.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Date:

5/20/21

By:

Gregory L. Wolff
Chairperson

m/cxc/Decisions/Roy E Abbott Futures Decision final