

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

FILED
DEC - 9 2021
NATIONAL FUTURES ASSOCIATION
LEGAL DOCKETING

In the Matter of:)
)
)
K-RATIO ADVISORY LLC)
(NFA ID #517822))
)
and)
)
K-RATIO BROKERAGE LLC)
(NFA ID #519846))
)
Respondents.)

NFA Case No. 21-BCC-013

DECISION

Having reviewed all matters relevant to the Complaint issued by the Business Conduct Committee (Committee) of National Futures Association (NFA) in the above-captioned case, and having considered the Offer of Settlement (Offer) submitted by K-Ratio Advisory LLC (KRA) and K-Ratio Brokerage LLC (KRB), and having accepted their Offer, this Committee hereby issues this Decision as to KRA and KRB.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On October 13, 2021, this Committee issued a Complaint against KRA and KRB. KRA is a CFTC-registered commodity trading advisor (CTA) and former Member of NFA, and KRB is a previously CFTC-registered introducing broker (IB) and former Member of NFA. At all times relevant to the Complaint, KRA and KRB were both located in Chicago, Illinois.

Count I of the Complaint charged KRA and KRB with operating an unregulated trading program without having adequate financial wherewithal to do so, in violation of NFA Compliance Rule 2-4. Count II of the Complaint charged KRA and KRB with using misleading and deceptive promotional material and communications to solicit and describe a fuel protection program offered to the public, and to portray KRA's and KRB's participation in the program, in violation of NFA Compliance Rules 2-2(a), 2-4, and 2-29. Count III of the Complaint charged KRA and KRB with allowing an unregistered individual to act as an associated person without being registered in such capacity and an NFA Associate, in violation of NFA Bylaw 301(b). Count IV of the Complaint charged KRA and KRB with failing to supervise, in violation of NFA Compliance Rule 2-9(a).

II

OFFER OF SETTLEMENT

Without admitting or denying the allegations in the Complaint, KRA and KRB submitted an Offer in which they proposed to settle the charges against them by agreeing not to reapply for NFA membership or to be listed or act as a principal of an NFA Member at any time in the future.

III

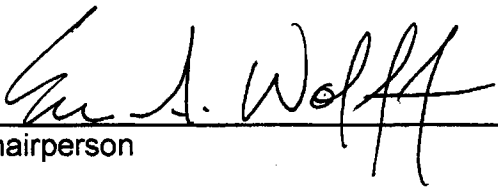
PENALTY

Having considered the matter and having accepted the Offer submitted by KRA and KRB, the Committee orders KRA and KRB not to reapply for NFA membership or to be listed or act as a principal of an NFA Member at any time in the future.

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. However, this Decision and the Offer shall not be used as the sole basis for any other proceeding against KRA and/or KRB brought by NFA or to which NFA is a party, including any disciplinary action against KRA or KRB for the conduct alleged in the Complaint.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Date: 12/9/2021

By: 
Chairperson

/TDK/BCC&Investigations/K Ratio/Settlement/Decision/K Ratio Decision (Final)