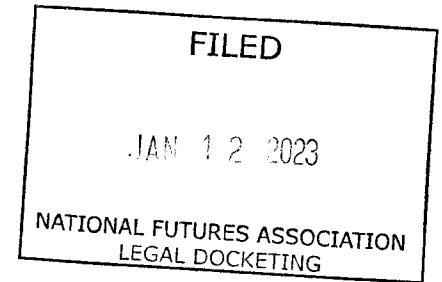


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:)
)
STONEX MARKETS LLC) NFA Case No. 23-BCC-001
(NFA ID #449652),)
)
Respondent.)

DECISION

Having reviewed the Complaint issued by the Business Conduct Committee (Committee) of National Futures Association (NFA) in the above-captioned case, having considered the Offer of Settlement (Offer) submitted by StoneX Markets LLC (Stone), and having accepted its Offer, this Committee hereby issues this Decision as to Stone.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On January 12, 2023, this Committee issued a Complaint against Stone, a provisionally registered swap dealer and NFA Member headquartered in Chicago, Illinois. Count I of the Complaint alleged that Stone violated NFA Compliance Rule 2-4 by failing to provide timely and complete disclosure to counterparties that the firm was not calculating initial margin according to its customary procedures. Count II of the Complaint alleged that Stone violated NFA Compliance Rule 2-49(a) by failing to maintain and enforce an adequate risk management program with respect to the firm's value-at-risk calculation and daily initial margin determination, in violation of CFTC Regulation 23.600(b). Count III of the Complaint alleged that Stone violated NFA Compliance Rule 2-49(a) by failing to retain required records and by failing to provide pre-trade mid-market marks, in violation of CFTC Regulations 23.201, 23.201(a)(1) and 23.431(a). Count IV of the Complaint alleged that

Stone violated NFA Compliance Rules 2-9(d) and 2-49(a) by failing to supervise and by failing to comply with CFTC Regulation 23.602.

II

OFFER OF SETTLEMENT

Stone submitted an Offer in which it neither admitted nor denied the allegations of the Complaint and proposed to settle the charges against it by paying a fine of \$1,000,000 to NFA, within 30 days after the effective date of this Decision. Stone acknowledged in its Offer that any Decision accepting the Offer would include findings that Stone committed the violations alleged against it in the Complaint.

III

FINDINGS

Pursuant to the Offer, this Committee finds that Stone violated NFA Compliance Rule 2-4 by failing to provide timely and complete disclosure to counterparties; violated NFA Compliance Rule 2-49(a) by failing to maintain and enforce an adequate risk management program with respect to the firm's value-at-risk calculation and daily initial margin determination, in violation of CFTC Regulation 23.600(b); violated NFA Compliance Rule 2-49(a) by failing to retain required records and by failing to provide pre-trade mid-market marks, in violation of CFTC Regulations 23.201, 23.201(a)(1) and 23.431(a); and violated NFA Compliance Rules 2-9(d) and 2-49(a) by failing to supervise and by failing to comply with CFTC Regulation 23.602.

IV

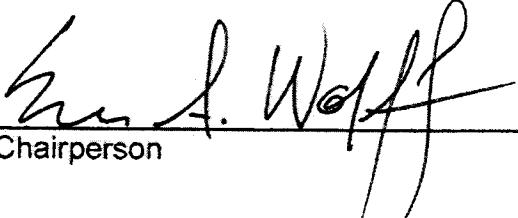
PENALTY

Having considered the matter and having accepted the Offer submitted by Stone, the Committee hereby orders Stone to pay a fine of \$1,000,000 to NFA, payable within 30 days after the effective date of this Decision.

This Decision and the Offer shall not be used as a sole basis for any other action or proceeding by NFA against Stone, including any registration matter, except 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.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Date: 1/12/2023

By: 
Chairperson