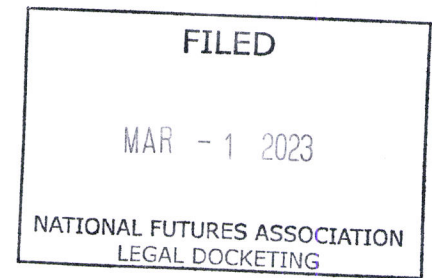


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:

E*TRADE FUTURES LLC
(NFA ID #401545),

Respondent.

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NFA Case No. 22-BCC-018

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 E*Trade Futures LLC (E*Trade), and having accepted its Offer, this Committee hereby issues this Decision as to E*Trade.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On December 21, 2022, this Committee issued a Complaint against E*Trade, a registered futures commission merchant and NFA Member headquartered in Chicago, Illinois. Count I of the Complaint alleged that E*Trade violated NFA Compliance Rule 2-10(a) by failing to maintain adequate books and records; and NFA Financial Requirements Sections 1 and 16 by failing to file timely and accurate daily segregation reports, and failing to file an accurate segregated investment detail report and an accurate monthly financial report. Count II of the Complaint alleged that E*Trade violated NFA Compliance Rule 2-26 by failing to provide confirmation statements to customers and by failing to provide accurate confirmation statements to customers. Count III of the Complaint alleged that E*Trade violated NFA Compliance Rule 2-9(a) by failing to supervise.

II

OFFER OF SETTLEMENT

E*Trade 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 \$75,000 to NFA, within 30 days after the effective date of this Decision. E*Trade acknowledged in its Offer that any Decision accepting the Offer would include findings that E*Trade committed the violations alleged against it in the Complaint.

III

FINDINGS

Pursuant to the Offer, this Committee finds that E*Trade violated NFA Compliance Rule 2-10(a) by failing to maintain adequate books and records; violated NFA Financial Requirements Sections 1 and 16 by failing to file timely and accurate daily segregation reports, and by failing to file an accurate segregated investment detail report and an accurate monthly financial report; violated NFA Compliance Rule 2-26 by failing to provide confirmation statements to customers and by failing to provide accurate confirmation statements to customers; and violated NFA Compliance Rule 2-9(a) by failing to supervise.

IV

PENALTY

Having considered the matter and having accepted the Offer submitted by E*Trade, the Committee hereby orders E*Trade to pay a fine of \$75,000 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 E*Trade, 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:

3/1/2023

By:

Chris L. Woff

Chairperson