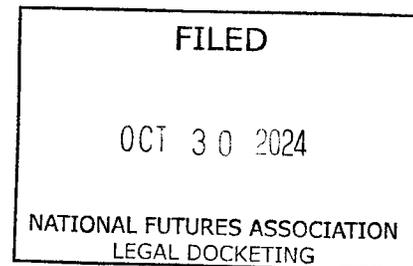


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of)
)
SCALEBUILDER LLC) NFA Case No. 24-BCC-009
(NFA ID #546464),)
)
Respondent.)

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 and accepted the Offer of Settlement (Offer) submitted by Scalebuilder LLC (Scalebuilder), this Committee hereby issues this Decision to Scalebuilder.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On August 15, 2024, this Committee issued a Complaint against Scalebuilder, a commodity pool operator (CPO) Member of NFA. Scalebuilder lists its main address in NFA's Online Registration System as Summit, New Jersey.

As a CPO, Scalebuilder operates a CFTC 4.7 exempt commodity pool, called Scalebuilder Allocation Format LP (Scalebuilder Fund). The firm also operates a CFTC 4.13(a)(3) exempt pool, called Scalebuilder T8 Fund LP (T8 Fund) (collectively, the Funds). Both of the Funds predominantly trade securities, but also engage in trading commodity interest products.

The Complaint charged Scalebuilder with allowing two individuals to solicit prospective participants to invest in its Funds, even though the individuals were not registered as associated persons (AP) and NFA Associates, in violation of NFA Bylaw 301(b). The Complaint also charged Scalebuilder with failing to timely report three individuals as principals of the firm, in violation of NFA Registration Rule 208. Finally, the Complaint charged the firm with failing to diligently supervise the firm's operations and its employees, in violation of NFA Compliance Rule 2-9(a).

II

OFFER OF SETTLEMENT

Scalebuilder 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 \$200,000 to NFA and adhering to undertakings, in accordance with terms of the side letter executed in connection with the Offer. In making the Offer, Scalebuilder acknowledged that any Decision issued by the Committee accepting the Offer would include findings that Scalebuilder allowed unregistered individuals to act as associated persons without being NFA Associates, in violation of NFA Bylaw 301(b); failed to timely report individuals as principals of the firm, in violation of NFA Registration Rule 208; and failed to supervise the firm's operations and its employees, in violation of NFA Compliance Rule 2-9(a).

III

FINDINGS

Pursuant to the Offer, this Committee finds that Scalebuilder allowed unregistered individuals to act as associated persons without being NFA Associates, in violation of NFA Bylaw 301(b); failed to timely report individuals as principals of the firm,

in violation of NFA Registration Rule 208; and failed to supervise the firm's operations and its employees, in violation of NFA Compliance Rule 2-9(a).

IV

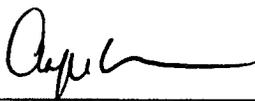
PENALTY

Having considered the matter and having accepted the Offer submitted by Scalebuilder, this Committee orders Scalebuilder to pay a fine of \$200,000 to NFA and adhere to undertakings, in accordance with terms of the side letter executed in connection with the Offer.

This Decision and the Offer shall not be used as a sole basis for any other action or proceeding by NFA against Scalebuilder, including any registration matter, except that 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: 10/30/2024

By: 
Chairperson