

NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE

FILED

OCT - 8 2025

In the Matter of)
)
SPARTAN ASSET GROUP LLC)
(NFA ID #540271),)
)
and)
)
JOHN ROBERT PERRY)
(NFA ID #221726),)
)
Respondents.)

NATIONAL FUTURES ASSOCIATION
LEGAL DOCKETING

NFA Case No. 25-BCC-010

COMPLAINT

Having reviewed the investigative report submitted by the Compliance Department of National Futures Association (NFA) and having found reason to believe that NFA Requirements are being, have been, or are about to be violated and that the matter should be adjudicated, NFA's Business Conduct Committee (BCC) issues this Complaint against Spartan Asset Group LLC (Spartan) and John Robert Perry (Perry).

ALLEGATIONS

JURISDICTION

1. At all times relevant to this Complaint, Spartan has been a commodity trading advisor (CTA) Member of NFA. As such, Spartan was and is required to comply with NFA Requirements and is subject to disciplinary proceedings for violations thereof.
2. At all times relevant to this Complaint, Perry has been an associated person (AP) and principal of Spartan, and an NFA Associate. As such, Perry was and is required to comply with NFA Requirements and is subject to disciplinary

proceedings for violations thereof. Further, Spartan is liable for violations of NFA Requirements committed by Perry during the course of his activities on behalf of Spartan.

BACKGROUND

3. Spartan has been a CTA Member of NFA since August 2022 and is located in Bloomfield Hills, Michigan.
4. In addition to being an AP and principal of Spartan, Perry is the sole owner and employee of Spartan and the individual who oversees the firm's day-to-day operations.
5. Spartan has no prior disciplinary history; however, Perry has been named in one prior NFA action.
6. In 2012, the BCC issued a Complaint against Perry and his prior firm, Perry Trading, Inc. (Perry Trading) for using deficient and misleading promotional material, failing to label hypothetical performance as hypothetical, failing to include the prescribed hypothetical performance disclaimer and material assumptions made in preparing hypothetical results, using an unapproved and deceptive disclosure document, and failing to uphold high standards of commercial honor and just and equitable principles of trade by ignoring NFA's directives to stop posting misleading performance on the firm's website (the 2012 Complaint).
7. An NFA Hearing Panel issued a Decision in 2013 (the 2013 Decision) that resolved the 2012 Complaint, based on a settlement offer from Perry Trading and Perry, and ordered them to comply with certain penalties.

8. Specifically, the Hearing Panel permanently barred Perry Trading from NFA membership and principal status and ordered Perry not to apply for NFA membership or principal status for three years. The Hearing Panel further ordered Perry, in the event he applied for NFA membership or principal status after the expiration of the three-year period, to pay a \$5,000 fine to NFA and to cause any NFA Member he became a principal of to pre-submit, for a period of three years, all promotional materials to NFA for review and approval prior to first use.
9. Therefore, when Spartan and Perry registered with NFA in August 2022, NFA sent a letter notifying Perry of his obligation under the terms of the 2013 Decision to cause Spartan to submit all promotional material to NFA for review and approval prior to first use. NFA also instructed the firm to submit all promotional material in use at that time to NFA for its review.
10. In response to NFA's letter, the firm submitted its website (www.spartanassetgroup.com) and a monthly newsletter emailed to a large population of prospective customers, each of which contained hypothetical performance results for various trading programs.
11. Upon review, NFA found that the website and newsletter contained several deficiencies. The materials failed to label hypothetical performance as hypothetical, failed to include the prescribed hypothetical performance disclaimer and material assumptions made in preparing hypothetical results and contained various performance-related issues, among other things.
12. Accordingly, NFA sent the firm and Perry several comment letters outlining these deficiencies (the 2022 Comment Letters), which they subsequently addressed.

13. However, when NFA examined Spartan in May 2024, NFA found Spartan and Perry using promotional material containing many of the same deficiencies as identified in the 2022 Comment Letters and 2012 Complaint.

APPLICABLE RULES

14. NFA Compliance Rule 2-29(b)(3) provides, in pertinent part, that no CTA Member or Associate shall use promotional material that mentions the possibility of profit unless accompanied by an equally prominent discussion of the risk of loss.
15. NFA Compliance Rule 2-29(b)(4) provides, in pertinent part, that no CTA Member or Associate shall use promotional material that includes any reference to actual past trading profits without mentioning that past results are not necessarily indicative of future results.
16. NFA Compliance Rule 2-29(b)(5) provides, in pertinent part, that no CTA Member or Associate shall use promotional material that includes any specific numerical or statistical information about the past performance of any actual accounts unless such information is and can be demonstrated to NFA to be representative of the actual performance for the same time period of all reasonably comparable accounts.
17. NFA Compliance Rule 2-29(c)(1) provides, in pertinent part, that any CTA Member or Associate who use promotional material that includes any reference to hypothetical performance results shall include certain disclaimer language set forth in the Rule.
18. NFA Compliance Rule 2-29(c)(5) and a related Interpretive Notice entitled, "Use of Promotional Material Containing Hypothetical Performance Results," provides,

in pertinent part, that any CTA Member or Associate utilizing promotional material containing hypothetical performance results must also describe in the promotional material all of the material assumptions that were made in preparing the hypothetical results. At a minimum, the description of material assumptions must cover points such as initial investment amount, reinvestment or distribution of profits, commission charges, management and incentive fees, and a general discussion of how performance was calculated.

19. NFA Compliance Rule 2-4 requires Members and Associates to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their commodity futures business.

COUNT I

VIOLATIONS OF NFA COMPLIANCE RULES 2-29(b)(3), 2-29(b)(4), 2-29(b)(5), 2-29(c)(1), 2-29(c)(5) AND 2-4: USING DEFICIENT PROMOTIONAL MATERIAL AND FAILING TO OBSERVE HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE.

20. The foregoing paragraphs are realleged as if fully stated herein.
21. During the 2024 exam, NFA reviewed Spartan's website and found that the firm and Perry removed the spreadsheets NFA had reviewed in 2022 containing hypothetical performance results for ten trading programs and added different spreadsheets containing either actual or hypothetical performance results for six new trading programs.
22. However, Spartan and Perry did not follow the template reviewed by NFA for the original ten trading programs. As a result, the spreadsheets for the new trading programs contained a number of deficiencies.

23. Specifically, the firm and Perry failed to label hypothetical performance results in the spreadsheets as hypothetical and did not include the prescribed disclaimer on the limitations of hypothetical results or any of the material assumptions made in preparing the hypothetical results.
24. In addition, the firm and Perry did not include a discussion on the risk of loss or state that past results are not necessarily indicative of future results in the spreadsheets containing actual performance results.
25. Moreover, the firm and Perry could not demonstrate to NFA that the performance results presented on Spartan's website for four of its trading programs were representative of actual performance experienced by accounts traded pursuant to these programs.
26. The only support the firm maintained were Perry's handwritten notes. However, the profit and loss figures in Perry's notes did not agree to the profit and loss figures reported on carrying broker statements for the accounts traded pursuant to these programs.
27. For example, the carrying broker statement for Perry's account, which traded pursuant to System #1 and System #2, reflected a loss of approximately \$165 in April 2024. However, Perry's handwritten notes and the spreadsheets on the firm's website for System #1 and System #2 reflected a combined gain of \$2,186 in April 2024.
28. When NFA asked Perry about the discrepancy, Perry admitted that the performance presented on the firm's website was improperly calculated.

29. As described above, Perry previously operated a firm that NFA permanently barred due to its use of misleading and deficient promotional material, and NFA temporarily barred Perry for the same conduct.
30. However, immediately after again becoming an NFA Associate in August 2022, NFA found that Perry continued to commit many of the same promotional material violations through Spartan.
31. Although Spartan and Perry corrected these deficiencies in response to the 2022 Comment Letters, NFA's 2024 exam found Spartan and Perry using promotional material containing many of the same deficiencies identified in the 2022 Comment Letters and 2012 Complaint.
32. Spartan and Perry's continued use of publicly available promotional material, which they knew or should have known was deficient, had the potential to harm prospective customers and contradicts their obligation as an NFA Member and Associate to uphold high standards of commercial honor and just and equitable principles of trade.
33. By reason of the foregoing acts and omissions, Spartan and Perry are charged with violating NFA Compliance Rules 2-29(b)(3), 2-29(b)(4), 2-29(b)(5), 2-29(c)(1), 2-29(c)(5) and 2-4.

PROCEDURAL REQUIREMENTS

ANSWER

You must file a written Answer to the Complaint with NFA within thirty (30) days of the date of the Complaint. The Answer shall respond to each allegation in the Complaint by admitting, denying, or averring that you lack sufficient knowledge or

information to admit or deny the allegation. An averment of insufficient knowledge or information may only be made after a diligent effort has been made to ascertain the relevant facts and shall be deemed to be a denial of the pertinent allegation.

The place for filing an Answer shall be:

National Futures Association
320 South Canal Street
Suite 2400
Chicago, Illinois 60606
Attn: Legal Department-Docketing

E-Mail: Docketing@nfa.futures.org

Failure to file an Answer as provided above shall be deemed an admission of the facts and legal conclusions contained in the Complaint. Failure to respond to any allegation shall be deemed an admission of that allegation. Failure to file an Answer as provided above shall be deemed a waiver of hearing.

POTENTIAL PENALTIES, DISQUALIFICATION AND INELIGIBILITY

At the conclusion of the proceedings conducted in connection with the issuance of this Complaint, one or more of the following penalties may be imposed:

- (a) *expulsion or suspension for a specified period from NFA membership;*
- (b) *bar or suspension for a specified period from association with an NFA Member;*
- (c) *censure or reprimand;*
- (d) *a monetary fine not to exceed \$500,000 for each violation found; and*
- (e) *order to cease and desist or any other fitting penalty or remedial action not inconsistent with these penalties.*

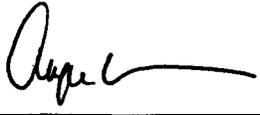
The allegations in this Complaint may constitute a statutory disqualification from registration under Section 8a(3)(M) of the Commodity Exchange Act. The Respondent in this matter who applies for registration in any new capacity, including as

an AP with a new sponsor, may, after opportunity for hearing, be denied registration based on the pendency of this proceeding.

Pursuant to CFTC Regulation 1.63, penalties imposed in connection with this Complaint may temporarily or permanently render a Respondent who is an individual ineligible to serve on disciplinary committees, arbitration panels, and governing boards of a self-regulatory organization, as that term is defined in CFTC Regulation 1.63.

**NATIONAL FUTURES ASSOCIATION
BUSINESS CONDUCT COMMITTEE**

Dated: 10/08/2025

By: 
Chairperson