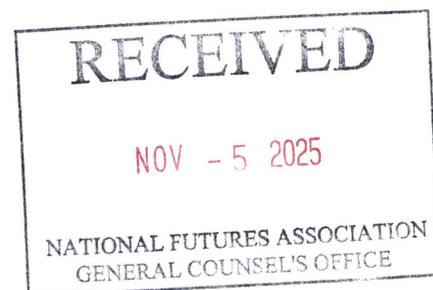


**John Perry**  
**Spartan Asset Group LLC**  
**7387 Deep Run Road, #312**  
**Bloomfield Hills, MI 48301**



November 5, 2025

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

**RE: In the Matter of Spartan Asset Group, LLC and John Robert Perry**  
**NFA Case No. 25-BCC-010**

Dear NFA,

Enclosed please find Respondents' Answer to the Complaint issued on October 8, 2025 in the above-referenced matter.

The Complaint principally alleges three categories of conduct:

1. Changes to publicly available promotional materials following NFA approval
2. Daily spreadsheet updates to performance results posted to Respondent's website
3. Updates to newsletter content following template approval

Respondent respectfully submits that the circumstances differ materially from the characterization in the Complaint.

- Website updates consisted of revised performance-data spreadsheets, not changes to approved narrative content. Respondent did not understand that revised data, once the format and disclosures had been approved, required separate re-approval.
- Upon learning that NFA staff viewed daily updates as requiring daily review, Respondent immediately ceased daily posting and followed direction to submit spreadsheets for review monthly.
- With respect to the newsletter, Respondent believed changes to format or template—not each instance of updated content—triggered pre-clearance requirements. When notified otherwise, Respondent complied promptly.

Since 2022, Respondent has actively engaged with the NFA Promotions Department, submitted materials for review, removed materials when instructed, and worked in good faith to comply with NFA guidance. Respondent acknowledges that, as a sole-

member firm with evolving compliance infrastructure, certain administrative and procedural errors occurred, but there was no intent to mislead or defraud, no customer harm, and all issues were addressed immediately upon notice.

To further strengthen controls, Respondent has proposed additional remediation measures, including:

- Pre-clearance of all promotional materials for a defined period
- Enhanced recordkeeping and data-retention systems
- Written supervisory procedures covering advertising, ISSP, ethics training, and BCP/DRP
- Performance reporting limited to percentages and monthly updates
- Completion of all NFA training requirements

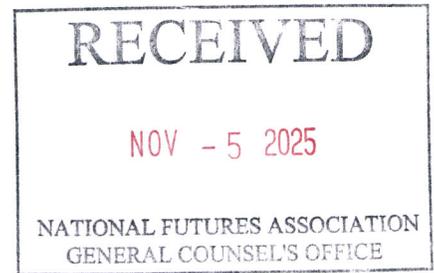
Respondent appreciates the NFA's guidance and oversight and remains committed to full adherence to applicable regulatory standards. A Compliance Enhancement Plan is included as Exhibit A to the Answer.

Thank you for your consideration.

Respectfully submitted,

  
\_\_\_\_\_  
John Robert Perry  
Spartan Asset Group LLC

NATIONAL FUTURES ASSOCIATION  
BEFORE THE  
BUSINESS CONDUCT COMMITTEE



In the Matter of )  
)  
Spartan Asset Group LLC )  
(NFA ID # 540271), )  
)  
and ) NFA Case No. 25-BCC-010  
)  
John Robert Perry )  
(NFA ID # 221726) )  
)

Respondents

I

Answer

Spartan Asset Group (“SAG”) and John Robert Perry (“Respondent”), having received the NFA compliant in this matter, answer as follows:

**Paragraphs 1 – 6:** Admit

**Paragraph 7:** Admit. In response to the NFAs November 2012 compliant (NFA Case No. 12-BCC-033), Respondent recognized that SAG did not have a compliance infrastructure sufficient to follow NFA’s extensive rules and regulations. As a result, Respondent entered into a settlement agreement with the NFA and voluntarily relinquished his NFA membership, leaving the trading profession. At that time, he left his website and its assembled materials as is, ceasing to pay the web site hosting service,

expecting that this would effectively take down his web site from public viewing. Respondent ceased trading and actively circulating his hypothetical results at this time.

**Paragraph 8:** Admit. Respondent satisfied all requirements of the April 4, 2013, Settlement Offer, including paying the \$5,000 fine.

**Paragraph 9:** Admit. Respondent began a regular correspondence with the NFA's Promotions Department to obtain pre-approval of his promotional materials.

**Paragraph 10:** Admit. Some of the performance results emailed to prospective customers were hypothetical, and some were actual. Fifty percent of the results were hypothetical and 50% were actual.

**Paragraphs 11 – 12:** Admit. The NFA review was part of the pre-approval process Respondent had agreed to in the 2013 settlement. Admit that the material assumptions were not posted. The material assumptions were posted as soon as NFA staff directed Respondent to do so as part of the approval process agreed to in the 2013 Settlement Agreement. Admit that newsletter and website contained several deficiencies as communicated in 2022 Comment Letters. When informed of these mistakes he was told to take his website down. Respondent immediately complied with this directive to take his web site down and requested that multiple reporting agencies also take down his

materials. In response to each deficiency communication to Respondent, he complied with NFA directives.

**Paragraph 13:** Admit in part and deny in part. There were two deficiencies brought to Respondent's attention during conversations with NFA promotions staff officials Brian Dempsey and Javier. The NFA exam was June 10 – 11, 2024, not during May of 2024. The two deficiencies brought to Respondent's attention in discussion with NFA promotions staff were not part of the 2022 Comment Letters and were not an issue in the 2012 compliant. There were no spreadsheets exhibiting dollar results, whether actual or hypothetical in 2012. Results at that time were stated as monthly percentages, not actual dollar amounts.

**Paragraphs 14 -19:** Admit.

**Paragraph 20:** Admit.

**Paragraph 21:** Admit in part and Deny in part. Admit that the NFA reviewed the 2022 spreadsheets with hypothetical performance. Deny that there were ten active trading programs. There were ten programs in development. But they were never posted to the website or distributed to prospective customers while in development. To the best of respondent's knowledge there were only four trading programs (Systems 1 - 4). Admit that respondent added new spreadsheets that contained only actual, proprietary trading

accounts. Deny that there were six new trading programs. Respondent believed that his web site had been approved. He did not understand that the data which was displayed on the web site (i.e. the spreadsheets) also required approval whenever it was updated.

**Paragraph 22:** Admit in part and Deny in part. During 2022 Respondent worked with NFA promotions department staff to secure approval of his website, including its spreadsheets. The spreadsheets for the new, actual proprietary accounts that were included on the website were the same as those that respondent reviewed with NFA promotions department staff. The numbers showing performance in the newly posted spreadsheets were for the new proprietary trading accounts and reflected actual results. Admit that these spreadsheets did not include language that profits were reinvested nor language about the source of the data used in their preparation. In late 2023 as Respondent prepared to transition to trading actual, proprietary accounts in January 2024, Respondent removed the spreadsheets showing hypothetical results which were reviewed and approved by NFA promotions staff in 2022.

**Paragraph 23:** Deny. The new spreadsheets posted in late 2023 contained actual results from proprietary accounts. These were not hypothetical results and did not require a hypothetical performance disclaimer. The NFA exam team was provided, and reviewed, actual broker statements that comprised the actual trading data reflected in the spreadsheets. Paragraph 26 shows that the NFA reviewed carrying broker statements.

**Paragraph 24: Deny.** The new spreadsheets reflecting actual results beginning in January 2024 all contained the common NFA approved disclosure and risk of loss and stated that past results were not necessarily indicative of future results.

**Paragraph 25: Deny.** Respondent provided the NFA exam team with actual broker statements. After reviewing the brokerage statements, the examiners contacted Respondent and informed him that the results he posted for April 2024 were not accurate based upon the carrying broker statements they reviewed. Respondent volunteered that it was possible he had made a mathematical error, resulting in a difference of \$2,351. To the best of Respondent's knowledge and recollection, his communication with the NFA examiners was only about one of his actual trading systems. Respondent does not recall any discussion concerning a second trading system. NFA directed Respondent to take down his web site containing the inaccurate information. Respondent immediately took the web site down and simultaneously contacted five reporting agencies, directing them to also remove the information from their services.

**Paragraph 26: Deny.** The examiners were provided with the carrying broker statements. Respondent admits that the examiners saw his handwritten notes, on his desk, which were his personal handwritten daily trading journal. These notes were Respondent's personal notes used to refresh his recollection of activities throughout the day. They were noticed by the examiners on his desk and he provided them to look at as they discussed with him their use. The trading journal was not the only support

maintained by the firm. At all times the official records of Respondent have been those maintained and held by its carrying broker.

**Paragraph 27: Admit.** The handwritten notes referred to were Respondent's daily trading journal as explained in the answer to Paragraph 26. The notes did not reflect the overall value of any account. The spreadsheets would have reflected the discrepancy from the carrying broker's statement. As stated in the answer to Paragraph 25, upon being informed of this discrepancy, Perry immediately took action to have the information removed from any public availability.

**Paragraph 28: Deny in part and Admit in part.** Respondent states that to the best of his knowledge that he was only informed of a discrepancy related to one of his trading systems. He admits that the carrying broker statements did not reflect to results reported on his website. Respondent further admits that the discrepancy was the result of an unintentional mathematical error. These were two incorrect calculations out of several hundred performed. Since this time a new process to reconcile with the carrying broker statements has been put into operation.

**Paragraph 29: Admit.** Perry's previous errors as discussed in the April 2013 Decision were the result of Respondent's single-member firm having limited compliance infrastructure, and lack of resources to track the NFA's voluminous regulations, requirements, and processes. In recognition of Respondent's limited compliance

capability, he voluntarily agreed to leave the industry for a period of years and did not come back to it until he believed he understood the NFA's processes and was better equipped to comply with the association's requirements.

**Paragraph 30: Deny.** Upon becoming a NFA Associate in August 2022 Respondent worked closely with NFA staff in numerous back and forth communications with the NFA's Promotions Department to secure approval of his materials. This was directly opposite of how he worked in 2012 when he was unaware that the NFA provided support for members through the Promotions Department and shows that Respondent was using good faith efforts to comply with NFA requirements. This communication with the NFA Promotions Department culminated in a "No Comment Letter" from the NFA. At that time Respondent began to publicly post his information as approved by the NFA Promotions Department. Upon any subsequent changes to what Respondent posted, he obtained NFA approval as required by the April 4, 2013 Decision.

After receiving approval through the No Comment Letter, Respondent believed his promotional materials were approved for posting. On an almost daily basis he updated the account performance data on his spreadsheets.

Respondent believed that what was required to be approved were any changes to the web site or newsletter templates, including required disclosure language. He did not

understand that the data in the spreadsheets displayed on the website and in the newsletter also needed prior approval whenever it was changed,

During the 2024 exam Respondent was informed by the examiners that these daily updates had to also be approved before posting. This was the first time Respondent heard this requirement from the NFA. At that point, Respondent stopped updating the spreadsheets daily. Respondent spoke with NFA personnel in the Promotions Department. They instructed Respondent to send in his updated spreadsheets for approval monthly and to cease updating daily. Respondent simply left the current version of the spreadsheet up, but did not update daily. When informed of potential discrepancies in August 2024 Respondent took his web site down.

Throughout this process Respondent sought and relied on guidance from NFA staff, and acted promptly on the direction they provided. However, periodically the information provided was inconsistent, and sometimes contradictory. For example, one month a NFA official would approve his materials. The next month, a different NFA official, in the same department, would object to information that had been previously approved by the prior NFA official. While the NFA retains the right to raise compliance issues in the future regarding previously approved materials, the ability to do so, at any time, diminishes the value of the NFA's clearance process, especially for a small, start-up trader without the internal resources to track the NFA's often changing guidance.

**Paragraph 31:** Paragraph 31 restates the allegations from Paragraphs 21-24, which were answered previously.

The compliant fails to allege why Respondent would intentionally go through the process of the 2022 Comment Letters, to obtain promotional material clearance for hypothetical results, only to revert to non-compliant material for actual results. There is no allegation of any intent to defraud. The only issue found in the 2024 exam, as it pertained to activities occurring after January 1, 2024, that was like the 2022 Comment Letters concerned technical violations of daily updates to the spreadsheets. This was discussed in the answer to Paragraph 30 above.

**Paragraph 32: Deny.** Respondent's activities as discussed in Paragraphs 1 - 31 above show that he in good faith carried out the recommendations of the 2022 Comment Letters and the 2013 Settlement Offer, that he followed the NFA's agreed upon process and submitted his promotional materials for approval, worked with NFA officials, and relied upon their direction and advice. That direction and advice often appeared subjective based upon the opinions of whatever NFA official was assisting Respondent at that time. For a single-member firm, multiple versions of advice were confusing.

There were multiple instances where Respondent received inconsistent and/or contradictory direction, including:

1. The 2024 exam requiring updates to be reviewed daily and Promotions Department staff advising Respondent to do them monthly,

2. NFA officials objecting to materials that had been previously approved by other NFA officials,
3. Examiners in 2024 told Respondent that he had to file a PR form for his brother's account because it was considered a customer account. Respondent questioned that direction and was told that his brother's account was a customer account and that he had to file a PR form for it. In subsequent conversations with the Promotions Department, Respondent was told that the examiners direction to file a PR form for his brother's account was incorrect and that the account was a proprietary account. To this date, out of an abundance of caution, and not wishing to be later accused of violating NFA policy by another NFA official, Respondent files a PF form for his brother's account.
4. Promotional materials were approved in Comment Letters only to have a subsequent NFA employee object to the previously approved material. Respondent was told by NFA employees this occurs because there is no consistency of reviewers inside of the NFA.

## II

### Summary of Response

Respondent values the integrity of the futures markets and takes compliance obligations seriously. Respondent has made good-faith efforts to comply with NFA requirements, including extensive correspondence with the Promotions Department, voluntary pre-clearance of materials, and immediate corrective actions when notified of issues.

The conduct at issue resulted from administrative errors associated with a single-member, developing compliance operation—not from any attempt to mislead, conceal, or defraud. When discrepancies were identified, Respondent immediately removed materials, contacted third-party platforms to ensure removal, and worked with examiners to provide broker statements and supporting records.

Respondent respectfully requests that the Committee consider the totality of the circumstances, including:

- history of prompt cooperation and voluntary self-removal when advised
- absence of customer funds or losses
- absence of intent to deceive or misrepresent results
- demonstrated willingness to remediate
- NFA interpretive guidance acknowledging scaled compliance programs for small firms

Respondent remains committed to full compliance and welcomes further guidance to ensure continued adherence to NFA standards.

The crux of the NFA's complaint is that in 2024 Respondent repeated the errors he made in 2012 and for new, actual accounts did not include required disclosures, specifically:

1. Knowingly made available to the public information concerning hypothetical accounts without labeling the accounts as hypothetical,
2. Failed to provide disclaimers concerning the limitations of hypothetical accounts,
3. Failing to provide the material assumptions that went into the alleged hypothetical accounts,
4. Failing to include a dissuasion on the risk of loss or state that past results are not necessarily indicative of future results, and
5. Could not demonstrate that the performance results were representative of actual performance.

The reality of the situation is different than the NFA's allegations.

1. Ten trading systems were developed, but the majority did not deliver adequate results and never progressed beyond the development stage. Four systems eventually made it beyond development. The added new spreadsheets reflected four trading systems that were a combination of the strategies in the previous ten under development. The ten systems that were tested in development, containing hypothetical performance were never posted on Respondent's web site. The new spreadsheets for the four final trading systems only reflected actual results, not hypothetical.
2. The new spreadsheets reflecting actual results beginning in January 2024 all contained the common NFA approved disclosure and risk of loss language and stated that past results were not necessarily indicative of future results.
3. A mathematical error, reflecting resulted in a discrepancy between accounts actual value and what was reflected on the official broker statements. The entire discrepancy amounted to \$2,351.
4. The NFA Compliant accuses Respondent of repeating 2012 errors concerning hypothetical results as discovered in the 2024 exam.

However, by 2024 Respondent was no longer involved with hypothetical results and had transitioned to actual results in January 2024. The hypothetical results reviewed during the 2024 NFA exam were those that were submitted by Respondent for pre-posting clearance, as required by his 2013 settlement. They were never posted before receiving NFA No Comment Letters.

Respondent's mistakes were a result of administrative errors, and reflect the operational limitation of a single-member firm trying to start a small trading operation. Respondent's actions since registering with NFA in 2022 show that he is acting in good faith and willing to follow NFA directives pertaining to his activities. If certain filings or procedures were not executed in full alignment with NFA expectations, that was the result of operational constraints related to his single-member operation rather than any intent to mislead, evade rules, or defraud the public.

In some of its interpretive notices NFA recognizes that operations differ in size and complexity, and allows flexibility in what constitutes an adequate control system. Multiple interpretive notices explicitly recognize "small firms with limited staff" and allow scaled approaches to required audits and controls. Thus, the NFA acknowledges the operational limitations of smaller market participants, particularly in compliance program design. This suggests NFA is aware that smaller firms may not have the resources of large firms, and that rules should be scalable to risk. This approach avoids imposing one-size-fits-all barriers to entry, which might disproportionately exclude smaller/inexperienced participants.

Based upon Respondent's understanding of the applicable rules at the time, and reliance on NFA employee advice, he believed his actions were in good faith compliance. If NFA interprets the rule differently, Respondent welcomes clarification so that he can immediately adjust his practices. Respondent fits the definition of a small firm with

limited staff. He hopes that the NFA will take this into account, along with his lack of intent to deceive or defraud investors, into consideration as it deliberates potential sanctions.

Respondent respectfully requests that the Committee consider the totality of the circumstances, including:

- History of prompt cooperation and voluntary self-removal when advised,
- Absence of customer funds or losses,
- Absence of intent to deceive or misrepresent results,
- Demonstrated willingness to remediate, and
- NFA interpretive guidance acknowledging scaled compliance programs for small firms

Respondent remains committed to full compliance and welcomes further guidance to ensure continued adherence to NFA standards.

### III

#### Settlement Offer

Respondent is prepared to implement any corrective steps the NFA recommends and would appreciate the opportunity to resolve this cooperatively prior to the imposition of penalties. Respondent requests that NFA consider a remedial rather than punitive approach in this matter, consistent with prior guidance that small firms may require education and clarification rather than assumption of willful misconduct. In that spirit, Respondent offers the he will voluntarily undertake the following:

1. **Record Keeping and Storage:** Within three (3) months, Respondents will submit to NFA a written plan designed to ensure that all records are retained for the required time period and stored securely in a manner compliant with NFA rules.
2. **Pre-Clearance of Promotional Materials (12 months).** Respondents will pre-clear all promotional materials with NFA for a period of twelve (12) months.
3. **Performance Reporting Restrictions (24 Months).** For twenty-four (24) months, Respondents will report performance results only in percentage terms (actual or hypothetical), and will not report results in dollar amounts.
4. **Reporting Frequency Limitation.** Respondents will report performance results on a monthly basis only and will not publish daily results.
5. **Website Record Retention.** Respondents will transition its website to a service provider that maintains daily backup copies. Respondents will provide NFA with copies of website content from any date requested.
6. **Training and Compliance Completion.** Perry will complete NFA ethics and cybersecurity training courses, all required NFA examinations, and ensure completion of the Self-Examination Questionnaire.

Respondents will update and maintain written supervisory procedures, including:

- Information Systems Security Program (ISSP),
- Ongoing ethics training program, and
- Business Continuity and Disaster Recovery Plan

A Compliance Enhancement Plan is attached as Exhibit A.

Dated: November 4, 2025

  
John Robert Perry, Spartan Asset Group

## **EXHIBIT A**

### **Compliance Enhancement Plan**

Spartan Asset Group LLC ("SAG") and John Robert Perry ("Respondent") submit this Compliance Enhancement Plan as Exhibit A to their Answer and Settlement Proposal. Respondent is committed to full compliance with NFA rules and to maintaining supervisory, recordkeeping, and promotional controls appropriate to the firm's structure.

#### **I. Governance & Oversight**

- Maintain written supervisory procedures (WSP)
- Conduct annual self-examination and compliance review

#### **II. Promotional Materials & Performance Reporting**

- Pre-clear all promotional materials with NFA (12 months)
- Report results only in percentage format (24 months)
- Publish performance results monthly only
- Maintain records of all approval and version changes

#### **III. Recordkeeping & Data Integrity**

- Implement secure record storage with daily backup within 90 days
- Perform monthly reconciliation to carrying broker statements
- Maintain performance assumptions and calculation documentation
- Maintain capability to provide website archives on request

#### **IV. Training & Competency**

- Complete NFA ethics and cybersecurity training within 90 days
- Maintain ongoing compliance education and quarterly review of NFA guidance

## V. Cybersecurity & ISSP

- Update ISSP within 60 days
- Maintain 2FA, encrypted storage, and incident response plan

## VI. BCP/DR

- Update and maintain Business Continuity Plan within 60 days
- Conduct annual continuity review

## VII. Reporting & Documentation

- Ensure PR filings accurately classify proprietary vs. customer accounts
- Maintain organized compliance documentation

## Certification

Respondent certifies commitment to executing and maintaining all measures above and welcomes further NFA guidance.



John Robert Perry  
Spartan Asset Group LLC

Date: 11/4/2025