

**NATIONAL FUTURES ASSOCIATION
BEFORE THE HEARING PANEL**

FILED

DEC 17 2025

In the Matter of:

ALGORITMICA PORTFOLIO
MANAGEMENT LLC
(NFA ID #519299),

and

LINO DAVID FLORES HIDALGO
(NFA ID #519743),

Respondents.

NATIONAL FUTURES ASSOCIATION
LEGAL DOCKETING

NFA Case No. 25-BCC-005

DECISION

Having reviewed all matters relevant to the Complaint issued by the Business Conduct Committee (BCC) of National Futures Association (NFA) in the above-captioned case and having considered and accepted the Offer of Settlement (Offer) submitted by Algoritmica Portfolio Management LLC (Algoritmica) and Lino David Flores Hidalgo (Hidalgo), the Hearing Panel hereby issues this Decision.

I

ALLEGED VIOLATIONS OF NFA REQUIREMENTS

On June 17, 2025, the BCC issued a Complaint against Algoritmica, a commodity pool operator, commodity trading advisor and NFA Member in Wilmington, Delaware. The Complaint also named Hidalgo, the sole principal and associated person of Algoritmica and NFA Associate.

Count I of the Complaint charges Algoritmica with failing to ensure that its pool, Algoritmica Volatility Portfolio Fund LP (Volatility Fund), qualified for a claimed exemption under CFTC Regulation 4.7, using a misleading disclosure document, failing to

comply with pool participant account statement requirements, and failing to file a pool financial report with NFA, in violation of NFA Compliance Rule 2-13(a). Count II of the Complaint charges Algoritmica with permitting a prohibited loan or advance of Volatility Fund assets to Algoritmica and Hidalgo, in violation of NFA Compliance Rule 2-45. Count III of the Complaint charges Algoritmica and Hidalgo with failing to uphold high standards of commercial honor and just and equitable principles of trade by not acting in the best interest of Volatility Fund and its participants, in violation of NFA Compliance Rule 2-4. Finally, Count IV of the Complaint charges Algoritmica and Hidalgo with failing to cooperate promptly and fully with NFA, in violation of NFA Compliance Rule 2-5.

II

OFFER OF SETTLEMENT

Algoritmica and Hidalgo submitted an Offer in which they neither admitted nor denied the allegations in the Complaint and proposed to settle the charges against them on the following terms.

1. Algoritmica agreed to withdraw from NFA membership within 15 days after the effective date of a Decision accepting the Offer and not reapply for NFA membership or apply for principal status with an NFA Member at any time in the future; and
2. Hidalgo agreed to:
 - a. withdraw from NFA associate membership within 15 days after the effective date of a Decision accepting the Offer and not apply for NFA membership or reapply for NFA associate membership or principal status with an NFA Member for a period of three years from the date of his withdrawal;
 - b. close all Volatility Fund brokerage and bank accounts, repay the outstanding "due from manager" receivable of \$9,400 to Volatility Fund, liquidate Volatility Fund's remaining assets and pay each participant their share of proceeds within 15 days after the effective date of a Decision accepting the Offer;

- c. comply with the following if, after the expiration of the three-year period referenced above, Hidalgo applies for NFA membership or reapplies for NFA associate membership or seeks to become a principal of an NFA Member:
 - i. pay a \$75,000 fine to NFA, which fine is due and payable in full on or before the date of his application, and
 - ii. provide adequate evidence to NFA that each Volatility Fund participant has been repaid their share of the proceeds, which includes the outstanding "due from manager" receivable of \$9,400 to Volatility Fund; and
- d. acknowledge that any future application for NFA membership, NFA associate membership or principal status shall not be considered or approved until Hidalgo has paid such fine in full and provided adequate evidence that he has made the required repayments to Volatility Fund participants.

III

FINDINGS

Pursuant to the Offer, the Hearing Panel finds that Hidalgo violated NFA Compliance Rules 2-4 and 2-5, as alleged in the Complaint.

IV

PENALTY

Having considered the matter and having accepted the Offer submitted by Algoritmica and Hidalgo, the Hearing Panel hereby orders as follows:

- 1. Algoritmica shall withdraw from NFA membership within 15 days after the effective date of this Decision and not reapply for NFA membership or apply for principal status with an NFA Member at any time in the future; and
- 2. Hidalgo shall:
 - a. withdraw from NFA associate membership within 15 days after the effective date of this Decision and not apply for NFA membership or reapply for NFA associate membership or principal status with an NFA Member for a period of three years from the date of his withdrawal;

- b. close all Volatility Fund brokerage and bank accounts, repay the outstanding "due from manager" receivable of \$9,400 to Volatility Fund, liquidate Volatility Fund's remaining assets and pay each participant their share of proceeds within 15 days after the effective date of this Decision;
- c. comply with the following if, after the expiration of the three-year period referenced above, Hidalgo applies for NFA membership or reapplies for NFA associate membership or seeks to become a principal of an NFA Member:
 - i. pay a \$75,000 fine to NFA, which fine is due and payable in full on or before the date of his application, and
 - ii. provide adequate evidence to NFA that each Volatility Fund participant has been repaid their share of the proceeds, which includes the outstanding "due from manager" receivable of \$9,400 to Volatility Fund.

Any future application by Hidalgo for NFA membership, NFA associate membership or principal status shall not be considered or approved until he has paid the fine above in full and provided adequate evidence that he has made the required repayments to Volatility Fund participants. This Decision and the Offer shall not be used as the sole basis for any other action or proceeding brought by NFA against Algoritmica or Hidalgo, 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.

V

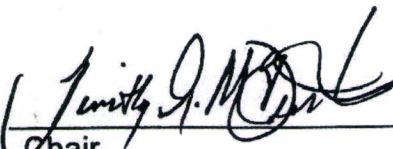
INELIGIBILITY

Pursuant to Commodity Futures Trading Commission (CFTC) Regulation 1.63, this Decision and the sanctions imposed herein render Hidalgo ineligible to serve on a disciplinary committee, arbitration panel, oversight panel or governing board of any self-

regulatory organization, as that term is defined in CFTC Regulation 1.63, until the later of three years or until he has satisfied all the sanctions and conditions imposed by this Decision.

**NATIONAL FUTURES ASSOCIATION
HEARING PANEL**

Date: 12/17/2025

By: 
Chair