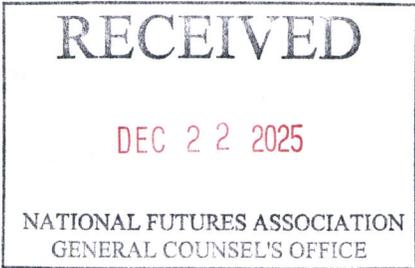


**NATIONAL FUTURES ASSOCIATION
BEFORE THE
BUSINESS CONDUCT COMMITTEE**



In the Matter of:

COMMODITY ASSET MANAGEMENT LLC
(NFA ID #492970),

and

JONATHAN MARK TULKOFF
(NFA ID #493836),

Respondents.

NFA Case No. 25-BCC-011

**ANSWER OF RESPONDENTS
COMMODITY ASSET MANAGEMENT LLC AND JONATHAN MARK TULKOFF**

Commodity Asset Management LLC (“Commodity Asset Management”) and Jonathan Mark Tulkoff (“Tulkoff”) (collectively, “Respondents”), by and through their undersigned counsel hereby answer, the Complaint issued by the Business Conduct Committee (“BCC”) of the National Futures Association (“NFA”).

At all times, Respondents sought to act in their clients’ best interests and in a manner consistent with NFA Compliance Rules. Unless expressly admitted, all allegations in the Complaint are denied as set forth herein. To the extent the Complaint’s introductory paragraph and headings reflect allegations of fact, those allegations are denied.

Respondents request a hearing in New York, NY on all Counts.

JURISDICTION

1. *At all times relevant to this Complaint, Commodity Asset Management has been a commodity pool operator (CPO) and commodity trading advisor (CTA) Member of NFA. As such,*

Commodity Asset Management was and is required to comply with NFA Requirements and is subject to disciplinary proceeding for violations thereof.

ANSWER: To the extent that the allegations in Paragraph 1 state a legal conclusion, no response from the Respondents is required. Respondents admit that Commodity Asset Management has been a commodity pool operator (“CPO”) and commodity trading advisor (“CTA”) Member of the NFA. Respondents deny the remaining allegations in Paragraph 1.

2. *At all times relevant to this Complaint, Tulkoff has been an associated person and principal of Commodity Asset Management, and an NFA Associate. As such, Tulkoff was and is required to comply with NFA Requirements and is subject to disciplinary proceedings for violations thereof. Further, Commodity Asset Management is liable for violations of NFA Requirements committed by Tulkoff during the course of his activities on behalf of Commodity Asset Management.*

ANSWER: To the extent that the allegations in Paragraph 2 state legal conclusions, no response from the Respondents is required. Respondents admit that Tulkoff has served as a principal and AP of Commodity Asset Management since December 2016.

BACKGROUND

3. *Commodity Asset Management has been a CPO/CTA Member since March 2016 and is located in New York, New York. The firm is currently pending withdrawal as a CPO/CTA Member.*

ANSWER: Admit.

4. *Tulkoff has been a principal and AP of Commodity Asset Management and an NFA Associate since March 2016. Tulkoff also owns and operates a non-Member physical metals broker (Tulkoff Affiliate) that operates from the same office as Commodity Asset Management.*

ANSWER: Respondents admit that Tulkoff has served as a principal and AP of Commodity Asset Management, located at 1345 Avenue of the Americas, 2nd Floor, New York, NY 10105, since December 2016. Respondents further admit that Tulkoff is President of “Tulkoff Affiliate,” located at 1345 Avenue of the Americas, 2nd Floor, New York, NY 10105.

5. *As a CPO, Commodity Asset Management has operated one CFTC 4.7 exempt pool, Commodity Asset Management Partners LP (CAM Pool or the Pool). The Pool operated from December 2016 until February 2025.*

ANSWER: Admit.

6. *Commodity Asset Management began its CTA operations in 2018. The firm's assets under management included trading CAM Pool's assets, as well as two non-customer accounts.*

ANSWER: Respondents admit that Commodity Asset Management began its operations in 2017, and that at that time, its assets under management included trading CAM Pool’s assets. Respondents lack sufficient information to admit or deny the allegations in Paragraph 6 regarding “two non-customer accounts.”

7. *In late 2023, NFA received a complaint about Commodity Asset Management and the CAM Pool from another CPO Member, which caused NFA to commence an investigation and subsequent examination of the firm.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 7.

8. *As alleged in more detail below, NFA's investigation and examination found that Commodity Asset Management and Tulkoff failed to comply with several NFA Requirements.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 8. To the extent that the allegations in Paragraph 8 state a legal conclusion, no response of the Respondents is required.

APPLICABLE RULES

9. *NFA Compliance Rule 2-29(b) prohibits, in pertinent part, Members and Associates from using any promotional material that is likely to deceive the public, contains any material misstatement of fact or which the Member or Associate knows omits a fact if the omission makes the promotional material misleading, or mentions the profitability of profit without including an equally prominent discussion of the risk of loss. Compliance Rule 2-29(b) further prohibits Members and Associates, in pertinent part, from including any specific numerical or statistical information about past performance of any actual accounts (including rate of return) unless the performance is presented net of all commissions, fees and expenses.*

ANSWER: Paragraph 9 consists of legal conclusions to which no response from Respondents is required.

10. *NFA Compliance Rule 2-4 provides, in pertinent part, that Members and Associates shall observe high standards of commercial honor and just and equitable principles of trade in the conduct of their commodity futures business.*

ANSWER: Paragraph 10 consists of legal conclusions to which no response from Respondents is required.

11. *NFA Compliance Rule 2-13(a) provides that any Member who violates CFTC Regulations 4.1, 4.7, 4.12 and 4.16 through 4.41 is deemed to have violated an NFA Requirement.*

ANSWER: Paragraph 11 consists of legal conclusions to which no response from Respondents is required.

COUNT I

VIOLATIONS OF NFA COMPLIANCE RULE 2-29(b): USED PROMOTIONAL MATERIAL THAT WAS LIKELY TO DECEIVE THE PUBLIC, CONTAINED A MATERIAL MISSTATEMENT OF FACT OR KNOWINGLY OMITTED A FACT THAT MADE THE MATERIAL MISLEADING, DISCUSSED THE POSSIBILITY OF PROFIT WITHOUT INCLUDING AN EQUALLY PROMINENT DISCUSSION OF THE RISK OF LOSS, AND FAILED TO DEDUCT FEES FROM STATED RATES OF RETURN.

12. *The foregoing paragraphs are realleged as if fully stated herein.*

ANSWER: Respondents reallege and reincorporate their responses to Paragraphs 1 through 11 as their responses to Paragraph 12.

13. *NFA Compliance Rule 2-29(b) prohibits Commodity Asset Management and Tulkoff from using promotional material that does not comply with NFA Requirements.*

ANSWER: Paragraph 13 consists of a legal conclusion, to which no response from Respondents is required.

14. *In late 2023, NFA received a complaint about Commodity Asset Management and the CAM Pool from an AP and principal (Individual A) of a CPO Member (CPO A).*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 14.

15. *CPO A operated a 4.7 pool that invested approximately \$900,000 in CAM Pool in January 2022.*

ANSWER: Respondents lack sufficient information to admit or deny the allegations in Paragraph 15.

16. *CPO A's complaint alleged that Commodity Asset Management used misleading promotional material.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 16 as to "CPO A's complaint." Respondents deny the remainder of the allegations in Paragraph 16.

17. *According to Individual A, CPO A personnel met with Tulkoff prior to investing as part of the due diligence process and received a tear sheet with performance returns dating back to 2017, a private placement memorandum (PPM) for CAM Pool that had no performance data, and monthly newsletters Commodity Asset Management had sent investors with performance returns that mirrored the tear sheet. CPO A believed the returns reflected the performance of CAM Pool.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 17 as to "Individual A." Respondents deny the remainder of the allegations in Paragraph 17.

18. *However, after making the investment, Individual A indicated that CPO A noticed discrepancies with Commodity Asset Management's track record and said the firm was evasive when CPO A asked questions related to the apparent discrepancies.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 18 as to what "Individual A indicated." Respondents deny the remainder of the allegations in Paragraph 18.

19. *NFA reviewed Commodity Asset Management's promotional material given to CPO A, which consisted of tear sheets and other promotional materials (e.g., performance posted to third-party websites).*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 19.

20. *NFA found several deficiencies, which made the material misleading and seemed to corroborate CPO A's complaint. Those deficiencies included the following:*

- *The tear sheet did not clearly indicate whether the rates of return (RORs) applied to CAM Pool, or to Commodity Asset Management's separately managed accounts, or some combination of both;*
- *The tear sheet's discussion of the possibility of profit was not accompanied by an equally prominent statement of the risk of loss;*
- *Commodity Asset Management did not present the returns net of fees, which distorted the RORs; and*

- *The tear sheet performance information differed materially at times from RORs that Commodity Asset Management had reported to NFA in pool quarterly reports and generally reflected more favorable performance than the returns CAM pool had experienced.*

ANSWER: To the extent Paragraph 20 alleges that “NFA found” certain “deficiencies” that “seemed to corroborate CPO A’s complaint,” those allegations state legal conclusions, to which no response of the Respondents is required. To the extent Paragraph 20 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents’ contents. Respondents deny the remaining allegations in Paragraph 20. Additionally, Respondents aver that the alleged tear sheet included the following disclosures:

- “From the inception of trading in January 2017 through June 2018, the referenced strategy’s returns presented herein were only inclusive of CAM’s commingled fund’s futures-only portion of the manager’s overall strategy. For the avoidance of doubt, these returns do not include securities investments or trades although the comingled fund strategy did include routine securities trading, albeit in a completely separate account. Furthermore, the aforementioned date range’s returns were representative of the futures-only strategy traded at a two million dollar nominal trading level. ... Starting July 2018, the returns presented herein are representative of the performance of a separately managed account (“SMA”) whereby the manager’s strategy is entirely comprised of investing and trading in exchanged traded futures contracts. Said SMA is managed by CAM at a ten million dollar nominal trading level pursuant to the SMA’s Investment Management Agreement with CAM.”

- “Past performance is not indicative of future results. There is substantial risk of loss in futures, options, and equities trading. Therefore, such investment is only suitable for sophisticated investors.”
- “The total returns for the index do not reflect the deduction of any fees or expenses which would reduce returns.”

21. *By reason of the foregoing acts and omissions, Commodity Asset Management and Tulkoff are charged with violating NFA Compliance Rule 2-29(b).*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 21 as to the “reason” for the “charge[s]” against Respondents. To the extent that the allegations in Paragraph 21 state a legal conclusion, no response of the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 21.

COUNT II

VIOLATIONS OF NFA COMPLIANCE RULE 2-4: ACTED CONTRARY TO HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE.

22. *The foregoing paragraphs are realleged as if fully stated herein.*

ANSWER: Respondents reallege and reincorporate their responses to Paragraphs 1 through 21 as their responses to Paragraph 22.

23. *As a result of CPO A’s complaint and the promotional material deficiencies alleged above, NFA commenced the 2024 exam to evaluate Commodity Asset Management and its operations further.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 23.

24. *At the time of NFA's 2024 exam, CAM Pool had 20 participants and reported a net asset value (NAV) of approximately \$1 million. Commodity Asset Management directed the Pool's investments, which consisted of trading commodity futures and options, investments in commodity interest pools operated by two other CPO Members, and other investments.*

ANSWER: Respondents refer NFA to the letter from Jonathan Tulkoff to Tom Plasman, dated September 3, 2024, in connection with NFA's examination of CAM Pool's account statement and Commodity Asset Management's books and records (the "Management Representation Letter"), which states that, as of July 31, 2024, CAM Pool had 18 participants and a net asset value of \$951,349, and that, as of August 30, 2024, CAM rendered advisory services to two clients with an aggregate equity of \$18,765,909. Respondents deny the allegations in Paragraph 24 that are inconsistent with the representations in the Management Representation Letter.

25. *During the 2024 exam, NFA reviewed investments that Commodity Asset Management and Tulkoff made in pools operated by two other CPO Members and transactions involving CAM Pool and the Tulkoff Affiliate.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 25.

Investments in Other Pools

26. *Starting in December 2021, Commodity Asset Management and Tulkoff invested a significant portion of the Pool's assets into a 4.7 pool that a CPO Member (CPO B) operated under a "first loss" structure.*

ANSWER: Respondents admit that as of December 2021, Commodity Asset Management had entered into an investment advisory agreement with a 4.7 pool operated by a CPO Member ("CPO B"). Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, to the extent they detail the relationship between Commodity Asset Management and CPO B. Respondents deny the remainder of the allegations in Paragraph 26.

27. *The CPO B agreement, accompanying schedules and side letter (collectively, the CPO B agreement) set forth the terms and conditions under which Commodity Asset Management would manage the assets that CPO B designated to Commodity Asset Management for trading.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents.

28. *The CPO B agreement provided for CAM Pool to make a \$1.5 million subscription for limited partnership interests in the CPO B pool. CPO B designated the CAM Pool investment to a separate class (or investment account) in the CPO B pool.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents.

29. *Commodity Asset Management traded the investment account's assets as a CTA and the account had an initial maximum exposure of \$12.5 million.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 29.

30. *Under the "first loss" structure, CAM Pool's investment account in the CPO [B] pool absorbed all the losses resulting from Commodity Asset Management's trading.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 30.

31. *The CPO [B] agreement also provided for CAM Pool to only receive a small portion of any net profits that Commodity Asset Management's trading generated.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents.

32. *On the other hand, CPO [B] and Commodity Asset Management shared the larger portion of net profits since Commodity Asset Management received a "special performance fee" for its advisory services at the end of the month based on 50% of the net profits (excluding any net profits allocated to the CAM Pool investment account).*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 32.

33. *As a result, the terms of the CPO [B] investment benefitted Commodity Asset Management and Tulkoff far more than CAM Pool since the Pool gained little when Commodity Asset Management's trading was profitable and incurred losses when Commodity Asset Management's trading was unprofitable.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO B and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 33.

34. *Commodity Asset Management and Tulkoff failed to disclose to CAM Pool participants the material terms of the CPO [B] investment, including the nature and exposure risk of the CPO [B] investment, the loss allocation under the "first loss" structure, the limited profit allocation to the Pool, or the special performance fee to Commodity Asset Management.*

ANSWER: To the extent Paragraph 34 alleges that Respondents “failed to disclose ... material terms,” those allegations state legal conclusions, to which no response of the Respondents is required. To the extent Paragraph 34 alleges the contents of certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents’ contents. Additionally, Respondents aver that Footnote 4 to the CAM Pool’s audited financial statements (“PFSs”) make the following disclosure:

“...Commodity Asset Management LLC has entered an investment advisory agreement with [CPO B], whereby Commodity Asset Management will be the advisor of a brokerage account for [CPO B]. In addition, the Fund has a subscribed for a “first lost” limited partnership interest in [CPO B], whereas all losses will be allocated to the Fund until the capital account has been reduced to zero, then any other losses will be allocated pro-rata to all participating investors. Net profits will be allocated pro-rata after any loss catch-up payments have been allocated... The Fund will not be allocated expenses from [CPO B] related to management fees or [CPO B’s] general operating expenses, but will be subject to all investment-related expenses incurred...”

The Respondents deny the remainder of the allegations in Paragraph 34.

35. *As a result, CAM Pool participants did not know that the terms of the CPO B investment greatly favored Commodity Asset Management and Tulkoff at the expense of the Pool.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 35 as to the knowledge of CAM Pool participants. The Respondents deny the remainder of the allegations in Paragraph 35.

36. *CAM Pool participants did not know that Commodity Asset Management and Tulkoff prioritized their own interests to provide advisory services to CPO B by using CAM Pool assets to invest in the CPO B pool and receive a special performance fee in return.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 36 as to the knowledge of CAM Pool participants. The Respondents deny the remainder of the allegations in Paragraph 36.

37. *Records showed January 2022 as Commodity Asset Management's best month of trading the CPO B investment, where profits totaled around \$468,000.*

ANSWER: Respondents refer to the "[r]ecords" alleged in Paragraph 37 for their contents, and deny all allegations inconsistent with the documents' contents. The Respondents deny the remainder of the allegations in Paragraph 37.

38. *After CPO B allocated around \$38,000 (or 8%) of those profits to CAM Pool, Commodity Asset Management received a performance fee of over \$139,000 (or almost 30%). According to Commodity Asset Management, the remaining profits went to the CPO B Pool.*

ANSWER: Respondents refer to the records reflecting the information alleged in Paragraph 38 for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 38.

39. *From December 2021 through February 2024, Commodity Asset Management and Tulkoff invested over \$3.1 million of CAM Pool's assets in the CPO B pool.*

ANSWER: Respondents admit that from December 2021 through February 2024, Commodity Asset Management invested \$3.15 million of CAM Pool's assets in the CPO B pool. Respondents deny the remainder of the allegations in Paragraph 39.

40. *During that time, CAM Pool incurred trading losses of almost \$2.5 million (or 78%) of its investment.*

ANSWER: Respondents admit that from December 2021 through February 2024, CAM Pool incurred trading losses of \$2,618,848 relating to its investment in the CPO B pool. Respondents deny the remainder of the allegations in Paragraph 40.

41. *In contrast, Commodity Asset Management received approximately \$270,000 in performance fees for its trading services, with the CPO B pool retaining any remaining profits.*

ANSWER: Respondents admit that Commodity Asset Management received \$278,579.11 in special performance fees in connection with its trading services for CPO B pool from December 2021 through February 2024. Respondents are without sufficient information to admit or deny the remainder of the allegations in Paragraph 41.

42. *CAM Pool's audited pool financial statements (PFSs) for 2021, 2022 and 2023 discussed the CPO B investment in the footnote section and listed the related losses under the "Investment in Private Investment" heading.*

ANSWER: Respondents refer to the PFSs alleged in Paragraph 42 for their contents, and deny all allegations inconsistent with the documents' contents.

43. *However, none of the PFSs disclosed that Commodity Asset Management would receive a 50% performance fee on this investment or highlighted the approximate \$270,000 in performance fees the firm received in 2022.*

ANSWER: Respondents refer to the PFSs alleged in Paragraph 43 for their contents, and deny all allegations inconsistent with the documents' contents.

44. *Commodity Asset Management entered into a similar investment with another CPO Member (CPO C), where the structure also greatly favored Commodity Asset Management and Tulkoff and presented little benefit to CAM Pool.*

ANSWER: Respondents admit that on March 28, 2023, Commodity Asset Management caused CAM Pool to enter into an investment management agreement with CPO C. Respondents deny the remainder of the allegations of in Paragraph 44.

45. *Similar to the CPO B investment, the CPO C investment involved a "first loss" structure and included a "notional" exposure.*

ANSWER: Respondents refer to Commodity Asset Management's advisory agreement with CPO C and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 45.

46. *An exhibit to the investment advisory agreement with CPO C summarized the terms of the CPO C investment and provided for Commodity Asset [Management] to receive an 87% monthly "performance allocation."*

ANSWER: Respondents refer to Commodity Asset Management’s advisory agreement with CPO C and any related schedules and side letters for their contents, and deny all allegations inconsistent with the documents’ contents.

47. *In March 2023, Commodity Asset Management and Tulkoff permitted CAM Pool to invest \$1 million into a 4.7 pool that CPO C operated.*

ANSWER: Respondents admit that in March 2023, Commodity Asset Management invested \$1 million of CAM Pool’s assets in the CPO C pool. Respondents deny the remainder of the allegations in Paragraph 47.

48. *By February 2024, CAM Pool had incurred substantial losses on the CPO C investment, which totaled more than \$935,000 (or 93.5% of the initial investment amount) and including paying more than \$70,000 in fees to CPO C.*

ANSWER: Respondents admit that by February 2024, CAM Pool incurred trading losses of \$935,498.50 relating to its investment in the CPO C pool. Respondents admit that by February 2024, CAM Pool paid \$71,776.16 in fees to CPO C in connection with the CAM Pool investment in the CPO C pool. Respondents deny the remainder of the allegations in Paragraph 48.

49. *Like the CPO B investment, Commodity Asset Management and Tulkoff failed to disclose the material terms of the CPO C investment to CAM pool participants (e.g. significant performance allocation fee).*

ANSWER: To the extent Paragraph 49 alleges that Respondents “failed to disclose the material terms,” those allegations state legal conclusions, to which no response of the

Respondents is required. To the extent Paragraph 49 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents. The Respondents deny the remainder of the allegations in Paragraph 49.

50. *The CAM Pool 2023 PFS also failed to specifically discuss the CPO C investment or separately disclose that CAM Pool paid more than \$65,000 in fees to CPO C and incurred losses of approximately \$800,000 on the investment as of December 31, 2023.*

ANSWER: Respondents refer to the PFSs alleged in Paragraph 50 for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 50.

51. *Under NFA Compliance Rule 2-4, Commodity Asset Management and Tulkoff are obligated to observe just and equitable principles of trade in the conduct of their commodity interest business.*

ANSWER: Paragraph 51 consists of legal conclusions, to which no response of the Respondents is required.

52. *That obligation includes acting in the best interests of pool participants and disclosing any material information necessary to inform pool participants about the risks, fees and nature of their investment.*

ANSWER: Paragraph 52 consists of legal conclusions, to which no response of the Respondents is required.

53. *The exposure risks of the CPO B and CPO C investments, the loss allocation under the “first loss” structure, the limited profit sharing to the Pool, and the advantageous performance fee arrangements associated with these investments each represent material information that Commodity Asset Management and Tulkoff should have disclosed to participants (existing and potential) but did not.*

ANSWER: To the extent that the allegations in Paragraph 53 state a legal conclusion, no response of the Respondents is required. To the extent Paragraph 53 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents’ contents. Respondents deny the remainder of the allegations in Paragraph 53.

54. *Moreover, during NFA’s exam, Tulkoff admitted that Commodity Asset Management did not disclose either the CPO B or CPO C arrangement to pool participants before making the investments.*

ANSWER: To the extent Paragraph 54 refers to the records of NFA’s own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records’ contents. Respondents deny the remainder of the allegations in Paragraph 54.

55. *Without disclosing these material terms, existing and potential pool participants could not reasonably evaluate the Pool, its investments and risks, or the fee structure.*

ANSWER: To the extent that the allegations in Paragraph 55 state legal conclusions, no response of the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 55.

56. *Through the CPO B and CPO C investment arrangements, Commodity Asset Management and Tulkoff exposed the Pool to the additional risks described above for the opportunity to receive significant performance fees associated with the Pool's CPO B and CPO C investments and placed their interests above the interests of CAM Pool participants.*

ANSWER: Respondents deny the allegations in Paragraph 56.

Transactions with the Tulkoff Affiliate

57. *Commodity Asset Management and Tulkoff also engaged in transactions that used pool assets to benefit the Tulkoff Affiliate.*

ANSWER: Respondents deny the allegations in Paragraph 57.

58. *Similar to the investments in other pools, described above, Commodity Asset Management and Tulkoff also failed to make adequate disclosure to CAM Pool participants and acted contrary to the participants' best interests.*

ANSWER: Respondents deny the allegations in Paragraph 58.

59. *Specifically, CAM Pool's February financial statements reported a \$298,104 asset labeled as "securities purchased under agreement to resell."*

ANSWER: Respondents refer to the financial statements alleged in Paragraph 59 for their contents, and deny all allegations inconsistent with the documents' contents.

60. *At the time, CAM Pool had an NAV of less than \$1 million, so this transaction represented approximately 30% of its NAV.*

ANSWER: Respondents refer to the financial statements alleged in Paragraph 60 for their contents, and deny all allegations inconsistent with the documents' contents.

61. *CAM Pool's 2023 PFS reflected this same asset as a "repurchase agreement, at fair value," while Tulkoff described it to NFA as a "reverse repo."*

ANSWER: Respondents refer to the PFS alleged in Paragraph 61 for its contents, and deny all allegations inconsistent with the documents' contents. To the extent Paragraph 61 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 61.

62. *In reality, this transaction involved Tulkoff using pool assets to provide funding to the Tulkoff Affiliate.*

ANSWER: Respondents deny the allegations in Paragraph 62.

63. *According to Tulkoff, CAM Pool entered into a "reverse repo" with the Tulkoff Affiliate in June 2023 by purchasing a \$298,103.70 receivable involving "physical magnets" (June 2023 transaction).*

ANSWER: To the extent Paragraph 63 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 63.

64. *The documentation the firm provided to NFA relating to the transaction consisted of invoices and a letter between Commodity Asset Management and the Tulkoff Affiliate.*

ANSWER: To the extent Paragraph 64 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 64.

65. *An invoice and letter from Commodity Asset Management referenced payment terms of 120 days with a 3% fee.*

ANSWER: To the extent Paragraph 64 refers to "[a]n invoice and letter," Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents.

66. *However, none of the documents mentioned a "reverse repo" or "repurchase agreement" or purchasing a receivable.*

ANSWER: To the extent Paragraph 66 refers to certain documents Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents.

67. *Furthermore, the only mention in the documents to CAM Pool consisted of a reference on a Commodity Asset Management invoice that directed the Tulkoff Affiliate to remit payment to CAM Pool's bank account.*

ANSWER: To the extent Paragraph 67 refers to certain documents Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents.

68. *Since the June 2023 transaction involved Tulkoff and the Tulkoff Affiliate, the arrangement amounted to a related-party transaction. However, Commodity Asset Management and Tulkoff failed to take reasonable steps to mitigate the risk of the related-party transaction.*

ANSWER: To the extent that the allegations in Paragraph 68 state a legal conclusion, no response of the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 68.

69. *Commodity Asset Management and Tulkoff did not obtain a guarantee from the Tulkoff Affiliate to mitigate the risk against potential default.*

ANSWER: To the extent that the allegations in Paragraph 69 state a legal conclusion, no response of the Respondents is required. Respondents admit that Commodity Asset Management and Tulkoff did not obtain a guarantee from the Tulkoff Affiliate in connection with the June 2023 transaction in addition to the Tulkoff Affiliate's obligations the June 2023 transaction documents. Respondents deny the remainder of the allegations in Paragraph 69.

70. *Further, Tulkoff indicated that neither Commodity Asset Management nor the Pool took physical possession of the magnets as collateral from the Tulkoff Affiliate.*

ANSWER: To the extent that the allegations in Paragraph 70 state a legal conclusion, no response of the Respondents is required. To the extent Paragraph 70 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 70.

71. *By failing to take these or similar steps, the firm and Tulkoff exposed CAM Pool to potentially losing at least \$298,103.70 (or close to one-third of the Pool's NAV) if the Tulkoff Affiliate failed to comply with the repayment terms.*

ANSWER: Respondents deny the allegations in Paragraph 71.

72. *Tulkoff also admitted to having engaged in a similar transaction with the Tulkoff Affiliate in February 2023, when he used the Pool's assets in connection with a transaction involving "galvanized steel wire" (February 2023 transaction).*

ANSWER: To the extent Paragraph 72 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 72.

73. *The February 2023 transaction involved a receivable of approximately \$300,000, with repayment due in 120 days, plus a 3% fee.*

ANSWER: To the extent Paragraph 73 refers to the records of NFA's own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records' contents. Respondents deny the remainder of the allegations in Paragraph 73.

74. *Records the firm provided showed the Tulkoff Affiliate repaid the February 2023 transaction in full, along with the 3% fee, on June 15, 2023.*

ANSWER: Respondents refer to the "records" alleged in Paragraph 74 for their contents, and deny all allegations inconsistent with the records' contents.

75. *However, the records also showed that Commodity Asset Management and Tulkoff entered into the June 2023 transaction with the Tulkoff Affiliate on the very same day.*

ANSWER: Respondents refer to the “records” alleged in Paragraph 75 for their contents, and deny all allegations inconsistent with the records’ contents.

76. *NFA later discovered that Commodity Asset Management and Tulkoff had permitted the Pool to provide financing to the Tulkoff Affiliate on 10 other occasions since late 2020.*

ANSWER: To the extent that the allegations in Paragraph 76 state a legal conclusion, no response of the Respondents is required. Respondents are without sufficient information to admit or deny the allegations in Paragraph 76 as to what NFA “discovered.” Respondents deny all other allegations in Paragraph 76.

77. *In addition, the Pool’s 2021 and 2022 PFSs each reported a “repurchase agreement” balance, which totaled approximately \$100,000 in 2021 and almost \$300,000 in 2022.*

ANSWER: Respondents refer to the PFSs alleged in Paragraph 77 for their contents, and deny all allegations inconsistent with the documents’ contents.

78. *Commodity Asset Management and Tulkoff also failed to manage repayment of the June 2023 transaction effectively.*

ANSWER: Respondents deny the allegations in Paragraph 78.

79. *Although the invoice called for the Tulkoff Affiliate to repay CAM Pool by October 11, 2023, the invoice remained outstanding six months later when NFA’s exam began in April 2024.*

ANSWER: Respondents refer to “the invoice” alleged in Paragraph 79 for its contents, and deny all allegations inconsistent with the document’s contents.

80. *On October 2, 2024, approximately 475 days after the transaction originated and several months after NFA first asked Tulkoff about it – the Tulkoff Affiliate repaid CAM Pool \$307,046, which included principal and a 3% fee.*

ANSWER: Respondents admit that CAM Pool received a payment of \$307,046 from Tulkoff Affiliate on October 2, 2024, which included a principal and fee component. Respondents deny the remainder of the allegations in Paragraph 80.

81. *CAM Pool received another payment of \$11,679 from the Tulkoff Affiliate on October 15, 2024. This payment appears to represent additional interest.*

ANSWER: Respondents admit that CAM Pool received a payment of \$11,679 from Tulkoff Affiliate on October 15, 2024. Respondents deny the remainder of the allegations in Paragraph 81.

82. *The total fee (or interest) paid to the Pool represented an approximate 7% return on the June 2023 transaction.*

ANSWER: To the extent Paragraph 82 refers to the records of NFA’s own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records’ contents. Respondents deny the remainder of the allegations in Paragraph 82.

83. *However, NFA expected the Pool to receive a larger return.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 83.

84. *As alleged above, the documentation involving the June 2023 transaction called for a 3% fee for payment within 120 days.*

ANSWER: Respondents refer to the “documentation” alleged in Paragraph 84 for their contents, and deny all allegations inconsistent with the documents’ contents.

85. *Since the June 2023 transaction’s term continued for almost four times as long (i.e., 475 days), NFA expected the return to be closer to 12%.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 85 as to what “NFA expected.” Respondents deny all other allegations in Paragraph 85.

86. *When questioned about the return, Tulkoff could not explain the discrepancy and said, “it should have been closer to 12%.”*

ANSWER: To the extent Paragraph 86 refers to the records of NFA’s own investigation, Respondents refer to those records for their contents, and deny all allegations inconsistent with the records’ contents. Respondents deny the remainder of the allegations in Paragraph 86.

87. *Commodity Asset Management and Tulkoff also failed to provide adequate written disclosure to CAM Pool participants about the terms, risks and/or conflicts of interest associated with the Tulkoff Affiliate transactions.*

ANSWER: Paragraph 87 states legal conclusions, to which no response from Respondents is required. To the extent Paragraph 87 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents. Respondents state further that CAM Pool's Confidential Private Placement Memorandum contained the following disclosure:

“The Partnership may co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial difficulties resulting in a negative impact on such investment, economic or business interests or goals that are inconsistent with those of the Partnership or be in a position to take (or block) action in a manner contrary to the Partnership's investment objectives....”

Respondents deny the remainder of the allegations in Paragraph 87.

88. *The PPM contained nothing to describe the February and June 2023 financing transactions with the Tulkoff Affiliate.*

ANSWER: Paragraph 88 states legal conclusions, to which no response from Respondents is required. Respondents refer to the PPM alleged in Paragraph 88 for its contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 88.

89. *Commodity Asset Management and Tulkoff also failed to disclose in the 2023 PFS that the financing transactions involved a related party, through Tulkoff's ownership of the Tulkoff Affiliate.*

ANSWER: Respondents refer to “the 2023 PFS” alleged in Paragraph 89 for its contents, and deny all allegations inconsistent with the document’s contents. Respondents deny the remainder of the allegations in Paragraph 89.

90. *As described above, Commodity Asset Management and Tulkoff are obligated to observe just and equitable principles of trade in the conduct of their commodity interest business, which includes acting in the best interests of pool participants and disclosing material information necessary to inform pool participants about the risks, fees and nature of their investment.*

ANSWER: To the extent that the allegations in Paragraph 90 state a legal conclusion, no response of the Respondents is required. The Respondents deny the remaining allegations in Paragraph 90.

91. *However, similar to the CPO B and CPO C investments, Commodity Asset Management and Tulkoff failed to adequately disclose that they used Pool assets to providing financing to a related party.*

ANSWER: To the extent that the allegations in Paragraph 91 state a legal conclusion, no response of the Respondents is required. To the extent Paragraph 91 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents’ contents. Respondents deny the remainder of the allegations in Paragraph 91.

92. *As alleged above, the firm and Tulkoff also failed to sufficiently document the Tulkoff Affiliate transactions or take appropriate steps to protect the Pool in the event of default or ensure CAM Pool received the proper fee on the June 2023 transaction.*

ANSWER: To the extent that the allegations in Paragraph 92 state a legal conclusion, no response of the Respondents is required. To the extent Paragraph 92 refers to certain documents, Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents' contents. Respondents deny the remainder of the allegations in Paragraph 92.

93. *By reason of the foregoing acts and omissions, Commodity Asset Management and Tulkoff are charged with violating NFA Compliance Rule 2-4.*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 93 as to the "reason" for the "charge[s]" against Respondents. To the extent that the allegations in Paragraph 93 state a legal conclusion, no response of the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 93.

COUNT III

VIOLATIONS OF NFA COMPLIANCE RULE 2-13(A): FAILURE TO INCLUDE APPROPRIATE DISCLOSURES AND MATERIAL INFORMATION IN FINANCIAL STATEMENT FOOTNOTES TO MAKE THE FINANCIAL STATEMENTS NOT MISLEADING

94. *The foregoing paragraphs are realleged as if fully stated herein.*

ANSWER: Respondents reallege and reincorporate their responses to Paragraphs 1 through 93 as their responses to Paragraph 94.

95. Pursuant to NFA Compliance Rule 2-13(a), which incorporates CFTC Regulation 4.7 by reference, Commodity Asset Management is required to distribute an annual report (also known as a "pool financial statement" or "PFS") to each participant of CAM Pool, which is a 4.7 exempt pool.

ANSWER: Paragraph 95 consists of legal conclusions, to which no response from Respondents is required.

96. CFTC Regulation 4.7(b)(4) requires, in pertinent part, the annual report of an exempt pool to contain a Statement of Financial Condition and a Statement of Material Operations for the exempt pool's fiscal year and appropriate footnote disclosure and such further material information as necessary to make the required statements not misleading.

ANSWER: Paragraph 96 consists of legal conclusions, to which no response from Respondents is required.

97. CFTC Regulation 4.7(b)(4) further requires for an exempt pool that invests in other pools or funds operated by third parties that the footnote disclosures separately disclose the amounts of income, management and incentive fees associated with each investment in an investee fund that exceeds five percent of the pool's net assets.

ANSWER: Paragraph 97 consists of legal conclusions, to which no response from Respondents is required.

98. As alleged above, CAM Pool invested in CPO B and CPO C. These investments represented investments in investee funds that exceeded five percent of the pool's net assets.

ANSWER: With respect to the first sentence of Paragraph 98, Respondents admit that CAM Pool invested in CPO B and CPO C. Respondents deny the remainder of the allegations in Paragraph 98.

99. *Therefore, Commodity Asset Management was required to disclose adequate information in the Pool's PFSs about the CPO B and CPO C investments, including the amounts of income (or loss), and management and incentive fees associated with each investment.*

ANSWER: To the extent that the allegations in this Paragraph 99 state a legal conclusion, no response from the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 99.

100. *However, as alleged above in Count II, Commodity Asset Management failed to ensure CAM Pool's PFSs disclosed adequate information in the footnotes regarding these investments, including:*

- *For the 2021, 2022 and 2023 PFSs, that Commodity Asset Management would receive a 50% performance fee on the CPO B investment or received approximately \$270,000 in performance fees in 2022 on the investment.*
- *Specifically discussed the CPO C investment in the 2023 PFS or separately disclosed that CAM Pool paid more than \$65,000 in fees to CPO C and incurred losses of approximately \$800,000 on the investment as of December 31, 2023.*
- *Provide material information about the Tulkoff Affiliate transactions in the 2023 PFS, including that they involved related-party transactions.*

ANSWER: To the extent that the allegations in Paragraph 100 state a legal conclusion, no response of the Respondents is required. To the extent Paragraph 100 refers to “CAM Pool’s PFSS,” Respondents refer to those documents for their contents, and deny all allegations inconsistent with the documents’ contents. Respondents deny the remaining allegations in Paragraph 100.

101. *By reason of the foregoing acts and omissions, Commodity Asset Management is charged with violating NFA Compliance Rule 2-13(a).*

ANSWER: Respondents are without sufficient information to admit or deny the allegations in Paragraph 101 as to the “reason” for the “charge[s]” against Respondents. To the extent that the allegations in Paragraph 101 state a legal conclusion, no response of the Respondents is required. Respondents deny the remainder of the allegations in Paragraph 101.

* * *

Respondents reserve and assert all defenses to the claims alleged in the Complaint, in law and equity, including but not limited to the Complaint’s failure to:

1. state a violation of any NFA rule or CFTC regulation;
2. establish that any harm suffered by clients was caused by any alleged wrongdoing by Respondents;
3. establish that Respondents acted with scienter or any other requisite state of mind;
4. identify with particularity any materially misleading misrepresentation or omission;
5. assert claims within the applicable statute of limitations.

Defendants presently have insufficient knowledge or information upon which to form a belief as to whether they may have other, as yet unstated, defenses available. Therefore, the Defendants reserve their right to assert additional defenses in the event that discovery indicates that they would be appropriate.

WHEREFORE, Respondents respectfully request that the Complaint be dismissed in its entirety and that Respondents be granted all other necessary and proper relief.

Dated: December 22, 2025

Respectfully submitted,

SADIS & GOLDBERG LLP

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Management LLC and Jonathan Mark
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CERTIFICATE OF SERVICE

Frank Restagno, Esq., an attorney for Respondents, certifies that he has caused a copy of the foregoing ANSWER OF RESPONDENTS COMMODITY ASSET MANAGMEMENT LLC AND JONATHAN MARK TULKOFF to be served upon the National Futures Association via electronic mail at the address listed below on December 22, 2025.

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

Email: docketing@nfa.futures.org

With copy to:

Brigid Brown, Esq.
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Chicago, Illinois 60606

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By. /s/ Frank S. Restagno
Frank S. Restagno, Esq.