2020 ANNUAL REVIEW

NFA

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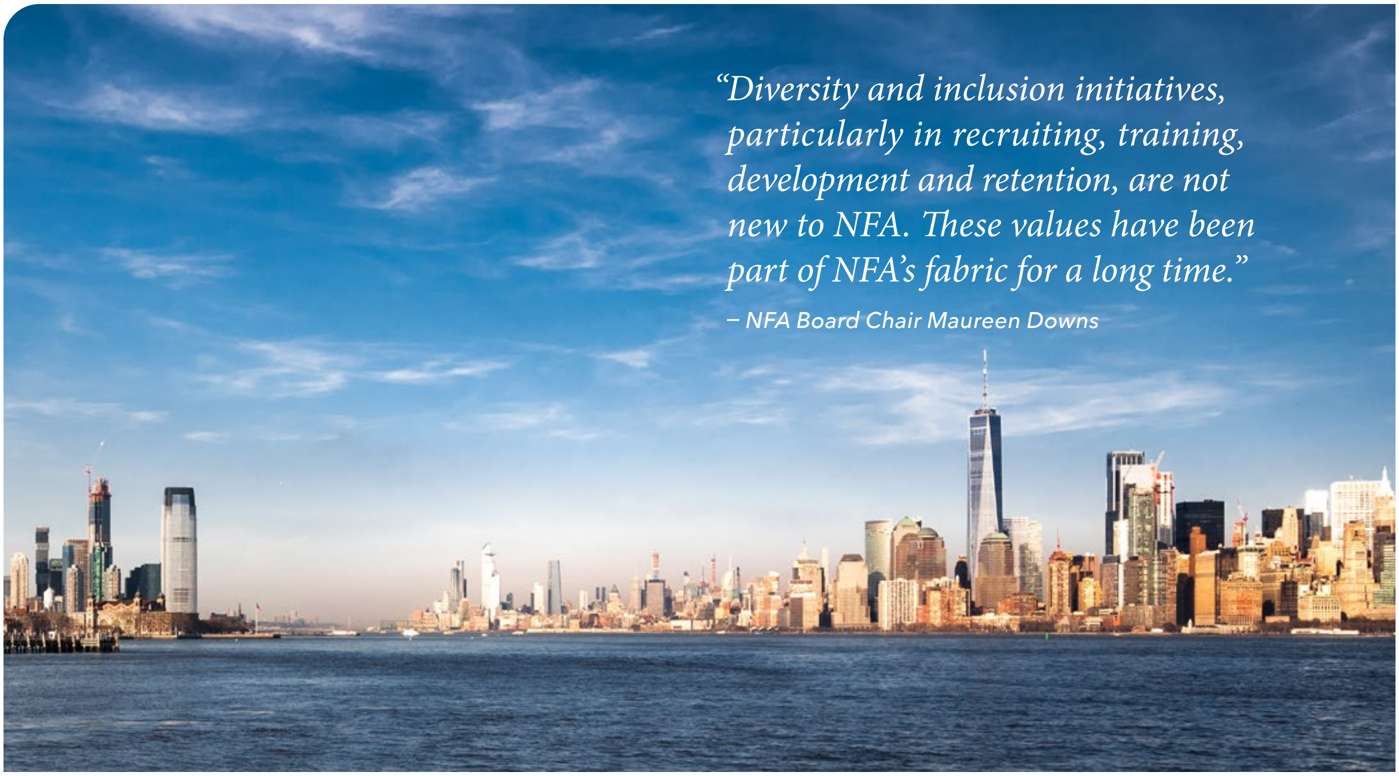
ACRONYM KEY

AP	Associated Person
BASIC	Background Affiliation Status Information Center
BCC	Business Conduct Committee
BCP	Business Continuity Plan
Board	NFA's Board of Directors
CFTC	Commodity Futures Trading Commission
CPO	Commodity Pool Operator
CREST	Compliance Regulatory Exam Software Tool
CTA	Commodity Trading Advisor
DCR	Division of Clearing and Risk
DMO	Division of Market Oversight
DOE	Division of Enforcement
DSIO	Division of Swap Dealer and Intermediary Oversight
FCM	Futures Commission Merchant
FDM	Forex Dealer Member
FINRA	Financial Industry Regulatory Authority
FY	Fiscal Year
IB	Introducing Broker
IT	Information Technology
OIA	Office of International Affairs
RFED	Retail Foreign Exchange Dealer
SD	Swap Dealer
SEC	Securities Exchange Commission
SEF	Swap Execution Facility
SPR	Swaps Proficiency Requirements
SRO	Self-Regulatory Organization
ORS	Online Registration System

A Letter from NFA's Chair



Dear NFA Member,

Before I reflect on Fiscal Year 2020 (July 1, 2019–June 30, 2020), I want to express my sincere gratitude to Michael Dawley, NFA's previous Chairman, who stepped down in February 2020. During Mike's tenure, NFA's responsibilities grew significantly as it built its swap dealer regulatory framework and expanded its market surveillance services for swap execution facilities. NFA's Board is fortunate to have worked alongside a leader with such determination and commitment to NFA's mission.

As I draft my first Annual Review letter, the world continues to face the critical health and economic impacts associated with the COVID-19 pandemic. During this time, health and safety concerns are paramount, and I hope you and your loved ones are doing well. This report of NFA's past fiscal year details not only how NFA fulfilled its regulatory duties amid extraordinary circumstances, but also how it continued to prioritize diversity and inclusion initiatives and to strengthen the collaborative partnership with the CFTC, among many other important topics.

During the early days of the COVID-19 pandemic, when global markets and economies were in disarray, NFA focused its efforts on ensuring that markets remained liquid and orderly. It was imperative that market participants could continue to effectively manage their risks, especially during those periods of extreme volatility. And it was equally vital that NFA be available and responsive to address the concerns of Members, regulators and the public. I am proud to say that NFA, like so many others in this difficult year, went above and beyond the norm. More details regarding these efforts are shared in this Annual Review.

Times like these remind us that NFA's employees are its most important asset. Equally important is providing these employees a diverse and inclusive culture where they can thrive and realize their

A Letter from NFA's Chair

potential. Diversity and inclusion initiatives, particularly in recruiting, training, development and retention, are not new to NFA. These values have been part of NFA's fabric for a long time. But, just like every other organization, there is more work to do, and the Board is pleased with NFA's very serious commitment to continued progress. There has never been a moment when the need for diversity and inclusion has been more urgent. In this Annual Review, you will read about NFA's partnership with the Greenwood Project, an organization that focuses on introducing minority students to the financial services industry.

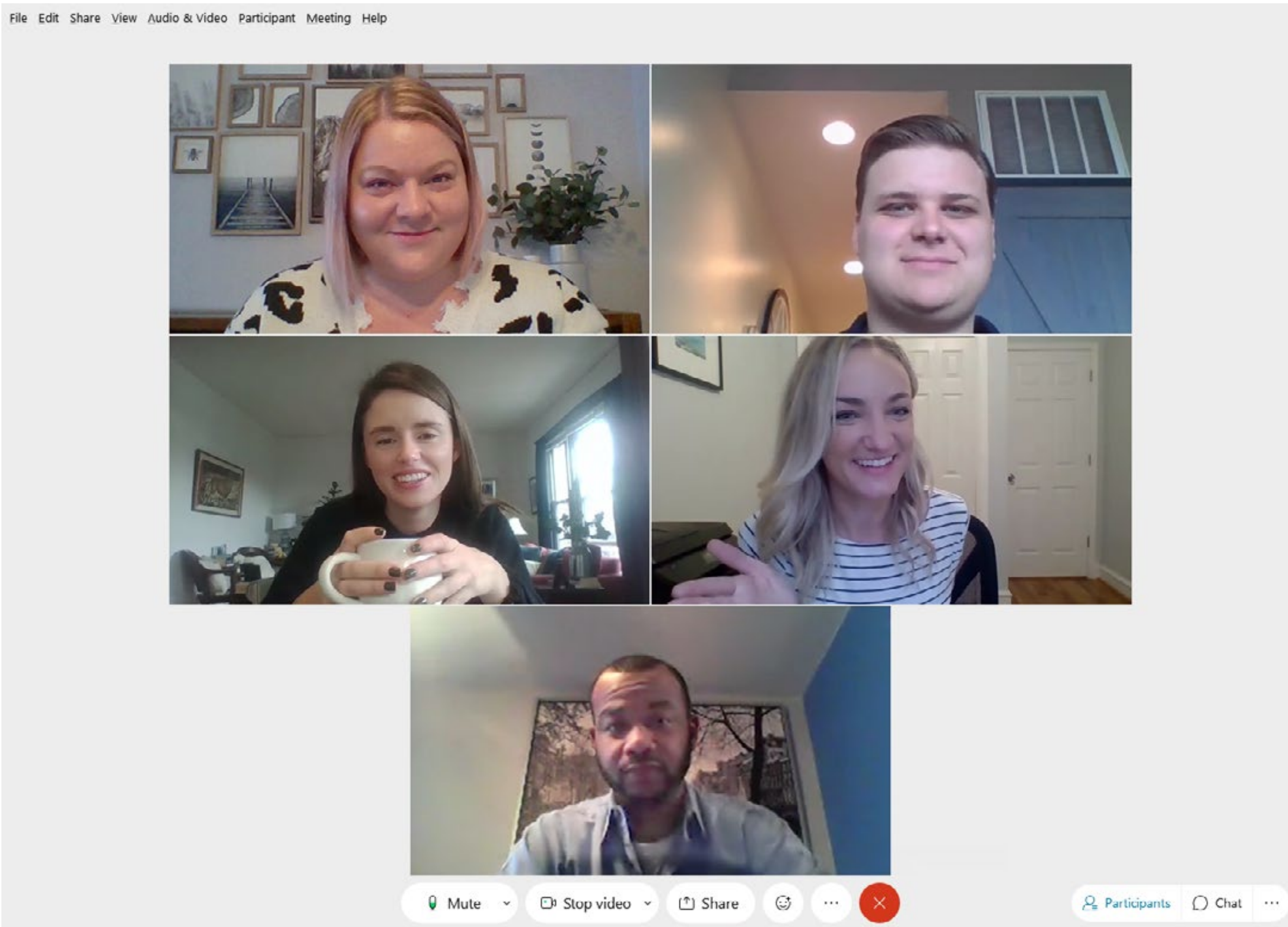
Lastly, we started our fiscal year as Dr. Heath Tarbert began his term as the 14th CFTC Chairman. NFA has always worked collaboratively with the CFTC, but, in this unprecedented year, with significant market events and a sudden pivot to remote working, the close relationship with the CFTC was never more important. As you read this year's Annual Review, you will note how the close coordination of efforts between the CFTC and NFA enables NFA to function efficiently and effectively. I'd like to thank Chairman Tarbert for the time he has taken out of his busy schedule to speak to the Board of Directors and to address NFA's employees. Most importantly, on behalf of the Board and the staff of NFA, I'd like to express our gratitude for his strong support of self-regulation.

In the pages that follow you'll read more about these topics and the many accomplishments achieved over the past fiscal year. I am proud of what NFA has accomplished, and I know that NFA's leadership is well-prepared to face whatever challenges lie ahead.

Sincerely,

Maureen C. Downs
NFA Board Chair

COVID-19 Response



The COVID-19 pandemic has significantly impacted NFA and its Members, the derivatives industry and the global economy. Throughout this constantly evolving situation, NFA has been monitoring the latest pandemic-related developments and challenges in order to operate effectively and fulfill its regulatory responsibilities.

For close to twenty years, NFA's BCP has addressed pandemic preparedness. NFA's BCP focuses on protecting employees and their families while maintaining normal regulatory oversight responsibilities to the extent possible. Another critical component of NFA's pandemic preparedness plan is communication among important stakeholders including NFA's Board, the CFTC, Members and employees.

When Chicago and New York local governments issued Executive Orders in March to stay at home, NFA quickly pivoted to an entirely remote working environment. NFA recognized the importance of continuing to perform its regulatory oversight while providing practical regulatory relief if necessary, in close coordination with the CFTC.

To oversee its Members, NFA shifted in-person exams to virtual exams; heightened surveillance during periods of extreme market volatility; checked in regularly, sometimes daily, with Members regarding liquidity, potential losses, significant price movements, BCPs and compliance issues; and performed rigorous risk analysis and thorough investigatory work. In addition, NFA held virtual BCC meetings to address enforcement matters and held its first virtual enforcement hearing. NFA's Arbitration department also continued to process claims, and NFA's Registration department continued to process firm and individual registrations.

To proactively address Member-related issues, NFA worked closely with its Members, the CFTC and relevant trade associations to identify and address potential challenges. NFA then issued relief in several areas to provide Members the flexibility to focus on employee safety, client service and critical operational issues while continuing to meet their regulatory requirements. To enhance Member communication, NFA also launched a dedicated COVID-19 webpage detailing information about NFA's operating status, NFA and CFTC regulatory relief, Member oversight and registration, payments and invoices and investor protection resources.

COVID-19 will have long-term implications for NFA's operations and Members. Therefore, NFA is proactively exploring effective, efficient and innovative ways to fulfil its regulatory responsibilities in a post-pandemic world.

2020 COVID-19 Related Notices to Members

June 12, 2020 I-20-24: Coronavirus (COVID-19) Update–Extension to Certain Regulatory Relief for FCMs, RFEDs, FDMs, IBs and SDs

April 27, 2020 I-20-20: Coronavirus (COVID-19) Update–Relief from Fingerprinting Requirements

April 23, 2020 I-20-19: Coronavirus (COVID-19) Update–Regulatory Relief for FCMs and IBs

April 8, 2020 I-20-17: FCM and IB Members–FinCEN Issues a Special Notice in Response to the COVID-19 Pandemic and Updates List of FATF-Identified Jurisdictions with AML/CFT Deficiencies

March 26, 2020 I-20-16: Coronavirus (COVID-19) Update–Regulatory Relief for IBs

March 23, 2020 I-20-15: Coronavirus (COVID-19) Update–Regulatory Relief for CPOs and CTAs

March 18, 2020 I-20-13: Coronavirus Update–Regulatory Relief

March 13, 2020 I-20-12: Coronavirus Update–NFA Branch Office Requirements

March 12, 2020 I-20-11: Information on CFTC Regulatory Reporting Requirements

March 4, 2020 I-20-10: Information on Coronavirus/COVID-19

NFA Member Webinar: Regulatory Oversight in a Virtual Environment

To provide Members with information on NFA's operations, regulatory approach and relief issued during the COVID-19 pandemic, NFA held a Member webinar in May 2020. An archived version of the webinar can be found here: nfa.futures.org/members/member-resources/files/webinar-virtual-update-2020.html

COVID-19 Investor Education

Communication with the investing public continued to be critical for NFA during the COVID-19 pandemic. Staff recognized a unique need to inform investors of potential scams and dangers that may arise during a worldwide pandemic and collaborated with the CFTC, the SEC and FINRA to produce an Investor Newsletter containing content and resources specific to COVID-19. The newsletter included, among other things, methods for recognizing COVID-19-related scams and ways to achieve financial peace of mind during uncertain times.

CFTC Collaboration

In November 2019, NFA was honored to have CFTC Chairman Tarbert address the Board following its November meeting. Chairman Tarbert covered the CFTC's priorities and emphasized the importance of the CFTC's and NFA's regulatory partnership, among other subjects. Later that year, Chairman Tarbert also graciously addressed NFA staff, noting the CFTC's relationship with NFA is a model for other regulatory relationships.

In June 2020, this successful regulatory partnership was highlighted when the CFTC unanimously approved a rule amendment that addressed a significant regulatory gap and customer protection issue. NFA worked closely with the CFTC as it finalized this amendment and submitted a comment letter strongly supporting the CFTC's action. This amendment to CFTC Regulation 4.13 closed a loophole that allowed a bad actor who may be barred from CPO or CTA registration to operate pursuant to an exemption outside of the CFTC's and NFA's regulatory oversight.

Given the important role NFA plays in regulating the U.S. derivatives markets, it is essential that the CFTC closely oversees NFA's activities to ensure that NFA is fulfilling its regulatory responsibilities. Although NFA and the CFTC operate independently, both entities are strong partners in regulating the derivatives industry.

At the formal level, NFA's most significant actions are subject to direct CFTC review and approval. The CFTC also performs frequent exams of NFA's work to ensure NFA is meeting its regulatory responsibilities. As in past fiscal years, this year NFA continued to be in daily contact with the CFTC to discuss ongoing investigations, registration applications, examinations, rulemaking issues or any of the myriad of issues that can arise.

Additionally, NFA has regularly scheduled coordination meetings with the DOE, the DSIO, the DMO, the OIA and the Commissioners to ensure the CFTC is aware of NFA's activities.

"…sound regulation of the U.S. derivatives markets stems from a robust federal framework that the CFTC primarily administers, complemented and strengthened by an equally robust regime of self-regulation. A central pillar of that regime is the NFA, the main self-regulatory organization for CPOs. NFA's strong support for this rule is just one of the countless actions that demonstrate their steadfast commitment to the integrity of the derivatives community."

– CFTC Chairman Heath Tarbert

Diversity & Inclusion

NFA strives to cultivate a diverse, inclusive culture that benefits from the creativity and unique contributions of every staff member. NFA supports all employees to perform at the highest level, no matter the circumstances, and values an inclusive culture where all staff can thrive.

Diverse viewpoints lead to informed decisions and creativity, which are instrumental for NFA to achieve its mission of safeguarding the derivatives markets and protecting customer funds. Different perspectives from individuals of varying backgrounds, ethnicity and gender, collaborating across our organization, are the foundation for NFA to evolve, and by doing so, to redefine regulation and enhance our mission. When we foster the collective strength of our many differences, we unlock our full potential.

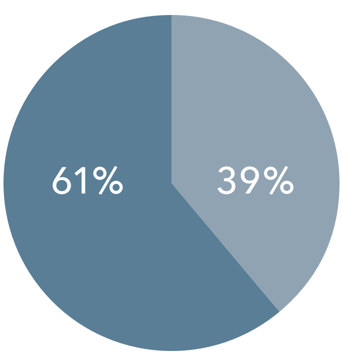
In addition to NFA's focus on fostering diversity and inclusion among current staff, NFA actively promotes opportunities to attract diverse talent. For example, thanks to NFA's partnership with the Greenwood Project, an organization focused on introducing minority students to the financial services industry, NFA was thrilled to hire a talented summer intern, Brian. "My internship at NFA taught me how to analyze bank statements, complete cash modules, and work with firms from the UK to Canada," says Brian. These efforts help NFA build a pipeline of diverse talents. As a result, NFA has increased the diversity of new hiring classes over the past several years.

NFA Board Member Doug Harris

"With strong support from NFA's Board and executive leadership, NFA continues to enhance its robust and comprehensive diversity and inclusion program. I am heartened by what is happening at NFA."

For more information on NFA's commitment to fostering a diverse workforce, visit NFA's Diversity & Inclusion webpage: nfa.futures.org/diversity-and-inclusion

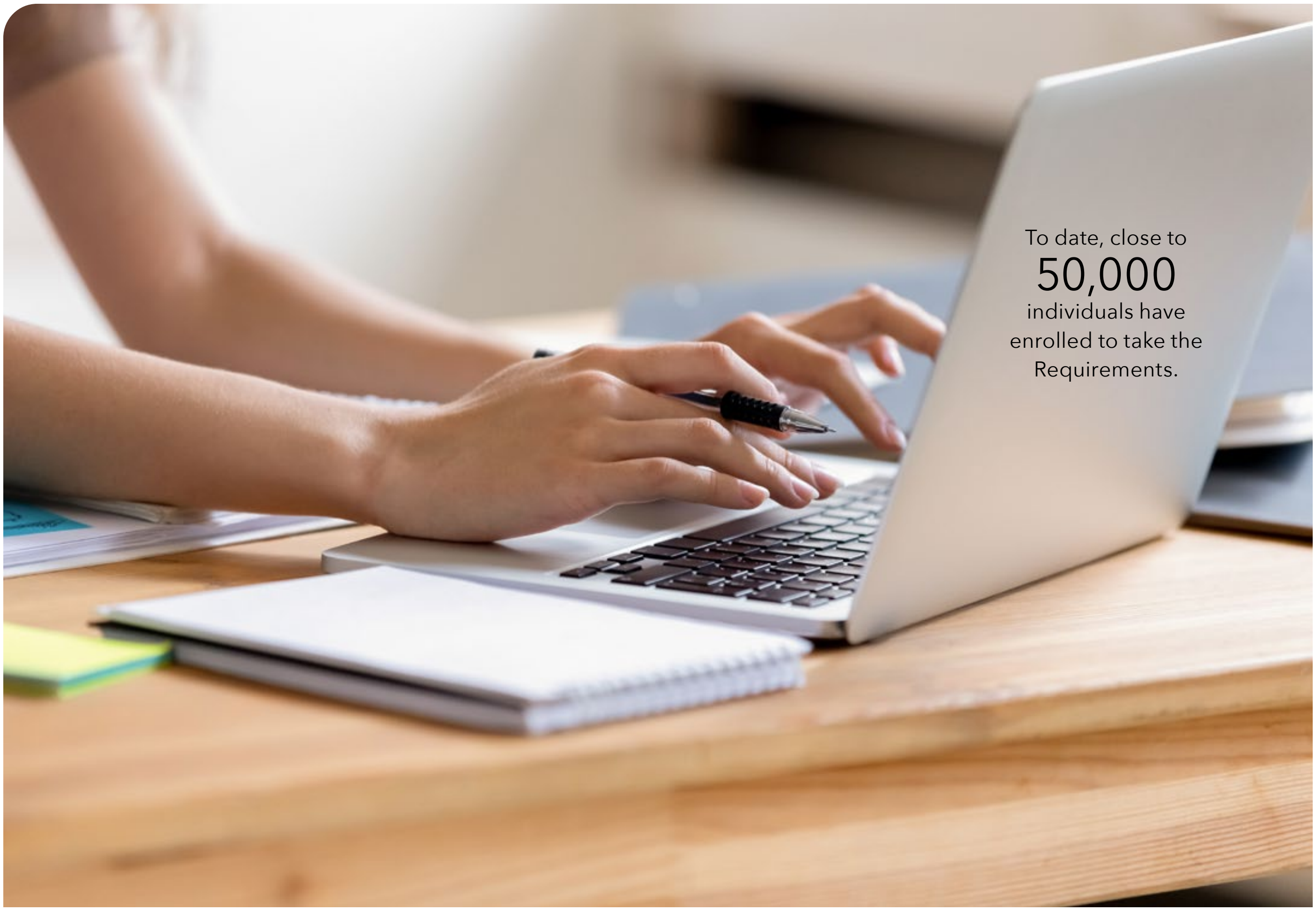
Women compose nearly ⅔ of NFA's senior leadership



Why NFA employees love working at NFA

Balanced
Collaborative
Diverse
Engaging
Friendly
Inclusive
Open
Professional
Fair
Supportive
Welcoming

Swaps Proficiency Requirements



In January 2020, NFA successfully launched its Swaps Proficiency Requirements for individuals acting as APs at SDs and registered APs engaged in swaps activities at FCMs, IBs, CPOs and CTAs. To date, close to 50,000 individuals have enrolled to take the Requirements. To prepare for a successful launch, NFA staff updated NFA's ORS to provide search capability and display information relating to the Requirements, completed internal and external testing, and provided Member education, among other things.

To implement the Requirements, NFA worked closely with the Swaps Proficiency Requirements Advisory Committee, the CFTC, NFA's Board of Directors, NFA Members and relevant trade associations. Throughout FY 2020, NFA provided implementation updates to NFA's Board and the CFTC.

To ensure Members fulfill these new Requirements by the January 31, 2021 Compliance Date, NFA issued several Notices to Members and published extensive FAQs and other resources that thoroughly laid out Members' responsibilities. NFA also discussed the Requirements during its FY 2020 Member workshops and at industry conferences and conducted several webinars.

System Modernization

NFA continues to prioritize the modernization of its most critical applications. In order to do so, NFA is committed to adopting new technologies that improve functionality and realize efficiencies. During FY 2020, NFA fully deployed its new Exam Software utilizing the Agile project management methodology. NFA also completed the last phase of its multi-year ORS rebuild project.

EXAM SOFTWARE REBUILD

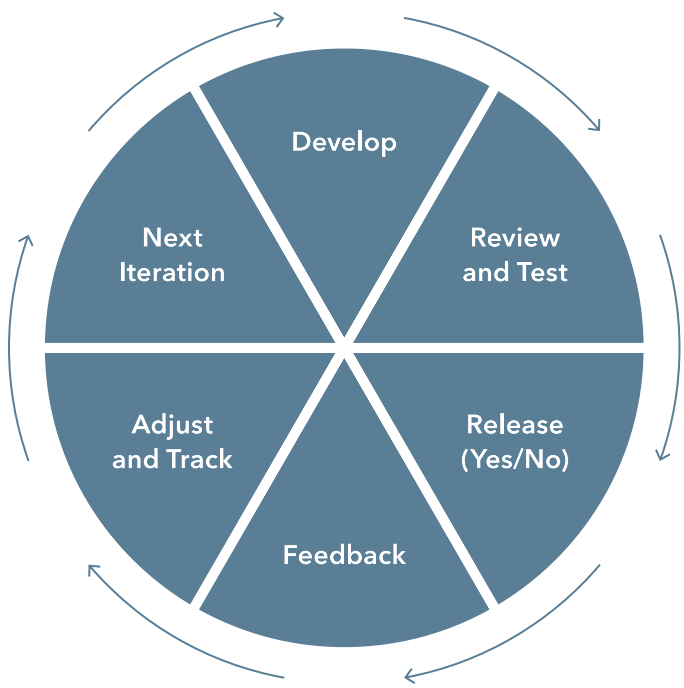
NFA's Exam Software has been core to its role as a self-regulatory organization for over 10 years and allows both the Futures and OTC Derivatives Compliance departments to optimally use technology to perform NFA Member examinations. In FY 2019, NFA began designing a new version of the Exam Software from the ground up, seeking to provide staff with a modern interface and more efficient workflow. The redesign and rollout of the new system—now called CREST—continued in FY 2020, beginning with a pilot program and culminating with full deployment. To date, staff has completed over 200 exams using CREST.

ONLINE REGISTRATION SYSTEM

FY 2020 also marked the completion of the last phase of NFA's multi-year ORS rebuild project. This phase included significant updates to ORS processes and screens, most notably, changes to the firm and individual view and update processes, security manager screens, and the firm application process, as well as the addition of new firm disclosure matter pages.

NFA's Agile Transformation

Over the past several years, NFA transitioned to using the Agile methodology for its technology modernization projects. This transformation allows NFA's developers to collaborate with system users on designing, building and releasing new software in an iterative, incremental manner. CREST is the first software to be fully developed using Agile methodology, marking a significant milestone in NFA's Agile transformation. Since the launch of CREST, NFA has established additional Agile development teams for all IT development projects as well as a broader scoped Agile Champions Team to ensure successful Agile adoption and training throughout the organization.



Cybersecurity

Safeguarding Member data and protecting NFA systems are among NFA's highest priorities. NFA remains committed to further enhancing its overall security posture by continuously collaborating with third-party experts and leveraging internal expertise. During the past year, NFA adopted additional security measures including enhanced penetration and vulnerability testing. NFA's Officers and key staff also participated in an interactive incident response exercise facilitated by a U.S. Department of Homeland Security representative to improve NFA's incident response planning protocols.

NFA remains actively involved with various information sharing efforts at both the local and national levels. This includes participation on the CFTC's Technology Advisory Committee and Cybersecurity Subcommittee. Overall, staff derives significant benefits from information sharing and appreciates accessibility to experienced counterparts when unique issues arise.

NFA's technological response to COVID-19 relies heavily on its Business Continuity Pandemic Response Plan. Since activating this plan in March 2020, NFA has sought to enhance remote functionality and performance while maintaining the highest levels of security.

Member Education & Engagement

To help Members understand their regulatory requirements, NFA develops and delivers Member educational programming primarily via webinars, online content and in-person workshops. These educational resources ensure that Members are well-informed of regulatory developments, system modifications, compliance requirements and NFA priorities.

NFA typically hosts in-person workshops annually in both Chicago and New York. This year, NFA added London as a third location, providing an in-person educational opportunity for Members in London and throughout Europe. During these workshops, NFA Board members, CFTC leadership and NFA staff covered topics such as NFA's Swaps Proficiency Requirements, cybersecurity, SD supervision, and common exam deficiencies. These Member workshops also gave NFA Members an opportunity to engage with NFA staff to share feedback and suggestions.

This year NFA expanded its online educational resource offerings as a result of the COVID-19 pandemic. For more details regarding NFA's COVID-19 response, see page 4. During the past year, NFA also delivered several webinars with robust Member participation covering topics already mentioned as well as the enhanced features and functionality resulting from NFA's BASIC and ORS rebuilds. These webinars are beneficial to Members as they provide both important regulatory content and the opportunity for Members to pose questions to NFA staff and receive answers in real-time.

NFA also issues quarterly Board Update videos to ensure Members receive timely updates regarding Board actions and priorities.

For Members that are unable to participate in NFA's in-person workshops or webinars, these resources are archived on NFA's website. Members can also subscribe to receive NFA's Board Update videos by visiting NFA's website.

Member Education & Engagement by the Numbers

Webinars: 8
- BASIC: July 2020
- ORS: November 2019
- SPR: October 2019–January 2020
- COVID-19: May 2020

Member Workshops
- New York: over 200 participants
- Chicago: over 60 participants
- London: about 80 participants

NFA Information Center

NFA's Information Center is available to answer Member questions and provide important information on the latest NFA developments. During FY 2020, NFA's Information Center received more than 21,000 calls and responded to nearly 4,000 emails.

2020 Statistics

REGISTRATION

NFA screens all firms and individuals wishing to register with the CFTC and become Members. NFA's Registration department processed approximately 370 firm registrations and over 6,600 individual registrations.

REGISTRATION INVESTIGATION CASES

NFA's Registration Investigations group opened approximately 1,150 cases. These investigation cases are due to fingerprint card results, answers to disciplinary information questions on registration forms or disciplinary information obtained during NFA's background checks.

RESTITUTION

NFA's restitution program helps return proceeds of fraudulent schemes to harmed investors. Many of these cases involve non-Members. NFA's restitution program disbursed over $14 million to approximately 700 harmed investors. Because NFA does not charge fees for administering this service, fraud victims are returned the maximum amount of money possible. Over the life of the restitution program, NFA has distributed approximately $69 million to more than 16,000 individuals.

INFORMATION CENTER

NFA's Information Center—a service NFA offers to Members and the investing public—received more than 21,000 calls and responded to nearly 4,000 emails.

ENFORCEMENT ACTIONS

Enforcement of NFA rules is critical to the effectiveness of the self-regulatory process.

In fiscal year 2020:

- NFA's BCC issued 16 Complaints against 35 respondents. A number of these cases involved Members and Associates who failed to supervise, cooperate with NFA in an investigation or observe high standards of commercial honor and just and equitable principles of trade.
- NFA's disciplinary panels issued 19 Decisions and ordered 11 expulsions and nine suspensions.
- NFA collected more than $2.7 million in fines.

Some of these cases were the culmination of complicated investigations involving collaboration with the CFTC and other regulators. During the year, NFA also met with the U.S. Department of Justice's Securities and Commodities Fraud Working Group, the U.S. Attorney's Office, the Federal Bureau of Investigation, the U.S. Postal Inspector's Office, the CFTC, and the Illinois Department of Securities. NFA's work with these agencies over the years has resulted in prison sentences of more than 10 years for several individuals.

NFA MEMBERSHIP

As of June 30, 2020, NFA had approximately 3,300 Members and nearly 46,000 Associate Members.

Swap Dealer: 107
Retail Foreign Exchange Dealer: 4
Futures Commission Merchant: 61
Introducing Broker: 1,098
Commodity Pool Operator: 1,307
Commodity Trading Advisor: 1,427
Exchange: 6

*Total membership counts each Member entity once. However, many Members are registered in multiple categories. Therefore, totaling all categories will not equal the total membership count.

Board of Directors

Maureen C. Downs*
Board Chair
Phillip Capital, Inc.

Don Thompson*
Vice-Chair
JPMorgan Chase & Co.

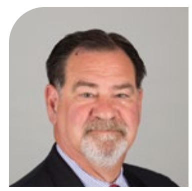
Leo Melamed
Chairman Emeritus
CME Group, Inc.

FUTURES COMMISSION MERCHANTS

Maria Chiodi
Managing Director
and Counsel
Credit Suisse Securities (USA) LLC

Gerald F. Corcoran
CEO
R.J. O'Brien & Associates LLC

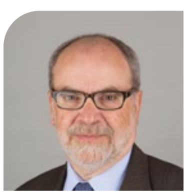
Maureen C. Downs*
Phillip Capital, Inc.



Thomas R. Kadlec*
President
ADM Investor Services, Inc.

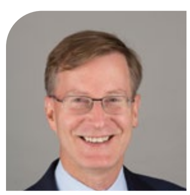
Mariam Rafi
Managing Director,
Americas Head of
OTC Clearing and
FX Prime Brokerage
Citigroup Global Markets, Inc.

COMMODITY POOL OPERATORS AND COMMODITY TRADING ADVISORS



Douglas L. Bry*
President
Augur Trading Company

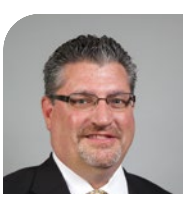
Ernest L. Jaffarian*
CEO/co-CIO
Efficient Capital Management LLC



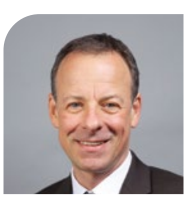
Martin Lueck
Research Director
Aspect Capital Limited

Nicola Watson
Managing Director,
Head of Strategy and
Corporate Development
Winton

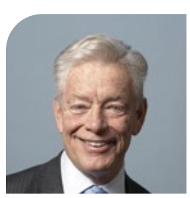
CONTRACT MARKETS



Mark G. Bagan
President and CEO
Minneapolis Grain Exchange



David S. Goone*
Chief Strategy Officer
Intercontinental Exchange, Inc.



John F. Sandner*
Special Policy Advisor,
Retired Chairman of the Board
CME Group, Inc.

*Executive Committee Member

Board of Directors

PUBLIC REPRESENTATIVES

Ronald H. Filler*
Professor of Law, Emeritus
New York Law School

Arthur W. Hahn
Chicago, Ill.

Douglas E. Harris*
Managing Director
Promontory Financial Group LLC

The Honorable Jim Marshall
Former U.S. Congressman, House Agriculture and Financial Services Committees

Mary M. McDonnell
Founder and CEO
McDonnell & Associates

Michael H. Moskow*
Vice Chair and Distinguished Fellow
The Chicago Council on Global Affairs

Charles P. Nastro
New York, N.Y.

Ronald S. Oppenheimer*
Houston, Tex.

Todd E. Petzel*
Chief Investment Officer
Offit Capital Advisors LLC

Michael R. Schaefer
New York, N.Y.

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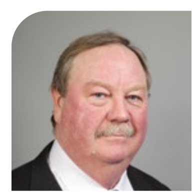
Senior Vice President and Associate General Counsel
HSBC Bank PLC

Mark L. Maurer
President and CEO
StoneX Markets

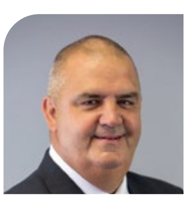
William F. McCoy*
Managing Director
Morgan Stanley

Charlotte B. McLaughlin
President and CEO
PNC Capital Markets LLC

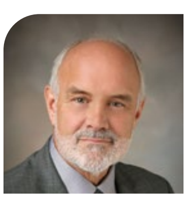


Don Thompson*
JPMorgan Chase & Co.

INTRODUCING BROKERS



Michael T. Burke*
CEO
HighGround Trading LLC



Scott W. Stewart
CEO
Stewart-Peterson Group, Inc.

*Executive Committee Member

2020 Financials

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
National Futures Association

We have audited the accompanying financial statements of National Futures Association, which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Futures Association as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

Grant Thornton LLP
Chicago, Illinois
November 2, 2020

2020 Financials

NFA: STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	2020	2019
Assets		
Current assets		
Cash and cash equivalents	$ 56,367,315	$ 24,027,440
Short-term investments	84,288,304	88,317,703
Assessments receivable, net	5,401,788	6,544,208
Other current assets, net	2,889,764	2,402,690
Total current assets	148,947,171	121,292,041
Furniture, fixtures, equipment, leasehold improvements and software, net	11,565,388	12,799,060
Long-term investments	–	8,146,568
Other assets	40,300	39,875
Total assets	**$ 160,552,859**	**$ 142,277,544**

	2020	2019
Liabilities and Net Assets		
Current liabilities		
Unearned dues and fees	$ 5,925,195	$ 4,913,947
Accounts payable, accrued expenses and other current liabilities	7,345,014	7,012,445
Total current liabilities	13,270,209	11,926,392
Deferred rent credit	2,111,381	2,757,026
Other long-term liabilities	11,207,808	9,854,343
Total liabilities	26,589,398	24,537,761
Net assets without donor restrictions	133,963,461	117,739,783
Total liabilities and net assets	**$ 160,552,859**	**$ 142,277,544**

The accompanying notes are an integral part of these statements.

2020 Financials

NFA: STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Revenues		
Assessments	$ 65,032,122	$ 61,032,307
Membership dues	40,864,054	39,775,744
Registration and other fees	4,627,695	3,718,342
Regulatory services outsourcing	8,347,788	8,266,425
Investment return, net	4,664,680	4,101,423
Total revenues	123,536,339	116,894,241
Expenses		
Salaries, wages and employee benefits	80,310,433	73,763,783
Space rental and related expenses	4,415,720	4,065,268
Travel and meetings	2,164,972	3,490,140
Computer expenditures	4,649,897	4,410,994
Depreciation and amortization	6,453,747	6,904,179
Outside consulting fees and services	4,605,222	4,624,225
Supplies, postage and telephone	200,920	228,022
Outside printing and publications	25,278	23,751
Board and committee fees and expenses	631,478	678,290
Insurance, recruiting, education, dues and other	2,794,902	2,965,467
Total expenses	106,252,569	101,154,119
Postretirement benefit changes other than net periodic benefit costs	(1,060,092)	–
Change in net assets without donor restrictions	16,223,678	15,740,122
Net assets without donor restrictions at beginning of year	117,739,783	101,999,661
Net assets without donor restrictions at end of year	**$ 133,963,461**	**$ 117,739,783**

The accompanying notes are an integral part of these statements.

2020 Financials

NFA: STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Reconciliation of change in net assets to net cash provided by operating activities		
Change in net assets	$ 16,223,678	$ 15,740,122
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net unrealized gain on investments	(2,663,156)	(1,652,707)
Depreciation and amortization	6,453,747	6,904,179
Postretirement benefit changes other than net periodic benefit costs	1,060,092	–
Changes in assets and liabilities		
Assessments receivable	1,142,420	(1,712,387)
Accrued interest receivable	(75,108)	(120,128)
Other assets	(412,391)	465,620
Unearned dues and fees	1,011,248	(705,959)
Accounts payable, accrued expenses and other liabilities	625,942	317,254
Deferred rent credit	(645,645)	(647,814)
Net cash provided by operating activities	22,720,827	18,588,180
Cash flows from investing activities		
Purchases of fixed assets and software	(5,220,075)	(5,614,450)
Purchase of investments	(1,160,877)	(37,429,376)
Maturities of U.S. Treasury securities	16,000,000	32,000,000
Net cash provided by (used in) investing activities	9,619,048	(11,043,826)
Net change in cash and cash equivalents	32,339,875	7,544,354
Cash and cash equivalents at beginning of year	24,027,440	16,483,086
Cash and cash equivalents at end of year	**$ 56,367,315**	**$ 24,027,440**

The accompanying notes are an integral part of these statements.

NFA: NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A: ORGANIZATION

The Commodity Futures Trading Commission has designated National Futures Association (the Association) as a registered futures association. Among the Association's activities are qualification screening and registration, financial and trade practice surveillance, enforcement of customer protection rules and uniform business standards, arbitration of disputes and educational activities. The Association is primarily financed through the payment of assessments and dues by its members and registration fees by registrants.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of New Accounting Rules
In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers,* as a new topic, Accounting Standards Codification (ASC) Topic 606. The objective of ASU No. 2014-09 is to establish a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most of the existing revenue recognition guidance, including industry-specific guidance. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In applying the new standard, companies will perform a five-step analysis of transactions to determine when and how revenue is recognized. ASU No. 2014-09 applies to all contracts with customers, except those that are within the scope of other topics in the FASB ASC. The Association implemented ASU 2014-09 effective for the year ended June 30, 2020 using the modified retrospective method. Based on the Association's review of its contracts, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. Adoption of ASU 2014-09 had no impact on total beginning net assets, but resulted in additional disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statements of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. In June 2020, the FASB issued ASU 2020-05, *Effective Dates for Certain Entities,* which deferred the effective date for one year. ASU No. 2016-02 is effective for the Association for fiscal year 2023. Early adoption is permitted.

Use of Estimates
The financial statements of the Association have been prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of financial statements in conformity with U.S. GAAP requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Revenue from Contracts with Customers
Revenue from contracts with customers is derived primarily from assessments and membership revenues. All of the Association's revenue from contracts with customers is from performance obligations satisfied over time and is derived from contracts with an initial expected duration of one year or less. Prices are specific to distinct performance obligations and do not consist of multiple transactions.

Assessments
Assessments are reported monthly and are due within 30 days. Assessments are recognized as revenue in the month to which they apply. Amounts reported but not yet collected are recognized as assessments receivable on the accompanying statements of financial position.

Membership Dues
Membership dues are non-refundable and are recognized as revenue on a pro rata basis over each member's membership year.

Registration Renewal Fees
Registration renewal fees are non-refundable and are recognized as revenue on a pro rata basis over each registrant's renewal period.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Regulatory Services Outsourcing
Regulatory services outsourcing revenue relates to the Association's trade practice and market surveillance services. This revenue consists of non-refundable start-up fees and monthly maintenance fees for ongoing services for each customer. Fees are used by the Association to purchase hardware and software necessary to perform surveillance services for a given customer and are recognized as revenue when paid by the customer. Monthly fees for ongoing surveillance and other regulatory services are recognized as revenue on a monthly basis as services are performed.

The Association records deferred revenue in situations when amounts are invoiced and received but the revenue recognition criteria outlined above are not met. Such revenue is recognized when all criteria are subsequently met. Deferred revenue for revenue from contracts with customers was $5,925,195 and $4,913,947 as of June 30, 2020 and 2019, respectively, and are recognized as unearned dues and fees on the accompanying statements of financial position.

Furniture, Fixtures, Equipment and Leasehold Improvements
The Association capitalizes individual purchases greater than $1,500 and group purchases greater than $15,000.

Furniture, fixtures, equipment and leasehold improvements are recorded at cost and depreciated over three to seven years or the term of the lease, if applicable, on a straight-line basis. The Association uses the half-year convention so that the first and last years of depreciation and amortization are one-half the straight-line amount and all middle years are in direct proportion to the useful life of the capitalized item. Additionally, the Association has artwork that is considered non-depreciable, included in the furniture and fixtures line within Note E, valued at $297,566 as of June 30, 2020 and 2019.

Purchased Software
Purchased software is included in fixed assets and is capitalized and amortized over three years on a straight-line basis using the half-year convention.

Software Design and Development Costs
Software design and development costs consist of salaries and benefits of the Association's personnel involved in projects to develop software for internal use. Software design and development costs incurred in the preliminary stage of a project, as well as training and maintenance costs, are expensed as incurred. Software design and development costs associated with the application development stage of software projects are capitalized until such time as the software is substantially complete and ready for its intended use. Capitalized software design and development costs are amortized over three years on a straight-line basis using the half-year convention.

Deferred Rent Credit
Due to the terms of the Association's primary office space leases, a deferred rent credit was generated. The deferred rent credit is amortized over the remaining terms of the respective leases, which range from four to five years. The Association has computed an average monthly rental for the entire term of each lease and charges this amount to rental expense each month. The difference between the average monthly rental and the actual monthly rental payment is accounted for as either an increase or reduction of the deferred rent credit on the accompanying statements of financial position.

Allowance for Doubtful Accounts
The allowance for doubtful accounts, which is related to membership dues receivable, registration revenue receivable and regulatory fines, is maintained at a level that management deems adequate to provide for estimated uncollectible receivables and is based on the length of time receivables have been outstanding, historical experience and an assessment of business economic conditions. At June 30, 2020 and 2019, the allowance for doubtful accounts is $202,310 and $68,260, respectively. This allowance is a reduction of receivables, which are included in other current assets, net on the accompanying statements of financial position.

Fair Value Measurements
The FASB has issued guidance that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and specifies disclosure requirements for fair value measurements. This guidance maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The fair value hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market;

Level 2: Pricing inputs are other than quoted prices in active markets for identical assets or liabilities, which are either directly or indirectly observable as of the report date. These securities include investments for which quoted prices are available but are traded in an inactive market or investments that are fairly valued using other securities, the inputs for which can be directly observed; and

Level 3: Securities that are valued using significant unobservable inputs. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement; however, the determination of what constitutes observable requires significant judgment by the Association. The Association considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the fair value hierarchy is based on the pricing transparency of the instrument and does not necessarily correspond to the Association's perceived risk of that instrument.

All of the Association's investments have values that are based on quoted market prices in active markets and are, therefore, classified as Level 1. These investments include U.S. Treasury bills and equity and fixed income mutual funds. The Association does not adjust the quoted price for such instruments, even in situations where the Association may hold a large position and a sale could reasonably impact the quoted price.

Functional Expenses

The Association considers substantially all of its program expenses to be attributable to its one significant program, regulating the U.S. derivatives industry. The financial statements report certain categories of expenses that are allocated between program and supporting functions. These expenses include depreciation and amortization, space and related, and computer expenses. These expenses are allocated based on headcount.

Expenses by natural and functional categories for the year ended June 30, 2020 were as follows:

	Program Services	**Supporting Services**	
	Member Regulation	General and Administration	**Total**
Salaries, wages and employee benefits	$ 53,540,795	$ 26,769,638	$ 80,310,433
Travel and meetings	1,928,330	236,642	2,164,972
Computer expenditures	3,099,930	1,549,967	4,649,897
Space rental and related expenses	2,943,813	1,471,907	4,415,720
Supplies, postage and telephone	108,728	92,192	200,920
Outside printing and publications	4,241	21,037	25,278
Board and committee fees and expenses	–	631,478	631,478
Depreciation and amortization	4,302,497	2,151,250	6,453,747
Outside consulting fees and services	1,098,627	3,506,595	4,605,222
Insurance, recruiting, education, dues and other	1,239,472	1,555,430	2,794,902
Total expenses by function	**$ 68,266,433**	**$ 37,986,136**	**$ 106,252,569**

Expenses by natural and functional categories for the year ended June 30, 2019 were as follows:

	Program Services Member Regulation	Supporting Services General and Administration	Total
Salaries, wages and employee benefits	$ 51,274,782	$ 22,489,001	$ 73,763,783
Travel and meetings	3,148,475	341,665	3,490,140
Computer expenditures	2,940,663	1,470,331	4,410,994
Space rental and related expenses	2,710,180	1,355,088	4,065,268
Supplies, postage and telephone	116,665	111,357	228,022
Outside printing and publications	5,722	18,029	23,751
Board and committee fees and expenses	–	678,290	678,290
Depreciation and amortization	4,602,789	2,301,390	6,904,179
Outside consulting fees and services	985,502	3,638,723	4,624,225
Insurance, recruiting, education, dues and other	1,366,329	1,599,138	2,965,467
Total expenses by function	**$ 67,151,107**	**$ 34,003,012**	**$ 101,154,119**

Federal Income Taxes

The Association follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Association is exempt from federal income tax under Internal Revenue Code (IRC) section 501(c)(6), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Association has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements, and there are no interest and penalties recognized in the accompanying financial statements.

NOTE C: CASH AND CASH EQUIVALENTS

The Association considers investments with an original maturity of less than three months to be cash equivalents. As of June 30, 2020 and 2019, cash equivalents included a U.S. Treasury Money Market Fund of $44,227,820 and $3,102,592, respectively. The Association maintains cash balances at financial institutions insured by the Federal Deposit Insurance Corporation up to $250,000. At times, the balances in these accounts may exceed the insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash balances.

NOTE D: INVESTMENTS

The Association's investment portfolio is classified on the statements of financial position as short-term investments consisting of securities with maturity dates of one year or less and long-term investments consisting of securities with maturity dates greater than one year. Also included as short-term investments is the Association's investment in equity and fixed income mutual funds.

The aggregate fair value of short-term and long-term investments by major type as of June 30, 2020 and 2019, is as follows:

	2020	2019
Short-term		
U.S. Treasury securities	$ 8,047,484	$ 15,876,312
Developed Markets Index Fund	3,085,750	3,223,037
Extended Markets Signal Index Fund	3,682,202	3,638,986
Short Term Treasury Fund	33,000,416	55,043,852
Intermediate Term Treasury Fund	28,477,448	3,097,654
S&P 500 Index Mutual Fund	7,995,004	7,437,862
Total short-term investments	84,288,304	88,317,703
Long-term		
U.S. Treasury securities	–	8,146,568
Total investments	**$ 84,288,304**	**$ 96,464,271**

For its five mutual funds, the Association immediately reinvests all interest income, dividend income and capital gains back into the funds. U.S. Treasury securities are held to maturity.

NOTE E: FURNITURE, FIXTURES, EQUIPMENT, LEASEHOLD IMPROVEMENTS AND SOFTWARE, NET

At June 30, 2020 and 2019, furniture, fixtures, equipment, leasehold improvements and software, and the related accumulated depreciation and amortization, are as follows:

	2020	2019
Furniture and fixtures	$ 2,064,871	$ 2,450,345
Equipment	9,390,202	10,039,097
Leasehold improvements	12,036,180	11,766,828
Software	10,717,775	11,622,116
Total furniture, fixtures, equipment, leasehold improvements and software	34,209,028	35,878,386
Less accumulated depreciation and amortization	22,643,640	23,079,326
Furniture, fixtures, equipment, leasehold improvements and software, net	**$ 11,565,388**	**$ 12,799,060**

NOTE F: COMMITMENTS AND CONTINGENCIES

The Association leases office space in Chicago and New York. The Chicago lease expires on August 31, 2023. The lease for the New York office expires on July 31, 2024. The following is a schedule of future payments under the operating leases, the disaster recovery service contract, and various technology contracts, that have remaining non-cancellable payment terms as of June 30, 2020:

Years ending June 30,	
2021	$ 4,992,865
2022	4,957,202
2023	4,672,001
2024	1,956,816
2025	134,351
Total operating lease commitments	**$ 16,713,235**

In the normal course of business, the Association is, at times, involved in pending legal proceedings. Management, after consultation with outside legal counsel, believes that the resolution of current proceedings will not have a material effect on the Association's net assets. Regarding a current legal matter, due to inherent uncertainties, the outcome cannot be predicted, and no accurate estimate of any settlement or timing of such settlement, which may arise from any of the legal proceedings, can be made.

NOTE G: EMPLOYEE BENEFIT PLANS

The Association sponsors an Employee Retirement Savings Plan (the Savings Plan). Contributions to the Savings Plan of up to 100% of employees' compensation can be made through payroll deductions, subject to Internal Revenue Service (IRS) elective deferral limits. The Association will match employee contributions up to 6% of the employee's eligible compensation. The Association may also contribute to the Savings Plan an additional profit-sharing contribution expressed as a percent of the calendar year's compensation of participants who are employed on the last day of the calendar year. A profit-sharing contribution for calendar year 2019 of $2,834,897 was made in 2020. A profit-sharing contribution for calendar year 2018 of $2,547,957 was made in 2019. Employees are eligible to participate in the Savings Plan upon their date of hire. Employee contributions and any vested employer contributions are payable upon termination or retirement as stipulated in the Savings Plan.

The Association also sponsors the National Futures Association Retiree Medical Benefits Plan (the Plan) for the benefit of the Association's retirees and their eligible spouses/domestic partners and dependents. Effective January 1, 2016, employees who retire from the Association on or after attaining age 55 and who have at least 10 years of full-time service with the Association since their 45th birthday are entitled to receive benefits from the Plan.

For eligible retirees, automatically upon retirement, the Association will establish a Retiree Health Reimbursement Account (HRA). A retiree's spouse or domestic partner at the time of retirement will also be eligible to receive an HRA of equal value to the retiree's HRA (a partner HRA). The Association will make a one-time, notional contribution to the HRA and partner HRA. The amount allocated to the HRA and the partner HRA, if applicable, is based on years of service (YOS) with the Association after age 45 and the indexed credit for the year of retirement.

The HRA benefit is calculated as follows:

[Indexed Credit $ Amount] × [YOS after age 45 (maximum of 20)] = HRA Account Value

Prior to 2016, eligible retirees received reimbursement for the cost of medical coverage or Medicare supplement coverage, limited by an indexed YOS percentage.

NOTE G: EMPLOYEE BENEFIT PLANS (CONT.)

At June 30, 2020 and 2019, the actuarial and recorded liabilities for the Plan, none of which have been funded, and the net periodic post-retirement benefit cost and benefits paid for the Plan that are included in other liabilities, were as follows:

	2020	2019
Change in benefit obligation		
Benefit obligation, beginning of year	$ (9,757,757)	$ (7,889,520)
Employer service cost	(742,966)	(595,381)
Interest cost	(341,666)	(340,881)
Actuarial loss	(905,634)	(1,065,242)
Benefits paid	134,261	133,267
Benefit obligation, end of year	$ (11,613,762)	$ (9,757,757)
Change in Plan assets		
Plan assets, beginning of year	$ –	$ –
Employer contributions	134,261	133,267
Benefits paid	(134,261)	(133,267)
Plan assets, end of year	$ –	$ –
Amounts recognized in the statements of financial position		
Accumulated benefit obligations - current	$ (408,482)	$ –
Accumulated benefit obligations - noncurrent	(11,205,280)	(9,757,757)
Total accumulated benefit obligations	$ (11,613,762)	$ (9,757,757)

The components of the net periodic post-retirement benefit cost for the Plan for the years ended June 30, 2020 and 2019, are as follows:

	2020	2019
Net periodic post-retirement benefit cost		
Service cost	$ 742,966	$ 595,381
Interest cost	341,666	340,881
Amortization of prior service cost	(305,492)	(305,492)
Amortization of net actuarial loss	55,864	–
Total net periodic post-retirement benefit cost	**$ 835,004**	**$ 630,770**

The post-retirement benefit plan accumulated losses and prior service cost not yet recognized as a component of periodic postretirement benefit cost, but accumulated in net assets without donor restrictions as of June 30, 2020 and 2019, are as follows:

	2020	2019
Unrecognized prior service cost	$ (1,236,327)	$ (1,541,819)
Unrecognized net loss	2,296,419	1,446,650
Total accumulated in net assets without donor restrictions	**$ 1,060,092**	**$ (95,169)**

An estimated $134,660 in amortization of net actuarial loss and $(305,492) of net prior service costs will be included as components of net periodic post-retirement benefit cost in 2021.

The post-retirement benefit plan items not yet recognized as a component of periodic postretirement benefit cost, but included as a separate charge to net assets without donor restrictions for the year ended June 30, 2020 and 2019, are as follows:

	2020	2019
Actuarial loss arising during the period	$ 905,634	$ 1,065,242
Amortization of net prior service cost	(305,492)	(305,492)
Amortization of net actuarial loss	55,864	–
Total recognized as a separate charge to net assets without donor restrictions	**$ 656,006**	**$ 759,750**

Actuarial assumptions for the postretirement benefits as of June 30, 2020 and 2019, are as follows:

	2020	2019
Weighted average assumptions:		
Discount rate - benefit obligation	2.30%	3.30%
Discount rate - benefit cost	3.30	4.10

The rate of increase in the gross cost of covered health care benefits was assumed to be 6.25% for fiscal year 2020 and 6.50% for fiscal year 2019. The rate of increase is assumed to decline by 0.25% for each year after 2020, to 5.00% in 2025 and after.

The following table presents the benefits expected to be paid under the Plan in each of the next five fiscal years, and in the aggregate for the five years thereafter, as of June 30, 2020:

2021	$ 408,482
2022	481,253
2023	584,804
2024	683,581
2025	802,595
2026–2030	5,704,325

NOTE H: DEFERRED RENT CREDIT

Effective January 2008, the Association executed a 12-year operating lease for office premises in Chicago. In December 2011, the Association extended its Chicago lease by 44 months, through August 2023. The Association's New York office relocated in November 2013, and the Association entered into a lease for this space through July 2024. The leases include rent incentives and, accordingly, the Association recognizes such abatement as an adjustment to a deferred rent credit over the terms of the lease on a straight-line basis. The total deferred rent credit at June 30, 2020 and 2019 was $2,888,511 and $3,590,998, respectively, of which $777,130 and $833,972, respectively, is included in accounts payable, accrued expenses and other current liabilities on the accompanying statements of financial position.

For the years ended June 30, 2020 and 2019, the Association's rent expense was as follows:

	2020	2019
Cash payments for rent	$ 4,689,883	$ 4,316,692
Less amortization of deferred rent credits	(702,487)	(647,814)
Rent expense	**$ 3,987,396**	**$ 3,668,878**

NOTE I: AVAILABILITY AND LIQUIDITY

The following reflects the Association's financial assets as of June 30, 2020 and 2019 available for general use within one year of the financial statement date.

Financial assets at June 30:

	2020	2019
Cash and cash equivalents	$ 56,367,315	$ 24,027,440
Short-term investments	84,288,304	88,317,703
Assessments receivable	5,401,788	6,544,208
Other current assets, net	1,323,777	2,402,690
Total financial assets available within one year	**$ 147,381,184**	**$ 121,292,041**

The Association regularly monitors liquidity required to meet its operating needs and other contractual commitments.

NOTE J: SUBSEQUENT EVENTS

The Association evaluated its June 30, 2020 financial statements for subsequent events through November 2, 2020, the date the financial statements were available to be issued. The Association is not aware of any subsequent events that require recognition or disclosure in the financial statements.

About NFA

NFA is the industrywide SRO for the U.S. derivatives industry. Designated by the CFTC as a registered futures association, NFA strives every day to safeguard the integrity of the derivatives markets, protect investors and ensure Members meet their regulatory responsibilities.

As of June 30, 2020, NFA had 563 employees.

NFA LEADERSHIP

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President and CEO

Daniel A. Driscoll
Special Policy Advisor

David L. Hawrysz
Senior Vice President, CFO and Treasurer
Treasurer's Office

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Senior Vice President
Information Systems

Regina G. Thoele
Senior Vice President
Compliance

Carol A. Wooding
Senior Vice President
General Counsel and Secretary

Karen K. Wuertz
Senior Vice President
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Vice President
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Lauren Brinati
Vice President
Chief Strategy Officer

Yvette Christman
Vice President
Registration

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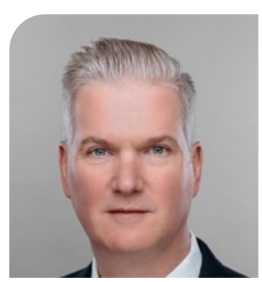

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