

## Statement of Doug Bry, Candidate For At Large CTA/CPO Representative

Dear CTA/CPO Member –

I'm writing to request your vote to continue to represent you for an additional two-year term on the NFA Board of Directors.

I was elected to the NFA Board in 2012. This was in the wake of the MF Global bankruptcy, caused by Jon Corzine misappropriating segregated customer funds to meet margin calls for an overleveraged prop sovereign debt position he should never have been able to put on, and my disappointment with the NFA, CFTC and Department of Justice. Soon after election to the board, I was also disappointed to learn that for many years NFA had failed to detect the Peregrine fraud, which was perpetrated using a relatively simple and easy to detect scheme involving fake bank letterhead.

My background prior to launching a CTA in 1990 includes practicing law for close to 10 years as a public defender in Philadelphia, Pennsylvania and Arapahoe County, Colorado, representing thousands of clients and handling numerous jury trials for homicides and other serious felonies. While no longer practicing law, I bring a trial attorney's perspective to the NFA, have good working relationships with my fellow board members, officers, and staff, don't hesitate to challenge the status quo, and believe I am a persuasive and effective advocate for CTAs and CPOs.

During my service on the NFA Board I have been engaged on a number of issues of concern to CTAs and CPOs and the managed futures industry in general:

Examinations – Among the reforms implemented in response to NFA's failure to detect the Peregrine fraud, I led an effort to require that all NFA Examiners also be Certified Fraud Examiners, which was approved along with an explicit policy that one of the purposes of an NFA examination is to detect and prevent fraud, neither of which was the case before Peregrine.

SEC 40 Act Derivatives Regulation – I met with SEC staff in response to their re-proposal of the Rule to Regulate Derivatives in 40 Act Funds, submitted my own comment letter and worked with others on their comment letters. Our letters documented the benefits of managed futures, and proposed a number of

approaches that would enable Managed Futures mutual funds to continue to be offered. The new rule was issued in October 2020, with the SEC adopting a VaR approach along with other requirements. Depending on leverage, the new rule should be workable for most CTAs.

MF Global - Along with fellow CTA/CPO Representative Ernest Jaffarian, lobbied and petitioned the SEC Commissioners to deny RIA registration to Jon Corzine who was banned for life from the futures industry by the CFTC as a result of his responsibility for the MF Global bankruptcy. Unfortunately, our effort was not successful and the SEC did grant Corzine registration, albeit with numerous restrictions.

Governance – I served on the Governance Committee with Ernest Jaffarian when the NFA board was reduced in size, and helped to bring about a result in which CTA/CPO members were reduced proportionately less than the two largest categories of FCMs and Swap Dealers, thereby increasing our relative voting power.

Selection of Public Directors – I led an effort to have the Public Directors, who control 10 seats and are often the swing votes, selected individually by secret ballot, which increases the likelihood of more diversity among this critical sector of the Board.

I believe strongly in self-regulation, bring a small business entrepreneurial spirit to my service, and would very much appreciate the opportunity to continue the work I've been involved in at NFA.

If you would like to discuss my candidacy or any other issues, please feel free to contact me at [Douglas.Bry1@gmail.com](mailto:Douglas.Bry1@gmail.com).

Best regards,

Doug

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