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**TABLE OF CONTENTS**

**Introduction** ..... 2  
**Firm and Its Principals** ..... 2  
**Firm's Business** ..... 3  
**FCM Customer Business** ..... 3  
**Permitted Depositories and Counterparties** ..... 3  
**Material Risks** ..... 4  
**Material Complaints or Actions** ..... 4

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## INTRODUCTION

The National Futures Association (“NFA”) requires each Forex Dealer Member (“FDM”), including TD Ameritrade Futures & Forex LLC (“TD Ameritrade Futures & Forex”), to make the following information readily available on its website. Unless otherwise noted, the information set out in this document is as of March 1, 2021. TD Ameritrade Futures & Forex will update this information annually and as necessary to take account of any material change to its business operations, financial condition, or other factors that TD Ameritrade Futures & Forex believes may be material to a customer’s decision to do business with TD Ameritrade Futures & Forex. Nonetheless, TD Ameritrade Futures & Forex’s business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

[NOTE: TD Ameritrade Futures & Forex LLC is a subsidiary of TD Ameritrade Holding Corporation. Information that may be material with respect to TD Ameritrade Futures & Forex LLC for purposes of the NFA’s disclosure requirements may not be material to TD Ameritrade Holding Corporation for purposes of applicable securities laws.]

## FIRM AND ITS PRINCIPALS

TD Ameritrade Futures & Forex LLC  
600 West Chicago Ave.  
Suite 800  
Chicago, IL 60654  
866-839-1100 phone  
773-435-3232 fax  
futuresupport@tdameritrade.com

TD Ameritrade Futures & Forex’s Designated Self-Regulatory Organization (DSRO) is the National Futures Association (NFA) [nfa.futures.org](http://nfa.futures.org).

The following is a list of TD Ameritrade Futures & Forex’s Principals along with their title, business address, business background, areas of responsibility, and the nature of the duties of each principal as defined in CFTC § 3.1(a):

### **James Mackenzie, President, and Chief Executive Officer, TD Ameritrade Futures & Forex**

**Business Address:** 600 West Chicago Ave, Suite 800, Chicago, IL 60654

**Background:** James Mackenzie has worked in the financial industry for more than 16 years. Prior to coming to TD Ameritrade, he worked at MF Global, Penson Futures, and Goldenberg Hehmyer where his main focus was with technology and trading. James holds a Series 3 and 34, has a Bachelor of Arts in Biology and Psychology from Middlebury College, and an MBA from the University of Notre Dame.

**Areas of Responsibility:** Futures & Forex Operations

**Duties:** James Mackenzie is responsible for the Futures and Forex business at TD Ameritrade Futures & Forex.

### **Erik Black, Treasurer, TD Ameritrade Futures & Forex**

**Business Address:** 1 Plaza Four A, Jersey City, NJ 07311

**Background:** Erik has 19+ years’ experience in the banking and brokerage industries. Erik joined TD Ameritrade in 2015 where he has been responsible for liquidity and funding of the TD Ameritrade entities. In addition to TD Ameritrade, he has worked for multiple banking organizations where he focused on liquidity, funding, and product control. He holds a Bachelor of Science in Business Administration from Bucknell University and an MBA from Rutgers University.

**Areas of Responsibility:** Treasury

**Duties:** Erik Black oversees treasury functions for TD Ameritrade Futures & Forex.

### **Gregg Fuesel, Chief Financial Officer, TD Ameritrade Futures & Forex, Director, Regulatory Reporting**

**Business Address:** 200 South 108th Avenue, Omaha, NE 68154

**Background:** Gregg Fuesel is Director of Regulatory Reporting at TD Ameritrade. He started at TD Ameritrade in March of 2011. He has worked at multiple broker-dealers along with ten years at the Options Clearing Corporation. Regulatory Reporting is responsible for filing multiple regulatory reports and adhering to regulations of the SEC, FINRA, CFTC, and the NFA along with coordinating the monthly Regulatory Reporting Committee which is responsible for overseeing the regulatory reporting requirements of certain subsidiaries of the Company. He is also a member of the SIFMA Regulatory Capital and Margin Committee. He holds Series 3, 4, 7, 27, 34, and 63 licenses.

**Areas of Responsibility:** Regulatory Reporting

**Duties:** Gregg Fuesel oversees the 1-FR-FCM Report, Segregation Computation, and Regulatory Reporting for TD Ameritrade Futures & Forex.

### **Ben Miller, Director, TD Ameritrade Futures & Forex**

**Business Address:** 3000 TD Ameritrade Lane, Southlake, TX 76092

**Background:** Ben Miller has more than 18 years of financial industry experience. Prior to coming to TD Ameritrade, he worked for Penson Futures for more than 10 years and he has experience with Coquest (a registered IB) and ED&F Man where his main focus was with operations. Ben holds a Series 3, 30, and 34 and has a Bachelor of Business Administration from the University of Oklahoma.

**Areas of Responsibility:** Futures & Forex Operations

**Duties:** Ben Miller oversees futures and forex operations for TD Ameritrade Futures & Forex.

### **Lynn Konop, Chief Compliance Officer, TD Ameritrade Futures & Forex**

**Business Address:** 2309 Gracy Farms Lane, Austin, TX 78758

**Background:** Ms. Konop is the designated Chief Compliance Officer (“CCO”) for TD Ameritrade Futures & Forex. In addition to her responsibilities as the futures CCO, Ms. Konop is responsible for managing the development, implementation, maintenance and administration of reasonably designed and effective compliance programs that meet Corporate Compliance standards and the requirements of the functional regulators of the TD Ameritrade Futures & Forex FCM, including, but not limited to, the U.S. Commodity Futures Trading Commission (“CFTC”) and the National Futures Association (“NFA”). Lynn attended St. Peter’s College where she received a degree in Marketing with a minor in Economics. Ms. Konop holds Series 4, 7, 9/10[8], 24 and 63 licenses.

**Areas of Responsibility:** Compliance

**Duties:** Lynn Konop oversees the compliance functions for TD Ameritrade Futures & Forex.

## **FIRM’S BUSINESS**

TD Ameritrade Futures & Forex’s business activity caters to self-directed retail futures and forex customers. Our customer base is more than 90% individual or joint accounts. TD Ameritrade Futures & Forex clients do not have direct market or API access to the futures markets. TD Ameritrade Futures & Forex currently offers the ability to execute orders on the CME Group (CME, CBOT, NYMEX, & COMEX) ICE US, and CFE. Current product groups offered to our customers to trade include: interest rates; metals; currency; grains; stock index; energy, softs; forest; and livestock futures contracts. TD Ameritrade Futures & Forex offers approximately 70 different non-commission forex pairs. This business activity is supported by one hundred percent (100%) of the firm’s assets and capital.

## **FCM CUSTOMER BUSINESS**

On November 25th, 2019, The Charles Schwab Corporation and The TD Ameritrade Holding Corporation announced that they entered into a definitive agreement for Schwab to acquire TD Ameritrade in a stock transaction valued at approximately \$26 billion. On October 6, 2020, TD Ameritrade Holding Corporation (“TD Ameritrade”) and Charles Schwab Corporation (“CSC”) reached deal close and CSC completed the acquisition of TD Ameritrade. The individual FCMs of each company (TD Ameritrade Futures & Forex and Charles Schwab & Co) will continue to operate as separate, but affiliated entities, subject to future change.

TD Ameritrade Futures & Forex is owned by TD Ameritrade Online Holdings Corporation, which is a wholly owned subsidiary of TD Ameritrade Holding Corporation (along with its subsidiaries “AMTD”), a publicly held company with a market capitalization of over \$27 billion and liquid assets in excess of \$200 million. AMTD, through its broker-dealer and FCM subsidiary, serves an investor base comprised of over 11.0 million funded customer accounts with over \$1.1 trillion in customer assets.

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TD Ameritrade Futures & Forex clients do not have direct market or API access to the futures markets. TD Ameritrade Futures & Forex offers approximately 70 different non-commission forex pairs. Please see TD Ameritrade’s website for a complete list of products offered.

TD Ameritrade Futures & Forex does not own any futures exchange clearing memberships or self-clear any futures or futures options products. TD Ameritrade Futures & Forex utilizes two clearing firms, ADM Investor Service, Inc., and ABN AMRO Clearing Chicago LLC, to clear its futures business. TD Ameritrade Futures & Forex utilizes JP Morgan Chase Bank N.A. as its forex prime broker and JP Morgan, Citadel Securities, XTX Markets, and Virtu Financial as forex liquidity providers. TD Ameritrade Futures & Forex is not involved directly or indirectly in taking proprietary trading positions in listed derivatives or engaging in arbitrage activities of any kind. In addition, TD Ameritrade Futures & Forex is not involved in swaps or engaged in over-the-counter derivatives trading. TD Ameritrade Holding’s international business is currently limited to its offerings of TD Ameritrade Singapore Pte. Ltd and TD Ameritrade Hong Kong Ltd.

## **PERMITTED DEPOSITORIES AND COUNTERPARTIES**

TD Ameritrade Futures & Forex will hold forex customer funds in cash at US Bank in an omnibus account titled “TD Ameritrade Futures & Forex LLC CFTC Regulation 5.80 Retail Forex Obligation Account.”

TD Ameritrade Futures & Forex maintains and adheres to a separate Depository Selection Policy. TD Ameritrade Futures & Forex performs regular reviews of their bank depositories, counterparties, and vendors to insure that they can support the futures and forex business. The reviews include, but are not limited to:

- A yearly review of the operational capabilities, ideally via a SOC1 or external audit.
- A quarterly operational review focused on any issues or concerns raised during the prior quarter.
- A quarterly review of any regulatory actions or fines as well as any major changes in personnel supporting TD Ameritrade Futures & Forex’s business with the depository, counterparty, or vendor.

The results of each of these reviews are shared during the quarterly TD Ameritrade Futures & Forex Risk Committee meeting. An appropriate action plan, if needed, will be put in place. It is important to note that additional reviews may take place outside of the listed formal reviews. Depending on the depth of the review, it may or may not be reported to the Risk Committee.

## MATERIAL RISKS

While TD Ameritrade Futures & Forex does not believe any of the following risks to be material, TD Ameritrade Futures & Forex recognizes that customers may be subject to liquidity, credit, and/or counterparty risks by entrusting funds with TD Ameritrade Futures & Forex. TD Ameritrade Futures & Forex attempts to limit these risks by maintaining excess capital and investments in cash or highly liquid, readily accessible products.

TD Ameritrade Futures & Forex routes and executes only retail forex transactions for self-directed customers. Customers are not permitted to route a trade unless sufficient funds are available in their forex account. TD Ameritrade Futures & Forex executes forex trades on a Riskless Principal basis. TD Ameritrade Futures & Forex does not act in the capacity of a market maker or dealer. Regarding debit or unsecured risk, TD Ameritrade Futures & Forex requires margin deposits pursuant to NFA minimums, but reserves the right to raise in excess of NFA minimums, place an account in closing only status, liquidate the account wholly or in part, and employ an automatic liquidation feature.

In order to assure that it is in compliance with its regulatory capital requirements and that it has sufficient liquidity to meet its ongoing business obligations, TD Ameritrade Futures & Forex holds a significant portion of its nonsegregated liquid assets in cash, highly liquid money market mutual funds, and/or U.S. Treasury securities guaranteed as to principal and interest. As of the date of this disclosure, all nonsegregated liquid funds are held in either 1) cash in a bank account or 2) highly liquid money market mutual funds, both of which are in the name of TD Ameritrade Futures & Forex. Therefore, all nonsegregated liquid assets are available on demand.

TD Ameritrade Futures & Forex carries no debt on the balance sheet and is therefore not financially leveraged. TD Ameritrade Futures & Forex currently has approximately \$551 million of net capital as of January 31, 2021. TD Ameritrade Futures & Forex holds 100% of investments in overnight cash or cash equivalents, and therefore has adequate available liquidity at all times. Principal liabilities are payables to clients, accounts payable, and deferred income taxes.

TD Ameritrade Futures & Forex holds forex customer funds in cash; therefore, the weighted average maturity is .003 years and the weighted average yield is 0.0 percent. Customer funds are not invested in any affiliated entity.

TD Ameritrade Futures & Forex parent corporation, TD Ameritrade Holding Corp., is rated A and A2 by S&P and Moody's, respectively.

TD Ameritrade Futures & Forex does not act as a counterparty to eligible contract participants (ECP) as defined in Section 1a(18) of the Act.

TD Ameritrade Futures & Forex has no material commitments.

## MATERIAL COMPLAINTS OR ACTIONS

On April 10, 2018, Diego Krukever, Karem Sandgarten and Amir Rahimi, filed a putative class action lawsuit against TD Ameritrade Futures & Forex and TD Ameritrade, Inc. (collectively, TD Ameritrade) in the United States District Court for the Southern District of Florida. Plaintiffs, clients of TD Ameritrade, allege that TD Ameritrade Futures & Forex, wrongfully liquidated plaintiffs' short put options on E-Mini S&P 500 futures contracts between the stock market closing on February 5, 2018, and the stock market opening on February 6, 2018, during which time they allege the options futures markets were illiquid. Plaintiffs claimed that the conduct of TD Ameritrade Futures & Forex operated as a fraud or deceit in violation of section 6b(e)(3) of the Commodity Exchange Act and section 180.1(a)(3) of the CFTC regulations, and breached an implied covenant of good faith and fair dealing by failing to liquidate positions in a commercially reasonable way. Plaintiffs claimed that TD Ameritrade, Inc. aided and abetted the alleged violations by TD Ameritrade Futures & Forex. Plaintiffs alleged that defendants caused plaintiffs and class members to incur tens of millions of dollars of losses. On July 23, 2018, TD Ameritrade filed a motion to dismiss plaintiffs' second amended complaint, which plaintiffs opposed. On October 5, 2018, the Court dismissed with prejudice the claims that the conduct of TD Ameritrade Futures & Forex operated as a fraud or deceit in violation of the above-referenced sections of the Commodity Exchange Act and the CFTC regulations, and the aiding and abetting claim against TD Ameritrade, Inc. The Court denied the motion to dismiss the claim of breach of an implied covenant of good faith and fair dealing. On December 17, 2018, the Court denied Plaintiffs' motion for class certification. Discovery has begun. Another lawsuit containing substantial similar allegations against TD Ameritrade Futures & Forex has been filed in the United States District Court for the Eastern District of California, and other clients have filed similar claims in arbitrations. TD Ameritrade intends to vigorously defend against the lawsuits and the arbitrations and is unable to predict the outcome or the timing of the ultimate resolution of this litigation, or the potential losses, if any, that may result.

Other Legal and Regulatory Matters – TD Ameritrade Futures & Forex may be subject to a number of other lawsuits, arbitrations, claims, and other legal proceedings in connection with its business. Some of these legal actions include claims for substantial or unspecified compensatory and/or punitive damages.

In addition, in the normal course of business, TD Ameritrade Futures & Forex discusses matters with its regulators raised during regulatory examinations or otherwise subject to their inquiry. These matters could result in censures, fines, penalties, or other sanctions. In light of the uncertainties involved in such matters, TD Ameritrade Futures & Forex is unable to predict the outcome or the timing of the ultimate resolution of these matters, or the potential losses, fines, penalties, or equitable relief, if any, that may result, and it is possible that the ultimate resolution of one or more of these matters may be material to TD Ameritrade Futures & Forex's results of operations for a particular reporting period.

This Disclosure Document was first used on March 1, 2020.