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INTRODUCTION

The Commodity Futures Trading Commission (“Commission”) requires each futures commission merchant (“FCM”), including TD Ameritrade Futures & Forex LLC (“TD Ameritrade Futures & Forex”), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information set out 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 Commission’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) www.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 § 3.1(a):

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

Business Address: 600 W. 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 Hehmeyer 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 of 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 75 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 have 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 Holding 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.

TD Ameritrade Futures & Forex 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 75 different non-commission forex pairs.

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 Services, Inc., and ABN AMRO Clearing Chicago LLC, to clear its futures business. 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 clearing swaps or engaged in over-the-counter derivatives trading. TD Ameritrade Holding’s international business is currently limited to its offering of TD Ameritrade Singapore Pte. Ltd. and TD Ameritrade Hong Kong Ltd.

PERMITTED DEPOSITORIES AND COUNTERPARTIES

TD Ameritrade Futures & Forex will invest futures customer funds in cash and/or U.S. Government securities. The customer segregated funds will remain in cash and/or U.S. Government securities held at US Bank, ABN AMRO, and ADM Investor Services, Inc. The omnibus accounts titled “TD Ameritrade Futures & Forex LLC Regulation 1.20 Customer Segregated Account” will be a combination of cash and U.S. Government securities pursuant to § 1.25.

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 financial review by the Treasury department which includes, but is not limited to, a review of the credit ratings from Moody’s and S&P.
- 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.

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 US\$153 million of net capital as of October 1, 2020. 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 customer funds in cash and U.S. Treasury securities within properly established \$1.20 accounts in the name of TD Ameritrade Futures & Forex LLC and in compliance with §1.25. Customer funds are not invested in any affiliated entity. The weighted average maturity of customer funds invested in U.S. Treasuries is .01 years and the weighted average yield is 0.97 percent.

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 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 have 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.

CUSTOMER FUNDS SEGREGATION

Customer Accounts. FCMs may maintain up to three different types of accounts for customers, depending on the products a customer trades:

- (i) a **Customer Segregated Account** for customers that trade futures and options on futures listed on U.S. futures exchanges;
- (ii) a **30.7 Account** for customers that trade futures and options on futures listed on foreign boards of trade (At this time, TD Ameritrade Futures & Forex customers do not engage in activity that requires a 30.7 account.); and
- (iii) a **Cleared Swaps Customer Account** for customers trading swaps that are cleared on a DCO registered with the Commission (At this time, TD Ameritrade Futures & Forex customers do not engage in activity that requires a cleared swaps customer account.).

The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities, and other collateral (collectively, Customer Funds) required to be held in one type of account, for example, the Customer Segregated Account, may not be commingled with funds required to be held in another type of account, for example, the 30.7 Account, except as the Commission may permit by order. For example, the Commission has issued orders authorizing ICE Clear Europe Limited, which is registered with the Commission as a DCO, and its FCM clearing members: (i) to hold in Cleared Swaps Customer Accounts Customer Funds used to margin both (a) Cleared Swaps and (b) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such Cleared Swaps and foreign futures and foreign options; and (ii) to hold in Customer Segregated Accounts Customer Funds used to margin both (c) futures and options on futures traded on ICE Futures U.S. and (d) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such transactions.

Customer Segregated Account. Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the U.S., for example, designated contract markets, are held in a **Customer Segregated Account** in accordance with section 4d(a)(2) of the Commodity Exchange Act and Commission Rule 1.20. **Customer Segregated Funds** held in the Customer Segregated Account may not be used to meet the obligations of the FCM or any other person, including another customer. Under CFTC Part 190 rules, all separate accounts of the beneficial owner will be combined in the event of an FCM bankruptcy. The FCM permits the separate treatment of accounts for the same beneficial owner under the terms and conditions of the CFTC time-limited no-action relief letter regarding Regulation 39.13(g)(8)(iii).

All Customer Segregated Funds may be commingled in a single account, such as a customer omnibus account, and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of US\$1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's customers. Unless a customer provides instructions to the contrary, an FCM may hold Customer Segregated Funds only: (i) in the U.S.; (ii) in a money center country; or (iii) in the country of origin of the currency.

An FCM must hold sufficient U.S. dollars in the U.S. to meet all U.S. dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the U.S. dollar) as follows: (i) U.S. dollars may be held in the U.S. or in money center countries¹ to meet obligations denominated in any other currency; and (ii) funds in money center currencies² may be held in the U.S. or in money center countries to meet obligations denominated in currencies other than the U.S. dollar.

30.7 Account. Funds that **30.7 Customers** deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on foreign boards of trade, for example, **30.7 Customer Funds**, and sometimes referred to as the **foreign futures and foreign options secured amount**, are held in a **30.7 Account** in accordance with Commission Rule 30.7.

Funds required to be held in the 30.7 Account for or on behalf of 30.7 Customers may be commingled in an omnibus account and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside the U.S. that has in excess of US\$1 billion in regulatory capital; (iii) an FCM; (iv) a DCO; (v) the clearing organization of any foreign board of trade; (vi) a foreign broker; or (vii) such clearing organization's or foreign broker's designated depositories. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's 30.7 Customers. As explained below, Commission Rule 30.7 restricts the amount of such funds that may be held outside of the U.S.

Customers trading on foreign markets assume additional risks. Laws or regulations will vary depending on the foreign jurisdiction in which the transaction occurs, and funds held in a 30.7 Account outside of the U.S. may not receive the same level of protection as Customer Segregated Funds. If the foreign broker carrying 30.7 Customer positions fails, the broker will be liquidated in accordance with the laws of the jurisdiction in which it is organized, which laws may differ significantly from the U.S. Bankruptcy Code. Return of 30.7 Customer Funds to the U.S. will be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable jurisdiction, as well as possible other intervening foreign brokers, if multiple foreign brokers were used to process the U.S. customers' transactions on foreign markets.

If the foreign broker does not fail but the 30.7 Customers' U.S. FCM fails, the foreign broker may want to assure that appropriate authorization has been obtained before returning the 30.7 Customer Funds to the FCM's trustee, which may delay their return. If both the foreign broker and the U.S. FCM were to fail, potential differences between the trustee for the U.S. FCM and the administrator for the foreign broker, each with independent fiduciary obligations under applicable law, may result in significant delays and additional administrative expenses. Use of other intervening foreign brokers by the U.S. FCM to process the trades of 30.7 Customers on foreign markets may cause additional delays and administrative expenses.

To reduce the potential risk to 30.7 Customer Funds held outside of the U.S., Commission Rule 30.7 generally provides that an FCM may not deposit or hold 30.7 Customer Funds in permitted accounts outside of the U.S. except as necessary to meet margin requirements, including prefunding margin requirements, established by rule, regulation, or order of the relevant foreign boards of trade or foreign clearing organizations, or to meet margin calls issued by foreign brokers carrying the 30.7 Customers' positions. The rule further provides, however, that in order to avoid the daily transfer of funds from accounts in the U.S., an FCM may maintain in accounts located outside of the U.S. an additional amount of up to 20% of the total amount of funds necessary to meet margin and prefunding margin requirements to avoid daily transfers of funds.

Cleared Swaps Customer Account. Funds deposited with an FCM, or otherwise required to be held for the benefit of customers, to margin swaps cleared through a registered DCO, that is, **Cleared Swaps Customer Collateral**, are held in a **Cleared Swaps Customer Account** in accordance with the provisions of section 4d(f) of the Act and Part 22 of the Commission's rules. Cleared Swaps Customer Accounts are sometimes referred to as LSOC Accounts. LSOC is an acronym for "legally separated, operationally commingled." Funds required to be held in a Cleared Swaps Customer Account may be commingled in an omnibus account and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of US\$1 billion of regulatory capital; (iii) a DCO; or (iv) another FCM. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's Cleared Swaps Customers.

Investment of Customer Funds. Section 4d(a)(2) of the Act authorizes FCMs to invest Customer Segregated Funds in obligations of the United States, in general obligations of any State or of any political subdivision thereof, and in obligations fully guaranteed as to principal and interest by the United States. Section 4d(f) authorizes FCMs to invest Cleared Swaps Customer Collateral in similar instruments.

Commission Rule 1.25 authorizes FCMs to invest Customer Segregated Funds, Cleared Swaps Customer Collateral, and 30.7 Customer Funds in instruments of a similar nature. Commission rules further provide that the FCM may retain all gains earned and is responsible for investment losses incurred in connection with the investment of Customer Funds.

¹ Money center countries means Canada, France, Italy, Germany, Japan, and the United Kingdom.

² Money center currencies means the currency of any money center country and the Euro.

Permitted investments include:

- (i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
- (ii) General obligations of any State or of any political subdivision thereof (municipal securities);
- (iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations)³;
- (iv) Certificates of deposit issued by a bank (certificates of deposit) as defined in section 3(a)(6) of the Securities Exchange Act of 1934, or a domestic branch of a foreign bank that carries deposits insured by the Federal Deposit Insurance Corporation;
- (v) Commercial paper fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (commercial paper);
- (vi) Corporate notes or bonds fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (corporate notes or bonds); and
- (vii) Interests in money market mutual funds.

The duration of the securities in which an FCM invests Customer Funds cannot exceed, on average, two years.

An FCM may also engage in repurchase and reverse repurchase transactions with nonaffiliated registered broker-dealers, provided such transactions are made on a delivery versus payment basis and involve only permitted investments. All funds or securities received in repurchase and reverse repurchase transactions with Customer Funds must be held in the appropriate Customer Account, that is, Customer Segregated Account, 30.7 Account, or Cleared Swaps Customer Account. Further, in accordance with the provisions of Commission Rule 1.25, all such funds or collateral must be received in the appropriate Customer Account on a delivery versus payment basis in immediately available funds⁴.

No SIPC Protection. Although TD Ameritrade, Inc. is a registered broker-dealer, it is important to understand that the funds you deposit with TD Ameritrade Futures & Forex LLC for trading futures and options on futures contracts on either U.S. or foreign markets or cleared swaps are not protected by the Securities Investor Protection Corporation.

Further, Commission rules require TD Ameritrade Futures & Forex to hold funds deposited to margin futures and options on futures contracts traded on U.S. designated contract markets in Customer Segregated Accounts. Similarly, TD Ameritrade Futures & Forex must hold funds deposited to margin cleared swaps and futures and options on futures contracts traded on foreign boards of trade in a Cleared Swaps Customer Account or a 30.7 Account, respectively. In computing its Customer Funds requirements under relevant Commission rules, TD Ameritrade Futures & Forex may only consider those Customer Funds actually held in the applicable Customer Accounts and may not apply free funds in an account under identical ownership but of a different classification or account type (for example, securities, Customer Segregated, 30.7) to an account's margin deficiency. In order to be used for margin purposes, the funds must actually transfer to the identically owned undermargined account.

For additional information on the protection of customer funds, please see the Futures Industry Association's "Protection of Customer Funds Frequently Asked Questions" located at www.futuresindustry.org/downloads/PCF_questions.pdf.

FILING A COMPLAINT

A customer that wishes to file a complaint about TD Ameritrade Futures & Forex or one of its employees with the Commission can contact the Division of Enforcement either electronically at <https://forms.cftc.gov/fp/complaintform.aspx> or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A customer may file a complaint about TD Ameritrade Futures & Forex or one of its employees with the National Futures Association electronically at <https://www.nfa.futures.org/basicnet/Complaint.aspx> or by calling NFA directly at 800-621-3570.

RELEVANT FINANCIAL DATA

TD Ameritrade Futures & Forex's annual audited financial statements are available here: https://www.tdameritrade.com/retail-en_us/resources/pdf/TDAFF_Website_certified_annual_report.pdf

Financial Data as of month end January 2021

Total Equity	US\$551,071,034
Regulatory Capital	US\$174,591,298
Net Worth	US\$551,071,034
Proprietary margin requirements as a percentage of the aggregate margin requirement for:	
futures customers	US\$0
cleared swaps customers	N/A

³ Obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association are permitted only while these entities operate under the conservatorship or receivership of the Federal Housing Finance Authority with capital support from the United States.

⁴ As discussed above, NFA publishes twice-monthly a report, which shows for each FCM, inter alia, the percentage of Customer Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. The report also indicates whether the FCM held any Customer Funds during that month at a depository that is an affiliate of the FCM.

30.7 customers	N/A
Number of futures customers, cleared swaps customers, and 30.7 customers that comprise 50% of the FCM's total funds held for:	
futures customers	136
cleared swaps customers	N/A
30.7 customers	N/A
Aggregate notional value of all nonhedged, principal over-the-counter transactions	N/A
Unsecured lines of credit the FCM has obtained but not yet drawn upon*	US\$45,000,000
Aggregated amount of financing the FCM provides for customer transactions involving illiquid financial products	0
Percentage of futures customer, cleared swap customer, and 30.7 customer receivable balances that the FCM had to write off as uncollectable during the past 12-month period	0

At this time, TD Ameritrade Futures & Forex customers do not engage in activity that requires a 30.7 account or in cleared swap activity. As such, TD Ameritrade Futures & Forex does not have any data to report 30.7 activity or cleared swap activity.

Additional financial information on all FCMs is also available on the Commission's website at: <http://www.cftc.gov/MarketReports/FinancialDataforFCMs/index.htm>.

Customers should be aware that the National Futures Association (NFA) publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve-month period is available.) In addition, NFA publishes twice-monthly a Customer Segregated Funds report, which shows for each FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, that is, the FCM's Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM.

The report shows the most recent semimonthly information, but the public will also have the ability to see information for the most recent twelve-month period. A 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the 30.7 Account and the Cleared Swaps Customer Account.

The above financial information reports can be found by conducting a search for a specific FCM in NFA's BASIC system (<http://www.nfa.futures.org/basicnet/>) and then clicking on "View Financial Information" on the FCM's BASIC Details page.

*The generic source is TD Ameritrade Holding Corp. and the purpose is Contingent liquidity.

RISK MANAGEMENT SUMMARY

TD Ameritrade Futures & Forex has established, maintains, and enforces a system of risk management policies and procedures designed to monitor and manage the risks associated with the activities of TD Ameritrade Futures & Forex. TD Ameritrade Futures & Forex maintains written policies and procedures that describe the Risk Management Program, which will be submitted to the CFTC per § 1.11. As part of the Risk Management Program, TD Ameritrade Futures & Forex has established and maintains a Risk Management Unit with sufficient authority, qualified personnel, and financial, operational, and other resources to carry out the Risk Management Program. The Risk Management Unit reports directly to Senior Management and is independent from the business unit.

Risk Management Program

TD Ameritrade Futures & Forex currently has multiple, robust risk management processes in place. TD Ameritrade Futures & Forex's Risk Management Program includes, but is not limited to, identifying risks and risk tolerance limits, periodic risk exposure reports, and policies and procedures to monitor segregation, capital, and operational risks.

Identifying Risks and Risk Tolerance Limits

TD Ameritrade Futures & Forex's Risk Management Program takes into account market, credit, liquidity, foreign currency, legal, operational, settlement, segregation, technological, capital, and other applicable risks with a description of the risk tolerance limits and methodology for these limits.

Periodic Risk Exposure Reports

The Risk Management Unit provides senior management and the CFTC quarterly written reports setting forth all applicable risk exposures of TD Ameritrade Futures & Forex, any recommended or completed changes to the Risk Management Program and time frame for implementing recommended changes, and the status of any incomplete implementation of previously recommended changes to the Risk Management Program.

Segregation Risk

As part of TD Ameritrade's Risk Management Program in regards to segregation risk, the following processes and procedures have been established:

As part of TD Ameritrade Futures & Forex's Risk Management Program in regards to segregation risk, the following processes and procedures have been established:

- Policies designed to manage segregation risk, including a process for the evaluation of depositories for segregated funds;

- A process designed to monitor the residual interest TD Ameritrade Futures & Forex seeks to maintain in the segregated funds accounts;
- A process designed for the withdrawal of cash or property from accounts holding segregated funds, where withdrawal is not for payment or on behalf of TD Ameritrade Futures & Forex's customers;
- A process for assessing the appropriateness of specific investments of segregated funds;
- Procedures requiring the appropriate separation of duties among individuals responsible for compliance with regulations relating to the protection and financial reporting of segregated funds;
- A process and procedures for timely recording of transactions;
- A program for annual training of all officers and employees regarding the segregation requirements for segregated funds;
- Policies for assessing the liquidity and mark-to-market valuation of all noncash assets held as segregated funds.

Operational Risk

TD Ameritrade Futures & Forex's Risk Management Program includes automated controls designed to prevent the placing of erroneous trade orders. The Risk Management Program also ensures the supervision, maintenance, testing, and inspection of automated trading programs.

Capital Risk

TD Ameritrade Futures & Forex's Risk Management Program ensures that TD Ameritrade Futures & Forex has sufficient capital to be in compliance with the Act and the regulations, and sufficient capital and liquidity to meet the reasonably foreseeable needs of TD Ameritrade Futures & Forex.

Supervision and Testing of the Risk Management Program

TD Ameritrade Futures & Forex's Risk Management Program includes a supervisory system that is reasonably designed to ensure that the policies and procedures are diligently followed. The Risk Management Program is reviewed and tested at least annually by internal audit staff or a third party audit service that is independent of the business unit. TD Ameritrade Futures & Forex documents all internal and external reviews of the Risk Management Program.

Distribution of the Risk Management Policies and Procedures

TD Ameritrade Futures & Forex's written risk management procedures are distributed to supervisory personnel and a record of such distribution is maintained. Written approvals and all records or reports are maintained in accordance with § 1.31.

Despite TD Ameritrade Futures & Forex's efforts to manage risk through policies, procedures, and governance structures, there can be no assurance that TD Ameritrade Futures & Forex will not sustain material losses as part of its operation.

LEVERAGE RATIO

The Firm's Leverage Ratio is provided pursuant to CFTC Rule 1.55(k)(5). As of January 31, 2021, the Firm's Leverage Ratio was 1.14.

This Disclosure Document was first used on March 1, 2021.