

How to register with the NFA (Commodity Trading Advisor)

Thank you for your interest in becoming a registered Commodity Trading Advisor with the National Futures Association (NFA).

You will find below a description of the steps involved in the registration process. If you have any questions about the below information, the representatives on the NFA help line are very efficient and can be reached at 800-621-3570 or 312-781-1410.

****Step 1: Enroll with the NFA using the Online Registration System (ORS).**

The NFA requires that you submit your firm's information electronically through their online registration system. Information about the Online Registration System and the link to access it are located here: <http://www.nfa.futures.org/NFA-registration/begin-enrollment.HTML>

The Online Registration System (ORS) User Guide can be found here: <http://www.nfa.futures.org/NFA-registration/ORS-user-guide.HTML>

When completing the Enrollment Form you will be asked to designate a Security Manager to guide your firm during the registration process and to serve as a contact person to the NFA. After submitting the Enrollment Form to register for the online system, you will be issued a temporary password. NFA will review your registration information, and send you a username (via regular mail) for the online system so you can begin the electronic filing process. It normally takes a few days to receive this login information.

****Step 2: Login to the system and fill out individual and/or firm information.**

After receiving your username from the NFA, go to www.nfa.futures.org, click on Login to ORS and enter your username and password. You will be required to provide information about yourself and your firm including contact information and any criminal or disciplinary actions against you and/or your firm. A paper template of the questions asked in this section can be found at the link below. However, you will need to fill out this information online so please do not send the below document to the NFA as they will not accept any paper applications; filing must be done using the electronic system.

<http://www.nfa.futures.org/NFA-registration/templates-and-forms/Form7-R-entire.pdf> (for a firm application)

<http://www.nfa.futures.org/NFA-registration/templates-and-forms/8-rform.pdf> (for an individual application)

****Step 3: Fill out information on principals of the firm.**

After filling out the individual and/or firm information (as applicable), you will be required to submit information regarding the principals of the firm. A "principal" is defined as anyone owning 10% or more of the firm. In this section, you will also be required to assign a principal who will be responsible for overseeing client communication, the sales process, and trading activity of the firm. This person will be designated as an associated person/principal.

Please refer to this link for additional information regarding who is considered a principal:
<http://www.nfa.futures.org/NFA-registration/principal/index.HTML>

****Step 4: Get fingerprinted.**

All Associated Persons and Principals (as defined above) must have their fingerprints taken on an NFA issued fingerprint card. To obtain an NFA fingerprint card please call the NFA at 800-621-3570 and they will mail one to you. Failure to use an NFA issued fingerprint card will result in rejection of the application.

Fingerprint card and fee are not required if such person is currently registered with the CFTC in any capacity or is listed as a principal of a current CFTC registrant.

Applicants are encouraged to submit more than one set of fingerprints with their application to avoid delays in obtaining additional sets if necessary for processing.

****Step 5: Submit Required Procedures & Manuals.**

You will also be required to prepare procedures that address the following areas as part of the registration process: (a) Supervision; (b) Ethics Training; (c) Business Continuity and Disaster Recovery; (d) Privacy Rules, and; (e) Promotional Materials. FXCM has developed a Compliance Packet that will serve as a template to help you prepare procedures for the above-referenced areas. To request a copy, please feel free to contact the FXCM Compliance Department at compliance@fxcm.com.

More information on these requirements can be found at the following link:
<http://www.nfa.futures.org/NFA-compliance/publication-library/self-exam-checklist.HTML>

****Step 6: The Associated Person must pass the Series 3 Exam.**

The person(s) designated to oversee client communications and trading activity and any sales persons are required to pass the Series 3 Exam. To sign up for the Series 3 Exam you will need to fill out form U-10 and mail it to the Financial Industry Regulatory Authority (FINRA) who are responsible for administering the exam together with the exam fee of \$105. The applicant may either mail in a completed Form U-10 with a check or money order for the exam fee or submit the application online and pay the exam fee by credit card.

Form U-10 is found on the FINRA's website here:
<http://www.finra.org/Industry/Tools/P115856>

After receiving your completed application, FINRA will provide you with the necessary information to set a date and time for you to take the exam and provide you with a list of available exam center locations.

A summary of the subject matter covered in the Series 3 is found here:

<http://www.nfa.futures.org/NFA-registration/study-outlines/SO-Series3.pdf>

FXCM's representatives study for the Series 3 using the Securities Training Corporation study guide and practice exams. You can order these study materials by calling 1.800.STC.1223 or visiting <http://www.stcusa.com/>

FXCM uses Prometric to find test locations and schedule exams:
<http://www.prometric.com/FINRA/default.htm>

*Additionally, FXCM has recently hosted a Series 3 Training Webinar instructed by Keith Fealey of Securities Training Corporation. FXCM has compiled a recording of the 12 hour training course for your convenience. There is a \$50.00 fee for the recording, which is deducted out of your FXCM merchant account. Please indicate if you are interested in obtaining a recording of the webinar by submitting your request to compliance@fxcm.com.

Series 3 candidates who successfully pass the exam must also complete the following steps in order to be registered as Associated Persons of a firm:

- (1) Series 3 candidates must be inputted into ORS.
- (2) Receive new login and password for Online Application.
- (3) Complete all sections of the Online Application accurately.
- (4) Fingerprints must be taken and submitted to the NFA (if not previously submitted).

Step 7: Pay Registration Fee and NFA Dues

After completing the registration process you will be prompted to pay an initial non-refundable registration fee of \$200, non-refundable fee of \$85 for each principal of the firm, and \$750 in CTA Membership dues.

*A non-refundable fee of \$85.00 will apply for each Associated Person Application

*******This completes the registration process*******

In addition to the above mentioned items, please note that once a firm files an electronic Form 7-R for itself or an electronic Form 8-R for an AP or principal, the applicant will have 90 days to clear up any deficiencies in the application with the NFA. If the deficiencies are not cleared up within 90 days, the application may be withdrawn and a new application will need to be filed.

Additional Requirements for Commodity Trading Advisors and Commodity Pool Operators:

Before they can begin soliciting customers, CTAs and CPOs must submit a Disclosure Document to NFA for approval. The Disclosure Document must be completed in accordance with NFA Compliance Rule 2-41. The following link is a guide for developing a Disclosure Document: <http://www.nfa.futures.org/NFA-compliance/publication-library/disclosure-document-guide-2009.pdf>.

Frequently Asked Questions (FAQs)

FAQs regarding Disclosure Documents:

<http://www.nfa.futures.org/nfa-faqs/compliance-faqs/cta-disclosure-documents/index.HTML>

FAQs regarding filing applications in ORS can be found here: http://www.nfa.futures.org/NFA-faqs/registration_faqs/filing-applications-in-ORS/index.HTML