

BrokerCheck Report

BELMONT CAPITAL

CRD# 153792

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Firm Profile	2 - 5
Firm History	6
Firm Operations	7 - 12
Disclosure Events	13



When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

-

Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)



BELMONT CAPITAL

CRD# 153792

SEC# 8-68572

Main Office Location

535 FIFTH AVENUE, 4TH FLOOR
NEW YORK, NY 10017
Regulated by FINRA New York Office

Mailing Address

535 FIFTH AVENUE, 4TH FLOOR
NEW YORK, NY 10017

Business Telephone Number

212 406-3610

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in New York on 05/24/2005.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 1 U.S. state or territory

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 1 type of business.

This firm is affiliated with financial or investment institutions.

This firm does not have referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	3



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in New York on 05/24/2005.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

CILLIAN HOLDINGS, LLC

Doing business as BELMONT CAPITAL

CRD# 153792

SEC# 8-68572

Main Office Location

535 FIFTH AVENUE, 4TH FLOOR
NEW YORK, NY 10017

Regulated by FINRA New York Office

Mailing Address

535 FIFTH AVENUE, 4TH FLOOR
NEW YORK, NY 10017

Business Telephone Number

212 406-3610



Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): O'FRIEL, JEREMY ROBERT

5788986

Is this a domestic or foreign entity or an individual? Individual

Position CEO / CCO, MEMBER

Position Start Date 04/2024

Percentage of Ownership 50% but less than 75%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company?

Legal Name & CRD# (if any): BEATON, DANIEL STEWART

4240769

Is this a domestic or foreign entity or an individual? Individual

Position FINOP

Position Start Date 04/2024

Percentage of Ownership 10% but less than 25%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): RYAN, THOMAS

7504849

Is this a domestic or foreign entity or an individual? Individual

Position ADMIN

Firm Profile



Direct Owners and Executive Officers (continued)

Position Start Date	04/2024
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No

Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.



Indirect Owners

No information reported.

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 1 SRO and 1 U.S state or territory.

Federal Regulator	Status	Date Effective
SEC	Approved	05/20/2011

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	05/20/2011

Firm Operations



Registrations (continued)

U.S. States & Territories	Status	Date Effective
New York	Approved	01/17/2021



Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 1 type of business.

Types of Business

Other - THE APPLICANT WILL SERVE AS A FINDER FOR ITS IRISH AFFILIATE, BELMONT CAC LIMITED D/B/A BELMONT INVESTMENTS, WHEREBY IT WILL INTRODUCE ITS IRISH AFFILIATE TO SUB-DISTRIBUTORS. THE IRISH AFFILIATE SERVES AS THE EXCLUSIVE DISTRIBUTOR OF CERTAIN ALTERNATIVE INVESTMENT PRODUCTS, AND IT AND THE SUB-DISTRIBUTOR WILL ENTER INTO A SUB-DISTRIBUTION AGREEMENT, PURSUANT TO WHICH THE SUB-DISTRIBUTOR WILL DISTRIBUTE THE ALTERNATIVE INVESTMENT PRODUCTS TO END-USER CUSTOMERS OR INVESTORS.

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does not refer or introduce customers to other brokers and dealers.

Firm Operations

Industry Arrangements



This firm does not have books or records maintained by a third party.

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

BELMONT CAC LIMITED, D/B/A BELMONT INVESTMENTS is under common control with the firm.

Business Address:	28-32 UPPER PEMBROKE STREET DUBLIN, IRELAND
Effective Date:	01/01/2010
Foreign Entity:	Yes
Country:	IRELAND
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	BELMONT CAC LIMITED, D/B/A BELMONT INVESTMENTS IS UNDER COMMON CONTROL WITH CILLIAN HOLDINGS LLC, D/B/A BELMONT CAPITAL BECAUSE BOTH ARE CONTROLLED BY JEREMY O' FRIEL.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	3	0

Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 3

Reporting Source: Regulator

Current Status: Final



Allegations: RESPONDENT BELMONT CAPITAL FAILED TO FILE ITS DECEMBER 2021 ANNUAL AUDIT REPORT WITHIN 21 DAYS AFTER SERVICE OF THE NOTICE OF SUSPENSION DATED MARCH 16, 2022.

Initiated By: FINRA

Date Initiated: 03/16/2022

Docket/Case Number:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Suspension

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 04/11/2022

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details: PURSUANT TO FINRA RULE 9552 AND IN ACCORDANCE WITH FINRA'S NOTICE OF SUSPENSION LETTER DATED MARCH 16, 2022, BELMONT CAPITAL IS SUSPENDED ON APRIL 11, 2022 FROM FINRA MEMBERSHIP. IF BELMONT CAPITAL FAILS TO REQUEST TERMINATION OF THE SUSPENSION WITHIN THREE MONTHS OF THE DATE OF THE NOTICE OF SUSPENSION, IT WILL AUTOMATICALLY BE EXPELLED FROM FINRA MEMBERSHIP PURSUANT TO FINRA RULE 9552(H).

SUSPENSION LIFTED ON MAY 31, 2022

Reporting Source: Firm

Current Status: Final

Allegations: RESPONDENT BELMONT CAPITAL FAILED TO FILE ITS DECEMBER 2021 ANNUAL AUDIT REPORT WITHIN 21 DAYS AFTER SERVICE OF THE NOTICE



OF SUSPENSION DATED MARCH 16, 2022.

Initiated By: FINRA
Date Initiated: 03/16/2022
Docket/Case Number:
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Suspension
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 04/11/2022
Sanctions Ordered: Suspension
Other Sanctions Ordered:

Sanction Details: PURSUANT TO FINRA RULE 9552 AND IN ACCORDANCE WITH FINRA'S NOTICE OF SUSPENSION LETTER DATED MARCH 16, 2022, BELMONT CAPITAL IS SUSPENDED ON APRIL 11, 2022 FROM FINRA MEMBERSHIP. IF BELMONT CAPITAL FAILS TO REQUEST TERMINATION OF THE SUSPENSION WITHIN THREE MONTHS OF THE DATE OF THE NOTICE OF SUSPENSION, IT WILL AUTOMATICALLY BE EXPELLED FROM FINRA MEMBERSHIP PURSUANT TO FINRA RULE 9552(H). SUSPENSION LIFTED ON MAY 31, 2022.

Disclosure 2 of 3

Reporting Source: Regulator
Current Status: Final

Allegations: ON NOVEMBER 11, 2019, THE NFA ISSUED THIS COMPLAINT AS TO RESPONDENTS CILLIAN HOLDINGS LLC AND JEREMY F. O'FRIEL. HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION (NFA), AND HAVING FOUND REASON TO BELIEVE THAT NFA COMPLIANCE RULES (NFA REQUIREMENTS) ARE BEING, HAVE BEEN, OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, THIS COMMITTEE ISSUES THIS COMPLAINT AGAINST CILLIAN HOLDINGS LLC AND O'FRIEL. THE COMPLAINT ALLEGES THAT RESPONDENTS MADE IMPROPER LOANS AND ADVANCES OF POOL ASSETS IN VIOLATION OF NFA



COMPLIANCE RULE 2-45; FAILED TO COMPLY WITH THE TERMS OF A HEARING PANEL'S PRIOR DECISION IN VIOLATION OF NFA COMPLIANCE RULE 2-5; FAILED TO FILE ANNUAL CERTIFIED POOL REPORTS IN VIOLATION OF NFA COMPLIANCE RULES 2-13; FAILED TO UPHOLD HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPALS OF TRADE IN VIOLATION OF NFA COMPLIANCE RULES 2-4; AND FAILING TO ADEQUATELY SUPERVISED IN VIOLATION OF NFA COMPLIANCE RULE 2-9(A).

Initiated By: NATIONAL FUTURES ASSOCIATION

Date Initiated: 11/11/2019

Docket/Case Number: 19-BCC-014

Principal Product Type: Other

Other Product Type(s): VARIOUS FUNDS

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Decision

Resolution Date: 07/06/2020

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Monetary/Fine \$65,000.00

Other Sanctions Ordered: PAYMENTS AND UNDERTAKINGS

Sanction Details: THE FIRM SHALL ENSURE THAT THE OUTSTANDING LOAN BALANCE TWO OF THE FUNDS, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$800,000, IS REPAYED TO ONE OF THE FUNDS, REPAY A FUND MONEY ADVANCED PURPORTEDLY TO PREPAY MANAGEMENT FEES, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$96,000, PAY THE OUTSTANDING BALANCES OWED TO A RESPONDENT'S POOLS ORDERED IN ANOTHER DECISION, SHALL PAY TO NFA THE OUTSTANDING BALANCE ON THE \$25,000 FINE ORDERED BY THE OTHER DECISION AND AN ADDITIONAL FINE IN THE AMOUNT OF \$40,000 FOR THE VIOLATIONS OF NFA REQUIREMENTS SET FORTH IN THIS DECISION. SHOULD RESPONDENTS FAIL TO FULLY COMPLY WITH ANY OF THE PAYMENTS



REQUIRED THE FIRM SHALL BE IMMEDIATELY SUSPENDED FROM NFA MEMBERSHIP AND BOTH RESPONDENTS WILL BE PROHIBITED FROM ACTING AS A PRINCIPAL OF AN NFA MEMBER. RESPONDENTS SHALL REMAIN SUSPENDED, AND PROHIBITED FROM ACTING AS A PRINCIPAL, UNTIL SUCH TIME AS ALL PAYMENTS ARE PAID IN FULL. RESPONDENTS SHALL IMMEDIATELY SERVE COPIES OF THIS DECISION ON ALL POOL PARTICIPANTS IN EACH OF ITS POOLS BY COURIER, OVERNIGHT MAIL OR ELECTRONIC MAIL. RESPONDENTS SHALL ALSO INCLUDE THIS DECISION IN THE DISCLOSURE DOCUMENTS PROVIDED TO NEW INVESTORS UNTIL SUCH TIME AS THEY HAVE FULLY COMPLIED WITH THE REQUIREMENTS OF THIS DECISION. RESPONDENTS SHALL PROVIDE TO NFA PROOF OF COMPLIANCE WITH THE REQUIREMENTS OF THIS DECISION.

Regulator Statement

ON JUNE 19, 2020 A DESIGNATED PANEL OF HEARING COMMITTEE (PANEL) ISSUED THE FOLLOWING DECISION. RESPONDENTS SHALL ENSURE THAT THE OUTSTANDING LOAN BALANCE TWO OF THE FUNDS, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$800,000, IS REPAID TO ONE OF THE FUNDS, REPAY A FUND MONEY ADVANCED PURPORTEDLY TO PREPAY MANAGEMENT FEES, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$96,000, PAY THE OUTSTANDING BALANCES OWED TO A RESPONDENT'S POOLS ORDERED IN ANOTHER DECISION, SHALL PAY TO NFA THE OUTSTANDING BALANCE ON THE \$25,000 FINE ORDERED BY THE OTHER DECISION AND AN ADDITIONAL FINE IN THE AMOUNT OF \$40,000 FOR THE VIOLATIONS OF NFA REQUIREMENTS SET FORTH IN THIS DECISION. SHOULD RESPONDENTS FAIL TO FULLY COMPLY WITH ANY OF THE PAYMENTS REQUIRED THE FIRM SHALL BE IMMEDIATELY SUSPENDED FROM NFA MEMBERSHIP AND BOTH RESPONDENTS WILL BE PROHIBITED FROM ACTING AS A PRINCIPAL OF AN NFA MEMBER. RESPONDENTS SHALL REMAIN SUSPENDED, AND PROHIBITED FROM ACTING AS A PRINCIPAL, UNTIL SUCH TIME AS ALL PAYMENTS ARE PAID IN FULL. RESPONDENTS SHALL IMMEDIATELY SERVE COPIES OF THIS DECISION ON ALL POOL PARTICIPANTS IN EACH OF ITS POOLS BY COURIER, OVERNIGHT MAIL OR ELECTRONIC MAIL. RESPONDENTS SHALL ALSO INCLUDE THIS DECISION IN THE DISCLOSURE DOCUMENTS PROVIDED TO NEW INVESTORS UNTIL SUCH TIME AS THEY HAVE FULLY COMPLIED WITH THE REQUIREMENTS OF THIS DECISION. RESPONDENTS SHALL PROVIDE TO NFA PROOF OF COMPLIANCE WITH THE REQUIREMENTS OF THIS DECISION. THE SANCTIONS ARE BASED ON THE FINDINGS THAT THE ONLY ISSUE BEFORE THE PANEL WITH RESPECT TO VIOLATIONS IS WHETHER THE FIRM AND O'FRIEL VIOLATED NFA COMPLIANCE RULE 2-4, WHICH REQUIRES MEMBERS AND ASSOCIATES TO UPHOLD HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE IN THE CONDUCT OF THEIR COMMODITY FUTURES BUSINESS AND THEIR SWAPS BUSINESS. THE PANEL DISMISSES THIS ALLEGATION. O'FRIEL DENIED THAT HE INTENTIONALLY TRIED TO CONCEAL THIS FROM NFA AND POINTED OUT THAT OTHER PARTS OF THE FINANCIAL STATEMENTS



SUBMITTED TO NFA DISCLOSED THESE LOANS AS LIABILITIES. BASED ON THIS EVIDENCE, THE PANEL CANNOT CONCLUDE THAT O'FRIEL INTENTIONALLY WITHHELD THESE SUBSEQUENT EVENTS PAGES AND THEREFORE DISMISSES THAT ALLEGATION. THE DECISION BECAME FINAL ON JULY 6, 2020.

ON SEPTEMBER 11, 2020, THE FIRM AND O'FRIEL FILED A NOTICE OF APPEAL OF THE APPEALS COMMITTEE'S DECISION WITH THE CFTC, AS WELL AS A PETITION TO STAY THE SANCTIONS.

ON SEPTEMBER 18, 2020, THE CFTC ISSUED AN ORDER DENYING THE FIRM'S AND O'FRIEL'S PETITION TO STAY.

ON NOVEMBER 30, 2020, THE CFTC ISSUED AN OPINION AND ORDER IN WHICH THE FIRM'S AND O'FRIEL'S PETITION FOR STAY WAS DENIED. THE SANCTIONS ARE IN EFFECT.

Reporting Source:	Firm
Current Status:	Final
Appealed To and Date Appeal Filed:	APPEAL WITH NFA PENDING
Allegations:	ON NOVEMBER 11, 2019, THE NFA ISSUED THIS COMPLAINT AS TO RESPONDENTS CILLIAN HOLDINGS LLC AND JEREMY F. O'FRIEL. HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION (NFA), AND HAVING FOUND REASON TO BELIEVE THAT NFA COMPLIANCE RULES (NFA REQUIREMENTS) ARE BEING, HAVE BEEN, OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, THIS COMMITTEE ISSUES THIS COMPLAINT AGAINST CILLIAN HOLDINGS LLC AND O'FRIEL. THE COMPLAINT ALLEGES THAT RESPONDENTS MADE IMPROPER LOANS AND ADVANCES OF POOL ASSETS IN VIOLATION OF NFA COMPLIANCE RULE 2-45; FAILED TO COMPLY WITH THE TERMS OF A HEARING PANEL'S PRIOR DECISION IN VIOLATION OF NFA COMPLIANCE RULE 2-5; FAILED TO FILE ANNUAL CERTIFIED POOL REPORTS IN VIOLATION OF NFA COMPLIANCE RULES 2-13; FAILED TO UPHOLD HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPALS OF TRADE IN VIOLATION OF NFA COMPLIANCE RULES 2-4; AND FAILING TO ADEQUATELY SUPERVISED IN VIOLATION OF NFA COMPLIANCE RULE 2-9(A).
Initiated By:	NATIONAL FUTURES ASSOCIATION
Date Initiated:	11/11/2019



Docket/Case Number:	19-BCC-014
Principal Product Type:	Other
Other Product Type(s):	VARIOUS FUNDS
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Decision
Resolution Date:	07/06/2020
Sanctions Ordered:	Monetary/Fine \$65,000.00
Other Sanctions Ordered:	PAYMENTS AND UNDR TAKINGS
Sanction Details:	<p>THE FIRM SHALL ENSURE THAT THE OUTSTANDING LOAN BALANCE TWO OF THE FUNDS, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$800,000, IS REPAYED TO ONE OF THE FUNDS, REPAY A FUND MONEY ADVANCED PURPORTEDLY TO PREPAY MANAGEMENT FEES, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$96,000, PAY THE OUTSTANDING BALANCES OWED TO A RESPONDENT'S POOLS ORDERED IN ANOTHER DECISION, SHALL PAY TO NFA THE OUTSTANDING BALANCE ON THE \$25,000 FINE ORDERED BY THE OTHER DECISION AND AN ADDITIONAL FINE IN THE AMOUNT OF \$40,000 FOR THE VIOLATIONS OF NFA REQUIREMENTS SET FORTH IN THIS DECISION. SHOULD RESPONDENTS FAIL TO FULLY COMPLY WITH ANY OF THE PAYMENTS REQUIRED THE FIRM SHALL BE IMMEDIATELY SUSPENDED FROM NFA MEMBERSHIP AND BOTH RESPONDENTS WILL BE PROHIBITED FROM ACTING AS A PRINCIPAL OF AN NFA MEMBER. RESPONDENTS SHALL REMAIN SUSPENDED, AND PROHIBITED FROM ACTING AS A PRINCIPAL, UNTIL SUCH TIME AS ALL PAYMENTS ARE PAID IN FULL. RESPONDENTS SHALL IMMEDIATELY SERVE COPIES OF THIS DECISION ON ALL POOL PARTICIPANTS IN EACH OF ITS POOLS BY COURIER, OVERNIGHT MAIL OR ELECTRONIC MAIL. RESPONDENTS SHALL ALSO INCLUDE THIS DECISION IN THE DISCLOSURE DOCUMENTS PROVIDED TO NEW INVESTORS UNTIL SUCH TIME AS THEY HAVE FULLY COMPLIED WITH THE REQUIREMENTS OF THIS DECISION. RESPONDENTS SHALL PROVIDE TO NFA PROOF OF COMPLIANCE WITH THE REQUIREMENTS OF THIS DECISION.</p>
Firm Statement	<p>ON JUNE 19, 2020 A DESIGNATED PANEL OF HEARING COMMITTEE (PANEL) ISSUED THE FOLLOWING DECISION. RESPONDENTS SHALL ENSURE THAT THE OUTSTANDING LOAN BALANCE TWO OF THE FUNDS, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$800,000, IS REPAYED TO ONE OF THE FUNDS, REPAY A FUND MONEY ADVANCED PURPORTEDLY TO</p>



PREPAY MANAGEMENT FEES, SHOWN AT THE HEARING TO CURRENTLY TOTAL APPROXIMATELY \$96,000, PAY THE OUTSTANDING BALANCES OWED TO A RESPONDENT'S POOLS ORDERED IN ANOTHER DECISION, SHALL PAY TO NFA THE OUTSTANDING BALANCE ON THE \$25,000 FINE ORDERED BY THE OTHER DECISION AND AN ADDITIONAL FINE IN THE AMOUNT OF \$40,000 FOR THE VIOLATIONS OF NFA REQUIREMENTS SET FORTH IN THIS DECISION. SHOULD RESPONDENTS FAIL TO FULLY COMPLY WITH ANY OF THE PAYMENTS REQUIRED THE FIRM SHALL BE IMMEDIATELY SUSPENDED FROM NFA MEMBERSHIP AND BOTH RESPONDENTS WILL BE PROHIBITED FROM ACTING AS A PRINCIPAL OF AN NFA MEMBER. RESPONDENTS SHALL REMAIN SUSPENDED, AND PROHIBITED FROM ACTING AS A PRINCIPAL, UNTIL SUCH TIME AS ALL PAYMENTS ARE PAID IN FULL. RESPONDENTS SHALL IMMEDIATELY SERVE COPIES OF THIS DECISION ON ALL POOL PARTICIPANTS IN EACH OF ITS POOLS BY COURIER, OVERNIGHT MAIL OR ELECTRONIC MAIL. RESPONDENTS SHALL ALSO INCLUDE THIS DECISION IN THE DISCLOSURE DOCUMENTS PROVIDED TO NEW INVESTORS UNTIL SUCH TIME AS THEY HAVE FULLY COMPLIED WITH THE REQUIREMENTS OF THIS DECISION. RESPONDENTS SHALL PROVIDE TO NFA PROOF OF COMPLIANCE WITH THE REQUIREMENTS OF THIS DECISION. THE SANCTIONS ARE BASED ON THE FINDINGS THAT THE ONLY ISSUE BEFORE THE PANEL WITH RESPECT TO VIOLATIONS IS WHETHER THE FIRM AND O'FRIEL VIOLATED NFA COMPLIANCE RULE 2-4, WHICH REQUIRES MEMBERS AND ASSOCIATES TO UPHOLD HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE IN THE CONDUCT OF THEIR COMMODITY FUTURES BUSINESS AND THEIR SWAPS BUSINESS. THE PANEL DISMISSES THIS ALLEGATION. O'FRIEL DENIED THAT HE INTENTIONALLY TRIED TO CONCEAL THIS FROM NFA AND POINTED OUT THAT OTHER PARTS OF THE FINANCIAL STATEMENTS SUBMITTED TO NFA DISCLOSED THESE LOANS AS LIABILITIES. BASED ON THIS EVIDENCE, THE PANEL CANNOT CONCLUDE THAT O'FRIEL INTENTIONALLY WITHHELD THESE SUBSEQUENT EVENTS PAGES AND THEREFORE DISMISSES THAT ALLEGATION. IF NO FURTHER ACTION IS TAKEN, THIS DECISION WILL BECOME FINAL ON JULY 6, 2020.

Disclosure 3 of 3

Reporting Source:

Regulator

Current Status:

Final

Allegations:

NFA CASE NO. 19-BCC-003, APRIL 18, 2019: HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION (NFA), AND HAVING FOUND REASON TO BELIEVE THAT NFA REQUIREMENTS ARE BEING, HAVE BEEN OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, NFA'S BUSINESS CONDUCT COMMITTEE (COMMITTEE)

ISSUES THIS COMPLAINT AGAINST THE FIRM CILLIAN HOLDINGS LLC (CILLIAN) AND JEREMY F. O'FRIEL (O'FRIEL). CILLIAN AGREED TO REIMBURSE ITS POOLS FOR MONTHLY EXPENSES IN EXCESS OF A SET AMOUNT (I.E., AN "EXPENSE CAP"). HOWEVER, INSTEAD OF REIMBURSING THE POOLS FOR THE MONTHLY EXPENSES IN EXCESS OF THE EXPENSE CAP, CILLIAN CREATED RECEIVABLES ON THE BOOKS OF THE POOLS, WHICH AMOUNTED TO IMPERMISSIBLE POOL LOANS TO CILLIAN. MOREOVER, CILLIAN OPERATED SIX 4.7 EXEMPT COMMODITY POOLS, ALL OF WHICH HAD OPERATED FOR SEVERAL YEARS. YET, CILLIAN FAILED TO NOTIFY NFA IN ITS ANNUAL QUESTIONNAIRES OF THE EXISTENCE OF THREE OF THESE POOLS UNTIL INSTRUCTED TO DO SO BY NFA IN 2018. THE CONFIDENTIAL OFFERING MEMORANDUMS FOR CILLIAN'S SIX POOLS ALL INCLUDED AN "EXPENSE CAP" PROVISION UNDER WHICH CILLIAN AGREED TO CAP THE POOLS' MONTHLY OPERATING EXPENSES AT A SET AMOUNT OF THE POOL'S NET ASSET VALUE (NAV). HOWEVER, INSTEAD OF REIMBURSING THE POOLS FOR EXPENSES IN EXCESS OF THE MONTHLY EXPENSE CAP, CILLIAN WOULD SIMPLY CREATE A RECEIVABLE ("EXPENSE CAP RECEIVABLE") ON THE POOLS' FINANCIAL STATEMENTS. THIS AMOUNTED TO A LOAN OR ADVANCE OF POOL ASSETS TO CILLIAN IN THE AMOUNT OF THE "EXPENSE CAP RECEIVABLE." MOREOVER, CILLIAN MADE NO ATTEMPT TO REPAY THESE "EXPENSE CAP RECEIVABLES" OWED TO THE POOLS UNTIL PROMPTED TO DO SO BY NFA. NFA CITED CILLIAN FOR UNPAID "EXPENSE CAP RECEIVABLES" IN NFA'S 2013, 2014, 2016 AND 2018 EXAMINATIONS OF CILLIAN. BY REASON OF THE FOREGOING ACTS AND OMISSIONS, CILLIAN IS CHARGED WITH VIOLATING NFA COMPLIANCE RULE 2-45.

CILLIAN FAILED TO LIST POOLS WITH NFA AND FAILED TO FILE POOL QUARTERLY REPORTS (PQRS) AND ANNUAL POOL REPORTS. CILLIAN WAS REQUIRED TO FILE POOL QUARTERLY REPORTS (PQRS) AND ANNUAL POOL FINANCIAL STATEMENTS WITH NFA AND THE CFTC FOR THREE POOLS, BUT IT FAILED TO DO SO. FURTHER, CILLIAN ALSO FAILED TO FILE TIMELY PQRS AND ANNUAL REPORTS FOR TWO OF ITS LISTED POOLS. BY REASON OF THE FOREGOING ACTS AND OMISSIONS, CILLIAN IS CHARGED WITH VIOLATIONS OF NFA COMPLIANCE RULES 2-13 AND 2-46.

CILLIAN AND O'FRIEL FAILED TO TAKE ADEQUATE SUPERVISORY MEASURES TO PREVENT REPEATED VIOLATIONS OF NFA COMPLIANCE RULE 2-45 AS A RESULT OF THEIR CONTINUING, MULTI-YEAR PRACTICE OF CREATING "EXPENSE CAP RECEIVABLES" ON THE BOOKS OF CILLIAN'S POOLS INSTEAD OF REIMBURSING THE POOLS IN A TIMELY MANNER FOR MONTHLY EXPENSES IN EXCESS OF THE EXPENSE CAP. CILLIAN AND O'FRIEL ALSO FAILED TO TAKE APPROPRIATE SUPERVISORY STEPS TO ENSURE THAT ALL OF CILLIAN'S POOLS, WHICH WERE REQUIRED TO BE LISTED WITH NFA, WERE, IN FACT, LISTED AND THAT THE REQUIRED PQRS



AND ANNUAL REPORTS WERE FILED FOR THESE POOLS. BY REASON OF THE FOREGOING ACTS AND OMISSIONS, GILLIAN AND O'FRIEL ARE CHARGED WITH VIOLATIONS OF NFA COMPLIANCE RULE 2-9(A).

Initiated By: NATIONAL FUTURES ASSOCIATION

Date Initiated: 04/18/2019

Docket/Case Number: 19-BCC-003

Principal Product Type: Other

Other Product Type(s): COMMODITY POOL

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Decision

Resolution Date: 07/15/2019

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Monetary/Fine \$25,000.00

Other Sanctions Ordered:

Sanction Details: CILLIAN HOLDINGS LLC IS ORDERED TO PAY A \$25,000 FINE.

Regulator Statement CILLIAN AND O'FRIEL SUBMITTED AN OFFER OF SETTLEMENT, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE COMPLAINT. ON JULY 15, 2019, NFA'S HEARING PANEL ISSUED A DECISION, PURSUANT TO CILLIAN AND O'FRIEL'S SETTLEMENT OFFER, AND ORDERED CILLIAN AND O'FRIEL TO PAY A \$25,000 FINE.

Reporting Source: Firm

Current Status: Final

Allegations: NFA CASE NO. 19-BCC-003, APRIL 18, 2019: HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION (NFA), AND HAVING FOUND REASON TO BELIEVE THAT NFA REQUIREMENTS ARE BEING, HAVE BEEN OR ARE



ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, NFA'S BUSINESS CONDUCT COMMITTEE (COMMITTEE) ISSUES THIS COMPLAINT AGAINST THE FIRM CILLIAN HOLDINGS LLC (CILLIAN) AND JEREMY F. O'FRIEL (O'FRIEL). CILLIAN AGREED TO REIMBURSE ITS POOLS FOR MONTHLY EXPENSES IN EXCESS OF A SET AMOUNT (I.E., AN "EXPENSE CAP"). HOWEVER, INSTEAD OF REIMBURSING THE POOLS FOR THE MONTHLY EXPENSES IN EXCESS OF THE EXPENSE CAP, CILLIAN CREATED RECEIVABLES ON THE BOOKS OF THE POOLS, WHICH AMOUNTED TO IMPERMISSIBLE POOL LOANS TO CILLIAN. MOREOVER, CILLIAN OPERATED SIX 4.7 EXEMPT COMMODITY POOLS, ALL OF WHICH HAD OPERATED FOR SEVERAL YEARS. YET, CILLIAN FAILED TO NOTIFY NFA IN ITS ANNUAL QUESTIONNAIRES OF THE EXISTENCE OF THREE OF THESE POOLS UNTIL INSTRUCTED TO DO SO BY NFA IN 2018. THE CONFIDENTIAL OFFERING MEMORANDUMS FOR CILLIAN'S SIX POOLS ALL INCLUDED AN "EXPENSE CAP" PROVISION UNDER WHICH CILLIAN AGREED TO CAP THE POOLS' MONTHLY OPERATING EXPENSES AT A SET AMOUNT OF THE POOL'S NET ASSET VALUE (NAV). HOWEVER, INSTEAD OF REIMBURSING THE POOLS FOR EXPENSES IN EXCESS OF THE MONTHLY EXPENSE CAP, CILLIAN WOULD SIMPLY CREATE A RECEIVABLE ("EXPENSE CAP RECEIVABLE") ON THE POOLS' FINANCIAL STATEMENTS. THIS AMOUNTED TO A LOAN OR ADVANCE OF POOL ASSETS TO CILLIAN IN THE AMOUNT OF THE "EXPENSE CAP RECEIVABLE." MOREOVER, CILLIAN MADE NO ATTEMPT TO REPAY THESE "EXPENSE CAP RECEIVABLES" OWED TO THE POOLS UNTIL PROMPTED TO DO SO BY NFA. NFA CITED CILLIAN FOR UNPAID "EXPENSE CAP RECEIVABLES" IN NFA'S 2013, 2014, 2016 AND 2018 EXAMINATIONS OF CILLIAN. BY REASON OF THE FOREGOING ACTS AND OMISSIONS, CILLIAN IS CHARGED WITH VIOLATING NFA COMPLIANCE RULE 2-45. CILLIAN FAILED TO LIST POOLS WITH NFA AND FAILED TO FILE POOL QUARTERLY REPORTS (PQRS) AND ANNUAL POOL REPORTS. CILLIAN WAS REQUIRED TO FILE POOL QUARTERLY REPORTS (PQRS) AND ANNUAL POOL FINANCIAL STATEMENTS WITH NFA AND THE CFTC FOR THREE POOLS, BUT IT FAILED TO DO SO. FURTHER, CILLIAN ALSO FAILED TO FILE TIMELY PQRS AND ANNUAL REPORTS FOR TWO OF ITS LISTED POOLS. BY REASON OF THE FOREGOING ACTS AND OMISSIONS, CILLIAN IS CHARGED WITH VIOLATIONS OF NFA COMPLIANCE RULES 2-13 AND 2-46. CILLIAN AND O'FRIEL FAILED TO TAKE ADEQUATE SUPERVISORY MEASURES TO PREVENT REPEATED VIOLATIONS OF NFA COMPLIANCE RULE 2-45 AS A RESULT OF THEIR CONTINUING, MULTI-YEAR PRACTICE OF CREATING "EXPENSE CAP RECEIVABLES" ON THE BOOKS OF CILLIAN'S POOLS INSTEAD OF REIMBURSING THE POOLS IN A TIMELY MANNER FOR MONTHLY EXPENSES IN EXCESS OF THE EXPENSE CAP. CILLIAN AND O'FRIEL ALSO FAILED TO TAKE APPROPRIATE SUPERVISORY STEPS TO ENSURE THAT ALL OF CILLIAN'S POOLS, WHICH WERE REQUIRED TO BE LISTED WITH NFA, WERE, IN FACT, LISTED AND THAT THE REQUIRED PQRS AND ANNUAL REPORTS WERE FILED FOR THESE POOLS. BY REASON OF



THE FOREGOING ACTS AND OMISSIONS, CILLIAN AND O'FRIEL ARE CHARGED WITH VIOLATIONS OF NFA COMPLIANCE RULE 2-9(A).

Initiated By: NATIONAL FUTURES ASSOCIATION

Date Initiated: 04/18/2019

Docket/Case Number: 19-BCC-003

Principal Product Type: Other

Other Product Type(s): COMMODITY POOL

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Decision

Resolution Date: 07/15/2019

Sanctions Ordered: Monetary/Fine \$25,000.00

Other Sanctions Ordered:

Sanction Details: CILLIAN HOLDINGS LLC IS ORDERED TO PAY \$25,000.00 FINE.

Firm Statement CILLIAN AND O'FRIEL SUBMITTED AN OFFER OF SETTLEMENT, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE COMPLAINT. ON JULY 15, 2019, NFA'S HEARING PANEL ISSUED A DECISION, PURSUANT TO CILLIAN AND O'FRIEL'S SETTLEMENT OFFER, AND ORDERED CILLIAN AND O'FRIEL TO PAY A \$25,000 FINE.

End of Report



This page is intentionally left blank.