

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2023078062701**

TO: Department of Enforcement
Financial Industry Regulatory Authority (FINRA)

RE: The Ultima Global Markets (USA), Inc., formerly known as BCS Global Markets
(Respondent)
Member Firm
CRD No. 47895

Pursuant to FINRA Rule 9216, Respondent The Ultima Global Markets (USA), Inc. submits this Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement of the alleged rule violations described below.¹ This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

The Ultima Global Markets (USA), Inc. has been a FINRA member since January 2000. The firm, which is located in New York, New York, has two registered representatives and has one registered branch office. Ultima's primary business was facilitating trading through delivery-versus-payment/receive-versus-payment (DVP/RVP) correspondent accounts for two affiliated foreign financial institutions (FFIs).²

OVERVIEW

From at least August 2021 through September 2024, Ultima failed to establish and implement an anti-money laundering (AML) program that could be reasonably expected to detect and cause the reporting of potentially suspicious activity relating to low-priced securities transactions in correspondent accounts controlled by the firm's affiliated FFIs, who traded on behalf of undisclosed customers. As a result, Ultima violated FINRA Rules 3310(a), 3310(f)(ii), and 2010.

During the same period, Ultima also failed to establish and implement a reasonably designed due diligence program for correspondent accounts of FFIs, including by failing

¹ The firm changed its legal name to The Ultima Global Markets (USA), Inc. on May 8, 2025.

² For more information about the firm, visit BrokerCheck® at www.finra.org/brokercheck.

to conduct periodic reviews of account activity to determine whether the activity was consistent with the type, purpose, and anticipated activity of the account. As a result, the firm violated FINRA Rules 3310(b) and 2010. For these violations, Ultima is censured and fined \$100,000.

FACTS AND VIOLATIVE CONDUCT

This matter originated from FINRA's cycle exam of Ultima.

A. Ultima failed to establish and implement AML policies and procedures that could be reasonably expected to detect and cause the reporting of potentially suspicious activity involving low-priced securities.

FINRA Rule 3310 requires each member firm to develop and implement a written AML program reasonably designed to achieve and monitor the firm's compliance with the requirements of the Bank Secrecy Act (BSA) and the implementing regulations promulgated by the Department of the Treasury. FINRA Rule 3310(a) requires each firm to establish and implement policies and procedures that can be reasonably expected to detect and cause the reporting of transactions required under 31 U.S.C. § 5318(g) and its implementing regulations. Under 31 C.F.R. § 1023.320, broker-dealers are required, in specified circumstances, to file with the Financial Crimes Enforcement Network (FinCEN) a report of any suspicious transaction relevant to a possible violation of law or regulation.

In May 2019, FINRA published Regulatory Notice (RN) 19-18, which reminded firms of their suspicious activity monitoring and reporting obligations and provided an updated list of non-exhaustive red flags, including several related to low-priced securities transactions. Additionally, in February 2021, FINRA published RN 21-03 which specifically called attention to the risks associated with low-priced securities and listed other red flags specific to such securities, including financial institution customers that route high volume or frequent sell orders (with no buys) for low-priced securities to firms for execution and use DVP/RVP accounts for such transactions. RN 21-03 also stated that firms that engage in low-priced securities business should be aware of a SEC Staff Bulletin that "highlights for broker-dealers various risks arising from illicit activities associated with transactions in low-priced securities through omnibus accounts, particularly transactions effected on behalf of omnibus accounts maintained for foreign financial institutions."

In addition, FINRA Rule 3310(f)(ii) requires, in relevant part, that a member firm's AML program include appropriate risk-based procedures for conducting ongoing customer due diligence, including conducting ongoing monitoring to identify and report suspicious transactions.

A violation of FINRA Rule 3310 is also a violation of FINRA Rule 2010, which requires FINRA members to observe "high standards of commercial honor and just and equitable principles of trade" in the conduct of their business.

Ultima facilitates trading through DVP/RVP accounts. The firm has no retail customers and does not hold customer funds or securities. Since February 2022, the firm's only customers have been two affiliated FFIs with correspondent accounts at Ultima, which are both owned by the same parent company as Ultima. In September 2024, the firm halted all trading.

During the relevant period, the firm facilitated at least 332 low-priced securities transactions on behalf of these FFIs. The net principal value of these trades amounted to approximately \$27.5 million.

From at least August 2021 through September 2024, Ultima's AML program was not reasonably designed to detect and cause the reporting of suspicious low-priced securities transactions. The firm did not reasonably tailor its program to its business model, including with respect to transactions made by its affiliated FFIs. Ultima relied on daily exception reports generated by its clearing firm to monitor low-priced securities transactions, but the default parameters provided by the clearing firm for the reports excluded all of the firm's trading in low-priced securities. Specifically, the reports excluded DVP/RVP accounts, which constituted the entirety of Ultima's trading activity. The firm implemented two new daily reports in April 2022, which were separate from the clearing firm reports, that did not include the DVP/RVP exclusion and reflected all low-priced securities transactions facilitated by the firm. However, the reports did not contain sufficient information for the firm to assess whether suspicious activity involving low-priced securities occurred, such as the customer's trading across accounts or over multiple days (i.e., on a rolling basis). The firm also lacked a reasonable means of assessing a customer's trading in proportion to the daily trading volume of the security. Moreover, even when the firm identified low-priced securities transactions based on these reports, the firm failed to appropriately investigate the identified trades. For example, in one instance, firm personnel asked the customer for additional context on a low-priced securities transaction but accepted the customer's response without any further scrutiny or investigation.

Therefore, Respondent violated FINRA Rules 3310(a), 3310(f)(ii), and 2010.

B. Ultima failed to establish and implement an appropriate due diligence program for correspondent accounts of FFIs.

FINRA Rule 3310(b) requires member firms to establish and implement policies, procedures, and internal controls reasonably designed to achieve compliance with the BSA and the implementing regulations thereunder, including 31 C.F.R. § 1010.610. Under 31 C.F.R. § 1010.610(a), broker-dealers are required to "establish a due diligence program that includes appropriate, specific, risk-based, and, where necessary, enhanced policies, procedures, and controls" reasonably designed to enable the broker-dealer to detect and report, on an ongoing basis, any known or suspected money laundering activity conducted through or involving correspondent accounts of FFIs. The program must also include an assessment of the money laundering risk posed by such accounts, based on a consideration of all relevant factors, including, as appropriate: (1) the nature of the FFI's business and the markets it serves; (2) the type, purpose, and anticipated

activity of the account; (3) the nature and duration of the firm's relationship with the FFI; (4) the AML regime of the jurisdiction in which the FFI is located; and (5) information known or reasonably available to the firm about the FFI's AML record. The risk-based procedures must also include "a periodic review of the correspondent account activity sufficient to determine consistency with information obtained about the type, purpose, and anticipated activity of the account."³

From at least August 2021 through September 2024, Ultima failed to establish and implement a reasonable due diligence program for its correspondent accounts, including by failing to conduct periodic reviews of correspondent account activity to determine whether the activity was consistent with the type, purpose, and anticipated activity of the account. Ultima's trading during the relevant period was almost entirely on behalf of the firm's affiliated FFIs. The firm failed to obtain sufficient information on the nature of the FFIs' businesses and their anticipated trading activities. While the firm knew the FFIs could use their correspondent accounts to trade on a principal or proprietary basis, or to facilitate their underlying customers' orders, Ultima lacked an understanding of when, if at all, the affiliated FFIs were in fact trading on behalf of their own customers or on their own behalf, even though the FFIs were transacting in low-priced securities, which can pose a higher risk of illicit activities, as noted above. Thus, the firm allowed the FFIs to send their orders through their respective order-management systems, which would communicate those orders directly to the firm's order-management system for routing and execution.

Ultima also did not apply adequate risk-based procedures or controls on the trading activity, including by failing to conduct periodic reviews of correspondent account activity, as described above.

Therefore, Respondent violated FINRA Rules 3310(b) and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a censure and
- a \$100,000 fine.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

³ 31 C.F.R. §1010.610(a)(3).

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against it;
- B. To be notified of the complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council (NAC) and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this statement. This statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce Respondent to submit this AWC.

February 25, 2026

Date

Michael Healy

The Ultima Global Markets (USA), Inc.
Respondent

Print Name: Michael Healy

Title: CEO

Reviewed by:

Barry Bordetsky

Barry Bordetsky

Counsel for Respondent

The Law Offices of Barry M. Bordetsky

570 Lexington Avenue, 24th Floor

New York, NY 10022

Accepted by FINRA:

Signed on behalf of the
Director of ODA, by delegated authority

March 16, 2026

Date

Grant Thomas Hodges

Grant Thomas Hodges

Principal Counsel

FINRA

Department of Enforcement

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