

News & Events

[Press Releases](#)

[Public Statements & Remarks](#)

[Events](#)

Release Number 8943-24

CFTC Orders TD Bank and Cowen to Pay Civil Monetary Penalties for Recordkeeping and Supervision Failures for Firm-Wide Use of Unapproved Communication Methods

August 14, 2024

Washington, D.C. — The Commodity Futures Trading Commission today issued two orders simultaneously filing and settling charges against **The Toronto Dominion Bank** (TD Bank), a swap dealer, and against **Cowen and Company** (Cowen), previously registered with the CFTC as an introducing broker, for failing to maintain and preserve records that were required to be kept under CFTC recordkeeping requirements and failing to diligently supervise matters related to their businesses as CFTC registrants.

The orders require TD Bank to pay a \$75 million civil monetary penalty, and Cowen to pay a \$3 million civil monetary penalty. Both admit the facts detailed in the orders, are ordered to cease and desist from further violations of recordkeeping and supervision requirements, and are ordered to engage in specified remedial undertakings.

Background

The orders find TD Bank from at least 2015 to the present, and Cowen from at least 2019 to February 2024, failed to stop employees, including those at senior levels, from communicating using unapproved communication methods, including messages sent via personal text. The firms were required to keep certain of these written communications because they related to the firms' CFTC-registered businesses. These written communications generally were not maintained and preserved by the firms, and neither firm generally would have been able to provide them promptly to the CFTC if and when requested.

Each order further finds the use of unapproved communication methods violated each firm's internal policies and procedures, which generally prohibited business-related communication taking place via unapproved methods. Further, some of the same supervisory personnel responsible for ensuring compliance with the firms' policies and procedures also used non-approved methods of communication to engage in business-related communications, in violation of firm policy.

Since December 2021, the CFTC has imposed \$1.202 billion in civil monetary penalties on 24 financial institutions for their use of unapproved methods of communication, in violation of CFTC recordkeeping and supervision requirements. [See CFTC Press Release Nos. [8470-21](#); [8599-22](#); [8699-23](#); [8701-23](#); [8762-23](#); [8763-23](#); [8794-23](#); [8880-24](#)]

Related Civil Actions

The Securities and Exchange Commission also announced today its filing and settling charges against affiliates of TD Bank and Cowen, and imposing civil monetary penalties for recordkeeping and supervision violations related to the use of unapproved methods of communication.

The CFTC Division of Enforcement staff responsible for these actions are Penina Moisa; Andrew Rodgers; Devin Cain; Alejandra de Urioste; R. Stephen Painter, Jr.; Lenel Hickson, Jr.; and Manal M. Sultan.

-CFTC-

RELATED LINKS

[Order: The Toronto Dominion Bank](#)

[Order: Cowen and Company](#)

[Statement of Commissioner Caroline. D. Pham](#)

Resources

[CFTC Regulations](#)
[Commodity Exchange Act](#)
[Privacy Policy](#)
[Web Policy](#)
[FOIA](#)
[EEO Statement](#)
[No Fear Act](#)
[Accessibility Statement](#)
[Procurement](#)
[USA.gov](#)
[Glossary](#)

Actions

[Search Public Comments](#)
[Submit Tips & Complaints](#)
[Search Industry Filings](#)

[Whistleblower.gov](#)
[Office of Technology Innovation](#)

[Inspector General](#)

Sitemap



CFTC Headquarters

Three Lafayette Centre
 1155 21st Street, NW
 Washington, DC 20581
 202.418.5000

[Subscribe to CFTC Updates](#)