

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

In the Matter of)

MELROSE ASSET MANAGEMENT)
CORPORATION)

Registrant.)

CFTC DOCKET NO. 04-0710

OFFICE OF PROCEEDINGS
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**OPINION AND ORDER ACCEPTING OFFER OF SETTLEMENT
OF MELROSE ASSET MANAGEMENT CORPORATION**

The Commission filed a Notice of Intent to Suspend, Revoke, or Restrict Registration ("Notice") against registrant Melrose Asset Management Corporation ("Melrose").¹ Melrose has submitted an Offer of Settlement ("Offer"). Upon consideration, the Commission has determined to accept the Offer.² Solely on the basis of the consent evidenced by the Offer, and without

¹ The Notice alleges that Melrose's registrations as a commodity pool operator ("CPO") and commodity trading advisor ("CTA") are subject to revocation, suspension or restriction under Sections 8a(2)(C) and (E) of the Commodity Exchange Act, ("Act"), 7 U.S.C. §§ 12a(2)(C) and (E) (2002), because an order of permanent injunction has been entered against Melrose prohibiting it from engaging in fraud in violation of the Act and acting in any capacity for which registration with the Commission is required under the Act.

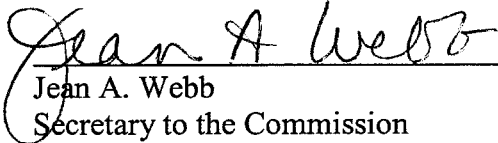
² In its Offer, without admitting or denying the allegations of the Notice, Melrose acknowledges service of the Notice; admits the jurisdiction of the Commission with respect to the matters set forth in the Notice; waives a hearing, all post-hearing procedures, judicial review by any court, and any objection to the staff's participation in the Commission's consideration of the Offer; and stipulates that the record basis on which this Opinion and Order ("Order") is entered consists of the Notice and the findings to which Melrose consented in the Offer, which are incorporated in this Order. In addition, Melrose waives all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2000) and 28 U.S.C. § 2412 (2000) and Part 148 of the Commission Regulations, 17 C.F.R. §§ 148.1-30 (2004), relating to, or arising from, this action.

adjudication on the merits, the Commission finds that the facts set forth in the Notice constitute cause for a statutory disqualification of Melrose under Sections 8a(2)(C) and (E) of the Act.³

Accordingly, the Commission HEREBY ORDERS that Melrose's registrations as a CPO and CTA are revoked.

A copy of this Order shall be served on Melrose at the address set forth in the Notice, on all contract markets, and on the National Futures Association.

By the Commission:



Jean A. Webb
Secretary to the Commission

Date: September 29, 2004

³ In its Offer, Melrose agrees to the use of these findings in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party.