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**In The United States District Court
For The District Of New Jersey**

Commodity Futures Trading Commission,
Plaintiff,

vs.

Equity Financial Group LLC,
Tech Traders, Inc.,
Vincent J. Firth, and
Robert W. Shimer,
Defendants.

Civil Action No: 04 CV 1512

Consent Order of Preliminary
Injunction and Other Ancillary
Relief Against Equity Financial
Group LLC, Vincent Firth and
Robert W. Shimer

Judge Robert B. Kugler

On April 1, 2004, Plaintiff, Commodity Futures Trading Commission ("Commission"), filed a Complaint against Defendants Equity Financial Group, LLC ("Equity Financial"); Tech Traders, Inc.; Vincent J. Firth and Robert W. Shimer seeking injunctive and other equitable relief for violations of the Commodity Exchange Act, as amended ("Act"), 7 U.S.C. §§ 1 et seq. (2001), and Regulations promulgated thereunder, 17 C.F.R. §§ 1 et seq. (2003).

The Complaint alleges that from at least June 2001 and continuing to the present (the "relevant time"), Equity and Firth solicited and as of October 10, 2003 had received at least \$5.7 million from at least 29 investors for participation interests in Shasta Capital Associates, LLC. ("Shasta"), an alleged commodity pool. The Complaint further alleges that Equity is the unregistered commodity pool operator ("CPO") for Shasta, and that Firth solicited pool participants as an unregistered associated person ("AP") of Equity, that Equity claimed in a Private Placement Memorandum and in other means of soliciting participation interests in Shasta that pool participants' funds in Shasta were placed with a trading company with access to a managed futures trading system for the trading of commodity futures contracts on selected financial markets, that Equity and Firth falsely touted "astonishing" performance of the Shasta commodity pool, claiming that the pool had earned trading profits of approximately 100% per annum since inception, when in fact it appeared that the trading accounts into which the pool participants' funds were placed actually suffered large losses that were not disclosed to the pool participants, and that Equity also received disbursements totaling over \$196,000 from the pool and from Tech Traders, a commodity trading advisor selected by Equity that was undisclosed to prospective investors.

The Complaint alleges that Tech Traders illegally accepted the pool participants' funds in its own name and traded those funds in futures trading accounts that Tech Traders maintained in

its own name, that Tech Traders misrepresented to the futures commission merchants carrying those accounts that the funds were its own, that on information and belief Tech Traders incurred trading losses of at least \$3.5 million during the last 12 months alone, and that on information and belief, Tech Traders also received management fees to which it was not entitled, in that the Private Placement Memorandum distributed to pool participants states that the trading company selected by Equity shall receive a share of trading profits remaining after payment of a monthly preferential return on investment received by Shasta.

The Complaint alleges that Shimer aided and abetted Equity's failure to register as a CPO by accepting Shasta funds on behalf of an unregistered CPO and that he also aided and abetted Tech Trader's prohibited act of receiving Shasta pool funds and trading those funds in its own name by drafting an investment agreement with Tech Traders that allows such concealment.

Defendants Equity, Firth and Shimer, (hereinafter "Equity Defendants"), without admitting or denying the allegations of the Complaint for the purpose of this Consent Order of Preliminary Injunction and Other Ancillary Relief ("Order"), except as to jurisdiction and venue, which they admit, consent to the entry of this Order and state that their consent is entered into voluntarily and that no promise or threat has been made by the Commission or any member, officer, agent or representative thereof, to induce them to consent to this Order.

THE PARTIES AGREE AND THE COURT FINDS THAT:

1. This Court has jurisdiction over the subject matter of this action and all parties hereto pursuant to Section 6c of the Commodity Exchange Act, as amended ("Act"), 7 U.S.C. § 13a-1 (2001), which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such person has engaged, is engaging or is about to engage

in any act or practice constituting a violation of any provision of the Act or any rule, regulation or order thereunder.

2. Venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2001), in that the Equity Defendants are found in, inhabit, or transact business in this district, and the alleged acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this district, among other places.

3. Equity Defendants waive the entry of findings of facts and conclusions of law for purposes of this Order.

IT IS THEREFORE ORDERED THAT:

1. Defendants Equity Financial and Firth are restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:
- A. Cheating or defrauding or attempting to cheat or defraud; or willfully making or causing to be made to other persons any false report or statement, or willfully deceiving or attempting to deceive other persons by any means whatsoever in or in connection with any order to make, or the making of any contract of sale of any commodity for future delivery, made, or to be made, for or on behalf of any other person, in violation of Section 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i) - (iii);
 - B. In the capacity of a commodity trading advisor or commodity pool operator, or associated person of a commodity trading advisor or commodity pool operator, by use of the mails or any means or instrumentality of interstate commerce, employing any device, scheme or artifice to defraud any client or participant or prospective client or participant or engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant, in violation of Section 4o(1) of the Act, 7 U.S.C. § 6o(1); and
 - C. Associating with a commodity pool operator, as a partner, officer, employee, consultant, or agent (or acting in a similar status or performing similar functions), in a capacity that involves the solicitation of funds, securities or property for participation in a commodity pool or supervising any person so engaged without the benefit of registration in violation of Section 4k(2) of the Act, 7 U.S.C. § 6k(2).

2. Defendants Equity Financial, Firth and Shimer are restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly operating as commodity

pool operators engaged in the business of soliciting, accepting or receiving from others, funds, securities, or property, for the purpose of trading in any commodity for future delivery on or subject to the rules of any contract market without being registered with the Commission as a commodity pool operator, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1).

3. Defendant Shimer is restrained, enjoined and prohibited, until further order of the Court from directly or indirectly aiding and abetting Tech Traders' solicitation, acceptance or receipt from an existing or prospective client funds, securities or other property in Tech Trader's name to purchase, margin, guarantee or secure any commodity interest of the client, in violation of Regulation 4.30, 17 C.F.R. § 4.30.

4. The Equity Defendants are further restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:

- A. Engaging in, controlling or directing the trading for any commodity futures or options accounts for or on behalf of any other person or entity, whether by power of attorney or otherwise;
- B. Entering into any commodity futures or options transactions for their own accounts, or for any accounts in which they have a direct or indirect interest, and/or having any commodity futures or options traded on their behalf;
- C. Introducing customers to any other person engaged in the business of trading in commodity futures and options; and
- D. Otherwise engaging in any business activities related to commodity futures and options trading that require registration.

5. The Equity Defendants are further restrained, enjoined and prohibited, until further order of the Court, except as set forth in paragraph 6 below, from directly or indirectly:

- A. Dissipating, withdrawing, transferring, removing, concealing or disposing of cash, cashiers checks, funds, assets or other property of, or within the custody, control or possession of the Defendants, including, but not limited to, all funds, personal property, money or securities held in safes, safety deposit boxes and all funds on deposit in any financial institution, bank or savings and loan account, including funds or property of investors, wherever located, whether held in the name of the Defendants or otherwise, and the assets affected by this

paragraph shall include both existing assets and assets acquired after the effective date of this Order; *provided that* nothing herein shall restrain or bar the Equity Defendants from (a) upon advance written notice to the Receiver selling real property or using the proceeds therefrom for normal living and educational expenses and legal fees incurred in the defense of this or any other action related to the facts underlying the claims in this action, (b) using funds released to them by the Receiver acquired for normal living and educational expenses and legal fees incurred in the defense of this or any other action related to the facts underlying the claims in this action, or (c) using funds earned or received from sources unrelated to the transactions underlying the claims in this action subsequent to April 1, 2004 for normal living and educational expenses and legal fees incurred in the defense of this or any other action related to the facts underlying the claims in this action.

- B. Denying Commission representatives access to their books and records; and
- C. Destroying, mutilating, concealing, altering or disposing of, in any manner, any of the books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property of Defendants, wherever located, including all such records concerning Defendants' business operations, until further order of the Court.

6. The Temporary Equity Receiver, Stephen T. Bobo ("the Receiver"), will transfer \$35,000 from the frozen funds of the Defendants under his control to an escrow account held by Menaker and Herrmann, counsel to the Equity Defendants, which will be used for the personal living expenses and attorneys' fees of the Equity Defendants. The Equity Defendants acknowledge that the Receiver believes at this time that they should not be entitled to any further payments from the frozen funds and agree that any application for payment to the Court, over the Receiver's objection, that is denied shall obligate them to reimburse the Receivership Estate for any costs, including reasonable attorneys' fees, incurred in opposing such request.

7. Until further order of this Court, Equity Defendants and each firm, corporation, partnership, association or other person or entity which holds or is a depository of their funds, securities, assets or other property of any kind, other than the accounts listed in the Agreed Order entered May 7, 2004, a copy of which is attached hereto, and other than any new accounts opened by the Equity Defendants after June 1, 2004, is prohibited from directly or indirectly

transferring, withdrawing, removing or disposing of any such funds, securities, assets or other property.

8. The injunctive provisions of this Order shall be binding on the Equity Defendants, upon any person insofar as he or she is acting in the capacity of officer, agent, servant, employee or attorney of Defendants and upon any person who receives actual notice of this Order by personal service, facsimile or otherwise insofar as he or she is acting in active concert or participation with the Defendants.

9. The Equity Defendants agree to cooperate fully in providing information to the Receiver or his agents, including the accounting firm FGMK, LLC, on, among other things, the source, amount, disposition, and current location of all funds, securities, commodity interests, assets and other property transferred or otherwise disposed of directly or indirectly by the Equity Defendants including accounts or assets of the Equity Defendants held by financial institutions located outside the territorial United States and make all practicable, good faith efforts to provide the Receiver with access to all records of accounts or assets of the Equity Defendants held by financial institutions located outside the territorial United States.

10. Section III "Powers of the Receiver", paragraph I of the Statutory Restraining Order and Order Appointing Receiver entered April 1, 2004 is modified as follows: the Receiver is directed and authorized to open one or more accounts at banks or other financial institutions as designated depositories for funds of the Defendants. The Receiver shall deposit all funds of the Defendants in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts. The Receiver is authorized to purchase U. S. Treasury securities with some or all of the funds in such designated accounts.

11. The terms of the Statutory Restraining Order and Order Appointing Receiver entered April 1, 2004, as modified, shall remain in full force and effect until further order of the Court, except that to the extent they are inconsistent with this Consent Order of Preliminary Injunction and Other Ancillary Relief, this order shall control.

12. It is further ordered that Joy McCormack and Hugh Rooney, employees of the Commission, are specially appointed to serve this Order and all other papers in this cause. This Order may be served by facsimile transmission or by email with the Order attached as a pdf file.

13. This Order shall remain in effect until further order of the Court and the Court shall retain jurisdiction over this action to ensure compliance with this Order and for all other purposes related to this action.

IT IS SO ORDERED

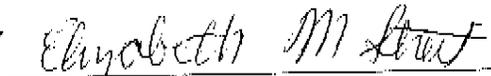
Dated: June 24th, 2004



Hon. Robert B. Kugler
United States District Court Judge

CONSENTED TO AND APPROVED BY:

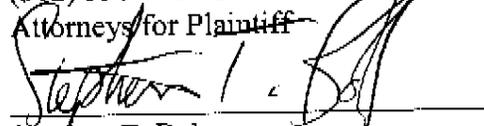

Attorney for Defendants Vincent J. Firth,
Robert W. Shimer and Equity Financial
Group LLC


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Stephen T. Bobo
Temporary Equity Receiver

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vs.

Equity Financial Group LLC,
 Tech Traders, Inc.,
 Vincent J. Firth, and
 Robert W. Shimer,
 Defendants.

Civil Action No: 04 CV 1512

**AGREED ORDER FOR
 RELEASE OF FUNDS**

Pursuant to the agreement of the Commodity Futures Trading Commission, the
 Temporary Equity Receiver Stephen T. Bobo and counsel for Defendants Equity Financial
 Group, Vincent J. Firth and Robert W. Shimer, it is ORDERED that the bank accounts listed in

Appendix to May 4, 2004 Letter from Samuel F. Abernethy, Esq. to Elizabeth M. Streit, Esq. and the amount of \$2,458.00 less any service fees charged from the account Robert W. Shimer, Esq., Escrow, Account # 03982329 at Citibank is hereby released from the restraints of the Statutory Restraining Order and Order Appointing Receiver entered by this Court on April 1, 2004 and may be accessed by Defendants Vincent Firth and Shimer and their families.

Date: May 7, 2004

Robert Kugler
Robert Kugler, U.S.D.C.J.

*Elizabeth M. Streit
Counsel for CFIC*

*Samuel F. Abernethy
attorney for Defendants
Shimer, Firth & Equity Financial Group LLC*

*Stephen T. Firth
Temporary Equity Receiver*

Appendix to May 4, 2004 Letter
from
Samuel F. Abernethy, Esq.
To
Elizabeth M. Streit, Esq.

Bank Accounts of Robert Shimer

Bank Location	Account Title	Account Number	Approximate Account Balance
Patriot Bank Leesport, PA	Alison and Robert Shimer	5300125498	\$5,284.06
Patriot Bank Leesport, PA	Robert Shimer, Escrow	5300391504	\$5,000.00

Bank Accounts of Vincent J. Firth

Bank Location	Account Title	Account Number	Approximate Account Balance
Sterling Bank Medford, NJ	Patricia and Vincent J. Firth	1160672	\$ 300.00
Sterling Bank Medford, NJ	Patricia Firth	2129566	\$ 500.00
Sun National Bank Medford, NJ	Patricia and Vincent J. Firth	102253	\$ 700.00
Sun National Bank Medford, NJ	Patricia and Vincent J. Firth	102210	\$ 500.00
Farmers & Mechanics Medford, NJ	Tyler Firth	2800884637	\$ 900.00
Farmers & Mechanics Medford, NJ	Triad Capital	2800349341	\$ 1,500.00
Farmers & Mechanics Medford, NJ	Ashley Firth	8008668	\$ 2,200.00
Farmers & Mechanics	Tyler Firth	2801537761	\$ 600.00
Farmers & Mechanics	Colin Firth	2800107000	\$ 4,600.00

All of the foregoing referred to in the letter as "Personal Accounts"

Paula Caraballo

From: Lew Cohn <lcohn@wsmsq.com>
To: <pcaraballo@wsmsq.com>
Sent: Monday, May 10, 2004 12:46 PM
Subject: Activity in Case 1:04-cv-01512-RBK-AMD COMMODITY FUTURES TRADING COMMISSION v. EQUITY FINANCIAL GROUP LLC "Order"

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U.S. District Court

District of New Jersey [LIVE]

Notice of Electronic Filing

The following transaction was received from sb, entered on 5/10/2004 at 9:04 AM EDT and filed on 5/7/2004

Case Name: COMMODITY FUTURES TRADING COMMISSION v. EQUITY
FINANCIAL GROUP LLC
Case Number: 1:04-cv-1512
Filer:
Document
Number: 35

Docket Text:

AGREED ORDER FOR RELEASE OF FUNDS. Signed by Judge Robert B. Kugler on 5/7/04. (sb)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:n/a

Electronic document Stamp:

[STAMP dcecfStamp_ID=1046708974 [Date=5/10/2004] [FileNumber=177222-0]
[6479451053ba1ae864d2acd410b38d9bef6ac9a9e5f3f5c4c21bce9bd3f093be7b17
0bed059a65a9d5fe7bb9aee062766cdc8df6c9a4787f60e62793d4017429]]

1:04-cv-1512 Notice will be electronically mailed to:

JEFFREY A. CARR carrj@pepperlaw.com,

LEWIS B. COHN lcohn@wsmsq.com, smchart@hotmail.com

WARREN W. FAULK wfaulk@brownconnery.com,

1:04-cv-1512 Notice will not be electronically mailed to:

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