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NORTHERN DIST. OF TX
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**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

U.S. COMMODITY FUTURES TRADING)	
COMMISSION and SECURITIES AND)	
EXCHANGE COMMISSION,)	
)	
Plaintiffs,)	CASE NO. 3:09-CV-0407-K
)	
v.)	
)	
CRW MANAGEMENT LP)	
and RAY M. WHITE,)	
)	
Defendants,)	
)	
CHRISTOPHER R. WHITE)	
and HURRICANE MOTORSPORTS, LLC,)	
)	
Relief Defendants.)	

**CONSENT ORDER FOR EQUITABLE RELIEF AGAINST
RELIEF DEFENDANTS CHRISOPHER R. WHITE
AND HURRICANE MOTORSPORTS, LLC**

I. INTRODUCTION

On March 4, 2009, plaintiff U.S. Commodity Futures Trading Commission (CFTC) filed a Complaint for Injunctive Relief, Civil Monetary Penalties, and Other Equitable Relief (Complaint) in this action against defendants CRW Management LP (CRW) and Ray M. White (Ray White) (collectively, defendants) and relief defendants Hurricane Motorsports, LLC (Hurricane) and Christopher R. White (Christopher White) that sought injunctive and other equitable relief for violations of the Commodity Exchange Act (Act), 7 U.S.C. §§ 1 *et seq.* (2006), as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act (CRA)), §13101-13204, 122 Stat. 1651 (enacted June 18, 2008). The Court entered an *Ex Parte* Statutory Restraining Order pursuant to

Orders of Preliminary Injunction and Other Equitable Relief against defendants on March 11, 2009. On October 1, 2009, the Court entered a Consent Order of Permanent Injunction and for Other Equitable Relief Against Defendants CRW Management LP and Ray M. White (Consent Order of Permanent Injunction Against Ray White and CRW).

II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Christopher White and Hurricane, without a trial on the merits or any further judicial proceedings,

Christopher White and Hurricane:

1. Consent to the entry of this Consent Order for Equitable Relief Against Relief Defendants Christopher R. White and Hurricane Motorsports, LLC (Consent Order);
2. Affirm that they has agreed to this Consent Order voluntarily, and that no threat, or promise, other than as specifically contained herein, has been made by the CFTC or any member, officer, agent, or representative thereof, or by any other person, to induce consent to this Consent Order;
3. Acknowledge service of the summons and Complaint;
4. Admit the jurisdiction of this Court over them and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), and Section 2(c)(2) of the Act as amended by the CRA, to be codified at 7 U.S.C. § 2(c)(2);
5. Admit that venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2006);

6. Waive.

a) any and all claims that they may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2006) and 28 U.S.C. § 2412 (2006), and/or Part 148 of the Regulations, 17 C.F.R. §§ 148.1 *et seq.* (2010), relating to or arising from this action;

b) any and all claims that they may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. 104-121, §§ 201-253, 110 Stat. 847, 857-68 (1996), as amended by Pub. L. No. 110-28, § 8302, 121 Stat. 112, 204-05 (2007), relating to or arising from this action;

c) any claim of Double Jeopardy based upon the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief; and

d) any and all rights of appeal from this action;

7. Consent to the continued jurisdiction of this Court for the purpose of enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this case, even if they now or in the future reside outside the jurisdiction;

8. Agree that neither they nor any of their agents or employees under their authority or control shall take any action or make any public statement denying, directly or indirectly, any allegations in the Complaint, or findings in this Consent Order, or creating or tending to create the impression that the Complaint and/or this Consent Order are without a factual basis; provided, however, that nothing in this provision shall affect their: (a) testimonial obligations, or (b) rights to take legal positions in other proceedings to which the CFTC is not a party. Christopher White and Hurricane shall undertake all steps necessary to ensure that all of their

agents and/or employees under their authority or control understand and comply with this agreement.

9. By consenting to the entry of this Consent Order, neither admit nor deny the allegations of the Complaint or the Findings of Fact and Conclusions of Law in this Consent Order, except as to jurisdiction and venue, which they admit. Christopher White and Hurricane agree and intend, however, that all of the allegations of the Complaint and all the Findings of Fact and Conclusions of Law made by this Court and contained in Part III. of this Consent Order shall be taken as true and correct and be given preclusive effect, without further proof, in the course of: (a) any current or subsequent bankruptcy proceeding filed by, on behalf of, or against either of them; (b) a proceeding to enforce this Consent Order; and/or (c) any proceeding pursuant to Section 8a of the Act, 7 U.S.C. § 12a(1) (2006), and/or Part 3 of the Regulations, 17 C.F.R. §§ 3.1 *et seq.*(2010);

10. Agree to provide immediate notice to this Court and the CFTC by certified mail, in the manner required by paragraph 29 of Part V. of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against either of them; and

11. Agree that no provision of this Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against them in any other proceeding.

III. FINDINGS AND CONCLUSIONS

A. Jurisdiction and Venue

12. Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), authorizes the CFTC to seek injunctive and other equitable relief and to seek civil penalties against any person whenever it

shall appear to the CFTC that such person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of the Act or any rule, regulation, or order thereunder.

13. The CFTC has jurisdiction over the off-exchange foreign currency (forex) transactions at issue in this case pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), and Section 2(c)(2) of the Act, as amended by the CRA, to be codified at 7 U.S.C. § 2(c)(2).

14. Venue properly lies with the Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2006), because defendants transacted business in the Northern District of Texas and certain of the transactions, acts, practices, and courses of business in violation of the Act occurred within this District.

B. Parties to this Consent Order

15. Plaintiff **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged by Congress with responsibility for administering and enforcing the Act, 7 U.S.C. §§ 1 *et seq.* (2006), and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2010).

16. Relief Defendant **Christopher R. White** has a last known address in Mansfield, Texas. Christopher White was a limited partner of CRW. He owned a forty percent interest in CRW and contributed \$8,000 in initial capital. Christopher White is the son of defendant Ray White. Christopher White has never been registered with the Commission in any capacity.

17. Relief Defendant **Hurricane Motorsports, LLC** was a Texas Limited Liability Company, with a last known address in Mansfield, Texas. At the time of the events alleged in the Complaint, Ray White was Hurricane's owner, and Christopher White was Hurricane's manager. Hurricane is presently under the control of Timothy A. Mack, the Court-appointed Receiver. Hurricane has never been registered with the Commission in any capacity.

C. Findings of Fact

18. The facts as stated in Section III (Findings and Conclusions) of the Consent Order of Permanent Injunction Against Ray White and CRW, to which Ray White and CRW admitted, are incorporated in this Consent Order as if set forth fully herein.

19. Some of CRW customers' funds were given to, used by, or used for the benefit of Christopher White. As such, Christopher White received possession, ownership, use, or benefit of funds and other assets—including several vehicles, a residence, and cash—with a total value of at least \$322,293.61, as a result of defendants' fraudulent scheme. Christopher White did not and does not have a legitimate claim to these funds or other assets.

20. Some of CRW customers' funds were given to, used by, or used for the benefit of Hurricane. As such, Hurricane received possession, ownership, use, or benefit of funds and other assets—including numerous vehicles and cash—with a total value of at least \$60,450.00, as a result of defendants' fraudulent scheme. In addition, some CRW customers' funds were used to purchase real estate, identified by the Receiver as 13406 CR 1145, Tyler, Texas, in the name of Hurricane. Hurricane did not and does not have a legitimate claim to the real estate, these funds, or other assets.

D. Conclusions of Law

21. The Conclusions of Law contained in the Consent Order of Permanent Injunction Against Ray White and CRW, to which Ray White and CRW admitted, are incorporated in this Consent Order as if set forth fully herein. As such, Ray White and CRW violated Section 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, to be codified at 7 U.S.C. § 6b(a)(2)(A)-(C).

22. Christopher White is a relief defendant because he received ill-gotten gains from defendants' fraudulent conduct and does not have a legitimate claim to those gains.

Christopher White must, therefore, disgorge all ill-gotten gains regardless of whether he actually violated the Act, as amended by the CRA.

23. Hurricane is a relief defendant because it received ill-gotten gains from defendants' fraudulent conduct and does not have a legitimate claim to those gains. Hurricane must, therefore, disgorge all ill-gotten gains regardless of whether it actually violated the Act, as amended by the CRA.

IV. DISGORGEMENT

A. Disgorgement

24. Christopher White received at least \$322,293.61 from defendants' fraudulent scheme, either directly or indirectly, through the possession, ownership, or use of funds and other assets—including several vehicles, a residence, and cash.

25. Hurricane received at least \$60,450.00 and real estate identified by the Receiver as 13406 CR 1145, Tyler, Texas from defendants' fraudulent scheme, either directly or indirectly, through the possession, ownership, or use of funds and other assets—including the real estate, numerous vehicles, and cash.

26. Christopher White shall pay \$322,293.61 in disgorgement under this Consent Order. All disgorgement payments are immediately due and owing. Further, all disgorgement payments made by Christopher White pursuant to this paragraph shall represent an offset to Ray White and CRW's disgorgement obligation, as may be determined at a later date, in accordance with the procedure set forth in the Consent Order of Permanent Injunction Against Ray White and CRW.

27. Hurricane shall pay \$60,450.00, plus the funds received from the sale of the real estate identified by the Receiver as 13406 CR 1145, Tyler, Texas, in disgorgement under this

Consent Order. All disgorgement payments are immediately due and owing. Further, all disgorgement payments made by Hurricane pursuant to this paragraph shall represent an offset to Ray White and CRW's disgorgement obligation, as may be determined at a later date, in accordance with the procedure set forth in the Consent Order of Permanent Injunction Against Ray White and CRW.

B. Return of Funds to Customers

28. On March 4, 2009, Timothy A. Mack was appointed Receiver, with full powers of an equity receiver over the assets of defendants and relief defendants. Consistent with these powers, the Receiver has taken possession of and/or liquidated numerous assets of defendants and relief defendants, including assets in the name of or otherwise attributable to Christopher White and Hurricane. The Receiver's sale or liquidation of assets in the name of or otherwise attributable to Christopher White and Hurricane has thus far generated \$382,743.61. Those funds, plus the funds received from the sale of the real estate identified by the Receiver as 13406 CR 1145, Tyler, Texas, along with any interest earned on these funds, will be returned to defendants' customers (less any court-approved fees and expenses incurred or to be incurred by the Receiver), and shall satisfy, in full Christopher White's and Hurricane's disgorgement obligations as set forth above in Part IV.A. of this Consent Order. The Court orders that these funds be distributed to defendants' customers pursuant to and consistent with the distribution plan ultimately approved by this Court and that Christopher White's and Hurricane's rights, if any, to these funds or to any other assets, held now or in the future, by the Receiver, be extinguished.

V. MISCELLANEOUS PROVISIONS

29. Notice: All notices required to be given by any provision in this Consent Order shall be sent certified mail, return receipt requested, as follows:

Notice to CFTC:

Division of Enforcement
U.S. Commodity Futures Trading Commission
4900 Main Street, Suite 500
Kansas City, MO 64112-1764

Notice to Christopher White:

Thomas A. Fuller
The Fuller Law Group, PLLC
2000 E Lamar Blvd., Suite 600
Arlington, TX 76006

Stephen H. Gordon
The Gordon Law Firm PC
5820 IH-10 West, Suite 400
San Antonio, TX 78201

Notice to Receiver and Hurricane:

Timothy A Mack, Receiver
Mack and Matheson PLLC
4925 Greenville Avenue, Suite 880
Dallas, TX 75206

All such notices to the CFTC shall reference the name and docket number of this action.

30. Change of Address/Phone: In the event that Christopher White changes his telephone number(s) and/or address(es) at any time, he shall provide written notice of the new number(s) and/or address(es) to the CFTC within ten (10) calendar days thereof.

31. Entire Agreement and Amendments: This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify this Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

32. **Invalidation:** If any provision of this Consent Order or if the application of any provisions or circumstances is held invalid, the remainder of the Consent Order and the application of the provisions to any other person or circumstance shall not be affected by the holding.

33. **Waiver:** The failure of any party hereto at any time or times to require performance of any provision hereof shall in no manner affect the right of such party at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

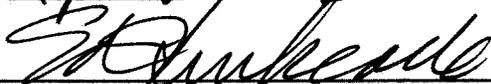
34. **Continuing Jurisdiction of this Court:** This Court shall retain jurisdiction of this cause to assure compliance with this Consent Order and for all other purposes related to this action, including any motion by a defendant or relief defendant to modify or for relief from the terms of this Consent Order.

35. **Authority:** Timothy A Mack as Receiver appointed pursuant to this Court's Order dated March 4, 2009 is hereby authorized, empowered, and directed to sign and submit this Order on behalf of Hurricane.

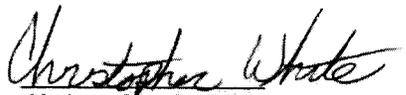
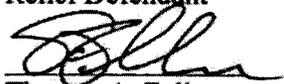
36. **Counterparts and Facsimile Execution:** This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered (by facsimile or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to this agreement that is

delivered by facsimile or otherwise shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

Signed JLF
SO ORDERED this 27 day of September, 2011, at Dallas, Texas



ED KINKEADE
UNITED STATES DISTRICT JUDGE
NORTHERN DISTRICT OF TEXAS


Christopher R. White
Relief Defendant

Thomas A. Fuller
The Fuller Law Group, PLLC
2000 E Lamar Blvd., Suite 600
Arlington, TX 76006

*Attorney for Relief Defendant
Christopher White*

Date: May 26, 2011

Tim A. Mack
*Receiver for Relief Defendant
Hurricane Motorsports, LLC*

Date: _____, 2011

Kevin McCullough
Rochelle McCullough, LLP
325 North Saint Paul Street, Suite 4500
Dallas, TX 75201

Attorney for Receiver

Date: _____, 2011

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cmarvine@cftc.gov
creed@cftc.gov

Date: _____, 2011

delivered by facsimile or otherwise shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

SO ORDERED, this _____ day of _____, 2011, at Dallas, Texas

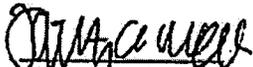
ED KINKEADE
UNITED STATES DISTRICT JUDGE
NORTHERN DISTRICT OF TEXAS

Christopher R. White
Relief Defendant

Thomas A. Fuller
The Fuller Law Group, PLLC
2000 E Lamar Blvd., Suite 600
Arlington, TX 76006

Attorney for Relief Defendant
Christopher White

Date: _____, 2011


Tim A. Mack

Receiver for Relief Defendant
Hurricane Motorsports, LLC

Date: AUG. 11, 2011


Kevin McCullough
Rochelle McCullough, L.L.P.
325 North Saint Paul Street, Suite 4500
Dallas, TX 75201

Attorney for Receiver

Date: Aug 11, 2011



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Missouri Bar No. 59025
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4900 Main Street,
Suite 500

Date: Sept. 12, 2011