

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA  
COLUMBIA DIVISION

U.S. COMMODITY FUTURES TRADING  
COMMISSION,

PLAINTIFF,

v.

ROBERT S. LEBEN AND AMY L. LEBEN,

DEFENDANTS.

CIVIL ACTION NO. 3:14-866-TLW

COMPLAINT FOR INJUNCTIVE RELIEF, CIVIL  
MONETARY PENALTY, AND OTHER  
EQUITABLE RELIEF

Plaintiff U.S. Commodity Futures Trading Commission (“Commission” or “CFTC”), by its attorneys, alleges as follows:

**I. SUMMARY**

1. From at least August 2008 and continuing to the present (“Relevant Period”), Defendants Robert S. Leben (“R. Leben”) and Amy L. Leben (“A. Leben”), both in their individual capacities and by and through their agents (hereinafter “Defendants”), defrauded at least twelve members of the public (“Pool participants”) in connection with pooled investments in commodity futures contracts (“futures”) through the operation of a commodity pool called Structured Financial Group, LLC (“SFG” or the “Pool”).

2. During the Relevant Period, Defendants fraudulently solicited and/or received at least \$3.2 million from Pool participants by, among other things, guaranteeing annual returns of 14 percent and the safety of Pool participants’ principal investment. Rather than trading the Pool participant funds as promised, Defendants misappropriated at least \$1.77 million for their personal use. A. Leben also commingled Pool participant funds with her personal funds. To perpetuate their fraud, Defendants operated SFG as a Ponzi scheme through which they used

Pool participant funds to pay other Pool participants a total of approximately \$1 million as purported profits.

3. In addition, Defendants operated the Pool without being properly registered with the Commission as Commodity Pool Operators (“CPOs”).

4. By virtue of this conduct and the further conduct described herein, Defendants have engaged, are engaging, or are about to engage in acts and practices in violation of Sections 4b(a)(1)(A) and (C), 6(c)(1), 4g(1), and 4m(1) of the Commodity Exchange Act (“CEA”), 7 U.S.C. §§ 6b(a)(1)(A) and (C), 9(1), 6g(1), and 6m(1) (2012), and Commission Regulations (“Regulations”) 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2014), R. Leben violated Sections 4b(a)(1)(A)-(C) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A)-(C) (2012), and that A. Leben violated Regulation 4.20(b) and (c), 17 C.F.R. §§ 4.20(b) and (c) (2014).

5. The acts, omissions or failures of Defendants’ agents occurred within the scope of their employment, office, or agency with Defendants. Therefore, Defendants are each liable for the acts, omissions or failures of their agents pursuant to Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B) (2012), and Regulation 1.2, 17 C.F.R. § 1.2 (2014), as principals for their agents’ acts, omissions, or failures in violation of the CEA.

6. Accordingly, pursuant to Section 6c of the CEA, 7 U.S.C. § 13a-1 (2012), the Commission brings this action to permanently enjoin Defendants’ unlawful acts and practices and to compel their compliance with the CEA and the Regulations. In addition, the Commission seeks civil monetary penalties and remedial ancillary relief, including, but not limited to, trading and registration bans, restitution, disgorgement, rescission, pre- and post-judgment interest, and other such relief as the Court may deem necessary and appropriate.

7. Unless restrained and enjoined by this Court, Defendants are likely to continue to engage in the acts and practices alleged in this Complaint and similar acts and practices, as more fully described below.

## II. JURISDICTION AND VENUE

8. Section 6c(a) of the CEA authorizes the Commission to seek injunctive relief in district court against any person whenever it shall appear to the Commission that such person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of the CEA or any rule, regulation, or order thereunder. 7 U.S.C. § 13a-1(a) (2012).

9. Venue properly lies with this Court pursuant to Section 6c(e) of the CEA, 7 U.S.C. §13a-1(e) (2012), because Defendants reside in Columbia, South Carolina and the transactions, acts, practices, and courses of business alleged to have violated the CEA and Regulations occurred, are occurring, and/or are about to occur within this District.

## III. PARTIES

10. Plaintiff **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged by Congress with the administration and enforcement of the CEA, 7 U.S.C. §§ 1 *et seq.*, and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* The Commission maintains its principal office at Three Lafayette Centre, 1155 21<sup>st</sup> Street NW, Washington, D.C. 20581.

11. Defendant **Robert S. Leben** is an individual who resides in Columbia, South Carolina, and is A. Leben's spouse. R. Leben is the Managing Director of SFG and trades for SFG. During the Relevant Period, R. Leben acted as a CPO of SFG by soliciting funds directly from at least two Pool participants, instructing a Pool participant to solicit at least ten additional

Pool participants, signing documents on behalf of SFG, and trading futures on behalf of the Pool.

R. Leben has never been registered with the Commission in any capacity.

12. Defendant **Amy L. Leben** is an individual who resides in Columbia, South Carolina, and is R. Leben's spouse. A. Leben is the President, sole shareholder, and trader of SFG. During the Relevant Period, A. Leben acted as an unregistered CPO of SFG by opening and accepting Pool participant funds into two futures trading accounts in her name and two futures trading accounts in the name of SFG, and trading futures on behalf of SFG through these accounts. A. Leben also accepted Pool participant funds in one money market account that she opened in the name of SFG and two additional accounts in her name. A. Leben has never been registered with the Commission in any capacity.

#### IV. FACTS

13. SFG is a Delaware corporation created by A. Leben in 2006. SFG operated from Defendants' residence in Columbia, South Carolina since 2007. During the Relevant Period, R. Leben individually and through an agent ("Pool participant 1"), marketed SFG as a commodity pool and solicited prospective Pool participants to invest in the Pool.

14. R. Leben proposed a two-step trading program to generate the annual guaranteed returns of 14 percent and ensure the safety of the principal investment. First, a percentage of the funds were to be used to purchase enough "treasury strips" so that when the five- or ten-year term ended, the value of the "treasury strips" would equal the same amount of each Pool participant's principal investment. Second, the remaining principal would be traded in the futures market to generate the guaranteed returns.

15. Beginning as early as 2006, R. Leben approached Pool participant 1 about investing in the Pool. Pool participant 1 had known R. Leben for several years and believed that

R. Leben had been a successful bond trader in the past. R. Leben convinced Pool participant 1 to invest in the Pool for the purpose of trading futures. Thereafter, at R. Leben's instruction, Pool participant 1 solicited at least ten other Pool participants, including Pool participant 1's family members, to invest in the Pool. In addition to Pool participant 1, R. Leben directly solicited at least one other individual to participate in the Pool.

16. At R. Leben's instruction, Pool participant 1 touted R. Leben's trading ability to Pool participants. Specifically, Pool participant 1 told prospective Pool participants that R. Leben would (1) pool their principal with other Pool participant funds; (2) invest a certain percentage of the funds in "treasury strips" with either five- or ten-year maturity rates to guarantee the safety of the full amount of the principal; and (3) use the remainder of the funds to trade futures, including oil, gold, and grains, to earn the guaranteed annual returns of 14 percent.

17. Once a prospective Pool participant decided to invest in the Pool, the Pool participant received a "Letter Agreement" via email from R. Leben. Pool participants were instructed to sign and return the "Letter Agreement" to R. Leben, who would then sign the "Letter Agreement" on behalf of SFG, and return it to the Pool participant.

18. The "Letter Agreement," among other things, states that the "[p]rincipal is secured for the full term" and that the Pool participant is entitled to "[q]uarterly disbursements of 3.5% (14% annually)."

19. The "Letter Agreement" also instructs the Pool participant to wire their funds to Defendants' agent, who was an attorney located in Baltimore, Maryland.

20. Each quarter, Pool participants could elect to take a "disbursement" of their 3.5 percent profits, or "roll over" the 3.5 percent profits to be added to their principal investment which purportedly would generate larger profits for the following quarters. R. Leben responded

to these requests by providing either “Disbursement Notifications” or “Notifications of Rolled Assets” to Pool participants via email. Throughout the Relevant Period, many Pool participants, including at least three by email, requested disbursements in certain quarters and chose to “roll over” their profits into other quarters. These disbursements were made to Pool participants via wire transfer from the attorney at the direction of A. Leben and totaled approximately \$1 million.

21. The “Disbursement Notifications” purport that the Pool participant would receive as “proceeds on funds managed” exactly 3.5 percent of their principal investment per quarter. The “Notification of Rolled Assets” purported that exactly 3.5 percent of the Pool participant’s principal had been transferred into “a liquid money market account and will be held in Trust on your behalf until [the Pool participant’s] anniversary date.”

22. The “Disbursement Notifications” and “Notifications of Rolled Assets” are false as demonstrated by the Pool’s actual trading results and the cash flow analysis of SFG’s and A. Leben’s bank records. R. Leben knew that the representations regarding profits made to Pool participants were fraudulent because, as described below, the attorney deposited funds in accounts controlled by A. Leben, and Defendants traded futures in those accounts that consistently yielded net losses.

23. As a result of R. Leben’s fraudulent representations, A. Leben, both directly and through the attorney, received at least \$3.2 million from Pool participants, and then transferred a large portion of the pooled funds to SFG’s money market account under A. Leben’s control. Thereafter, a significant portion of Pool participant funds were either immediately used for personal expenses or transferred to A. Leben’s personal bank accounts where Pool participant funds were commingled with other funds.

24. Instead of implementing the trading plan as described to Pool participants, during the Relevant Period, Defendants held a maximum par value of \$490,000 in “treasury strips.” Rather than purchase and hold treasury strips with five- and ten-year maturities until the end of the terms of the “Letter Agreement,” Defendants sold the Pool’s entire interest in the “treasury strips” by July 2010 for approximately \$103,000.

25. Defendants then purportedly attempted to ensure the safety of the principal by depositing Pool participant funds in a money market account in the name of SFG. However, A. Leben created an undocumented \$5 million “line of credit” from SFG’s money market account, of which, upon information and belief, none has been repaid. Defendants also used debit cards to spend at least \$900,000 of Pool participant funds for personal expenses, approximately \$500,000 for the purchase of their residence, and approximately \$153,000 for a swimming pool. Defendants also gave approximately \$220,000 of Pool participant funds to their children. As a result, Defendants misappropriated at least \$1.77 million of Pool participant funds.

26. During the Relevant Period, A. Leben opened and controlled four trading accounts at domestic Futures Commission Merchants (“FCMs”). Two of these accounts were or are in the name of A. Leben, and the other two accounts were in the name of SFG. Upon information and belief, both A. Leben and R. Leben traded futures using these accounts.

27. From August 2008 through August 2013 alone, gross deposits of about \$1.55 million were made to futures trading accounts in the names of SFG and A. Leben; whereby approximately \$1.2 million of the \$1.55 million was deposited into the two SFG futures trading accounts and the remaining \$350,000 was deposited into A. Leben’s two personal trading accounts. The annual cumulative trading in all four futures trading accounts resulted in annual net losses in four of the six years of trading during the Relevant Period. However, the gains in

the two other years neither equaled nor exceeded the principal and returns guaranteed to Pool participants. A. Leben withdrew approximately \$1.59 million from the four futures trading accounts during the Relevant Period.

28. To disguise their trading losses and misappropriation, from at least December 2008 to September 2011, Defendants distributed a sum of approximately \$1 million to all twelve Pool participants as purported returns, *i.e.* “Ponzi payments,” when in fact the majority of these funds consisted of other Pool participants’ principal.

29. Beginning as early as May 2011, Defendants failed to redeem at least some disbursement requests of numerous Pool participants despite multiple requests for redemption from those participants and multiple promises to do so by Defendants.

30. Defendants engaged in the acts and practices described above knowingly or with reckless disregard for the truth.

31. The conduct described above in paragraphs 1 through 30, including, but not limited to, each act of sales solicitation fraud, misappropriation and issuance of false reports, each by itself, constitutes a manipulative device, scheme or artifice to defraud.

## **V. VIOLATIONS OF THE COMMODITY EXCHANGE ACT AND REGULATIONS**

### **COUNT ONE:**

#### **FRAUD IN CONNECTION WITH COMMODITY FUTURES CONTRACTS**

**Defendants’ Violations of Sections 4b(a)(1)(A) and(C) of the CEA,  
7 U.S.C. §§ 6b(a)(1)(A) and(C) (2012) and R. Leben’s Violations of Section 4b(a)(1)(B) of  
the CEA, 7 U.S.C. § 6b(a)(1)(B) (2012)**

32. The allegations set forth in paragraphs 1 through 31 are re-alleged and incorporated herein by reference.

33. Under the CEA, it is unlawful for any person (A) to cheat or defraud or attempt to cheat or defraud another person; (B) willfully to make or cause to be made to the other person

any false report or statement or willfully to enter or cause to be entered for the other person any false record; or (C) willfully to deceive or attempt to deceive such other person by any means whatsoever, in connection with any futures transaction. *See* Sections 4b(a)(1)(A)-(C) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A)-(C) (2012).

34. As set forth above, during the Relevant Period, Defendants, in their individual capacities and by and through their agents, violated and continue to violate Sections 4b(a)(1)(A) and (C) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A) and (C) (2012), by misappropriating Pool participant funds.

35. In addition, R. Leben violated and continues to violate Section 4b(a)(1)(A)-(C) of the CEA, 7 U.S.C. § 6b(a)(1)(A)-(C) (2012), by (i) fraudulently soliciting and/or accepting funds from Pool participants and (ii) making, causing to be made, and distributing reports or statements to Pool participants that contained false information, all in connection with the purported trading of futures contracts conducted or to be conducted by Defendants on behalf of Pool participants.

36. The foregoing acts, omissions and failures of Defendants' agents also violate Sections 4b(a)(1)(A)-(C), 7 U.S.C. §§ 6b(a)(1)(A)-(C) (2012), and occurred within the scope of their employment, office, or agency with Defendants. Therefore, Defendants are each liable for these acts, omissions, or failures pursuant to Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B) (2012), and Regulation 1.2, 17 C.F.R. § 1.2 (2014).

37. Each misrepresentation or omission of material fact, issuance of a false report, and act of misappropriation, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 4b(a)(1)(A)-(C) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A)-(C) (2012).

**COUNT TWO:  
PROHIBITION REGARDING MANIPULATION AND FALSE INFORMATION  
Defendants' Violations of Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1) (2012) and  
Regulation 180.1(a)(1)-(3), 17 C.F.R. §§ 180.1(a)(1)-(3) (2014)**

38. The allegations set forth in paragraphs 1 through 37 are re-alleged and incorporated herein by reference.

39. On August 15, 2011, Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a), 17 C.F.R. §§ 180.1(a) (2014), became effective. Under Section 6(c)(1) of the CEA, it is unlawful for any person, directly or indirectly, to use or employ any deceptive device or contrivance in connection with any futures contract, among other things. 7 U.S.C. § 9(1) (2012). Regulation 180.1(a) prohibits any person from intentionally or recklessly (1) using or attempting to use any manipulative device, scheme or artifice to defraud; (2) making any untrue or misleading statement or omission of material fact; and (3) engaging or attempting to engage in any act or practice which operates as a fraud or deceit on any person. 17 C.F.R. 180.1(a)(1)-(3) (2014).

40. From August 15, 2011 to present, Defendants in their individual capacities and by and through their agents, violated and continue to violate Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a)(1)-(3), 17 C.F.R. §§ 180.1(a)(1)-(3) (2014), by misappropriating Pool participant funds.

41. In addition, R. Leben violated and continues to violate Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a)(1)-(3), 17 C.F.R. §§ 180.1(a)(1)-(3) (2014), by (i) fraudulently soliciting and/or accepting funds from Pool participants and (ii) making, causing to be made, and distributing reports or statements to Pool participants that

contained false information, all in connection with the purported trading of futures contracts conducted or to be conducted by Defendants on behalf of Pool participants.

42. The foregoing acts, omissions and failures of Defendants' agents also violate Section 6(c)(1), 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a)(1)-(3), 17 C.F.R. §§ 180.1(a)(1)-(3) (2014), and occurred within the scope of their employment, office, or agency with Defendants. Therefore, Defendants are each liable for these acts, omissions, or failures pursuant to Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B) (2012), and Regulation 1.2, 17 C.F.R. § 1.2 (2014).

43. Each misrepresentation or omission of material fact, issuance of a false report, and act of misappropriation, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a)(1)-(3), 17 C.F.R. §§ 180.1(a)(1)-(3) (2014).

**COUNT THREE:  
FRAUD BY A COMMODITY POOL OPERATOR  
Defendants' Violations of Section 4c(1) of the CEA, 7 U.S.C. § 6c(1) (2012)**

44. The allegations set forth in paragraphs 1 through 43 are re-alleged and incorporated herein by reference.

45. Prior to July 15, 2011, Section 1a(5) of the CEA, 7 U.S.C. § 1a(5) (2006), defined a Commodity Pool Operator ("CPO") as

any person engaged in a business that is of the nature of an investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds, securities, or property, either directly or through capital contributions, the sale of stock or other forms of securities, or otherwise, for the purpose of trading in any commodity for future delivery on or subject to the rules of any contract market or derivatives transaction execution facility, except that the term does not include such person not within the intent of the definition of the term as the Commission may specify by rule, regulation, or order.

46. Since July 16, 2011, Section 1a(11) of the CEA, 7 U.S.C. § 1a(11) (2012), defines a CPO as any person who is

- (i) engaged in a business that is of the nature of a commodity pool, investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds, securities, or property, either directly or through capital contributions, the sale of stock or other forms of securities, or otherwise, for the purpose of trading in commodity interests, including any—
  - (I) commodity for future delivery, security futures product, or swap;
  - (II) agreement, contract, or transaction described in section 2(c)(2)(C)(i) of this title or section 2(c)(2)(D)(i) of this title;
  - (III) commodity option authorized under section 6c of this title; or
  - (IV) leverage transaction authorized under section 23 of this title; or
- (ii) who is registered with the Commission as a commodity pool operator.

47. Section 4q(1) of the CEA, 7 U.S.C. § 6q(1) (2012), prohibits a CPO from using the mails or any other means of interstate commerce to:

(A) employ any device, scheme or artifice to defraud any client or participant or prospective client or participant; or

(B) engage 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.

48. As set forth above, during the Relevant Period Defendants acted and continue to act as CPOs of SFG by soliciting, accepting, and/or receiving funds from Pool participants while engaged in a business that is of the nature of an investment trust, syndicate, or similar form of enterprise, for the purpose of, among other things, trading in futures.

49. Defendants, in their individual capacities and by and through their agents, violated and continue to violate Section 4q(1) of the CEA, 7 U.S.C. § 6q(1) (2012), in that they employed or are employing a device, scheme or artifice to defraud Pool participants and prospective Pool participants and/or engaged or is engaging in transactions, practices, or a course of business which operated or operates as a fraud or deceit upon the Pool participants or prospective Pool by misappropriating Pool participant funds.

50. In addition, R. Leben violated and continues to violate Section 4o(1) of the CEA, 7 U.S.C. § 6o(1) (2012), by (i) fraudulently soliciting Pool participants or prospective Pool participants; and/or (ii) making, causing to be made, and distributing reports and statements to Pool participants or prospective Pool participants that contained false information.

51. The foregoing acts, omissions and failures of Defendants' agents also violate Section 4o(1), 7 U.S.C. § 6o(1) (2012), and occurred within the scope of their employment, office, or agency with Defendants. Therefore, Defendants are each liable for these acts, omissions, or failures pursuant to Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B) (2012), and Regulation 1.2, 17 C.F.R. § 1.2 (2014).

52. Each misrepresentation or omission of material fact, issuance of a false report, and act of misappropriation, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Section 4o(1) of the CEA, 7 U.S.C. § 6o(1) (2012).

**COUNT FOUR:**

**IMPROPER OPERATION OF A COMMODITY POOL**

**A. Leben's Violations of Regulation 4.20(b) and (c), 17 C.F.R. § 4.20(b) and (c) (2014)**

53. The allegations set forth in paragraphs 1 through 52 are re-alleged and incorporated herein by reference.

54. Regulation 4.20(b), 17 C.F.R. § 4.20(b) (2014), provides that all funds received by a CPO from a pool participant must be accepted in the name of the pool, and the CPO may not accept funds in its own name.

55. Regulation 4.20(c), 17 C.F.R. § 4.20(c) (2014), provides that commodity pool funds may not be commingled with the funds of the CPO or any other person.

56. As set forth above, during the Relevant Period, A. Leben violated Regulation 4.20(b), 17 C.F.R. § 4.20(b) (2014), by receiving Pool participant funds in bank accounts in her own name, rather than in the name of the Pool.

57. As set forth above, during the Relevant Period, A. Leben violated Regulation 4.20(c), 17 C.F.R. § 4.20(c) (2014), by depositing at least some Pool participant funds in trading accounts held in her name, rather than solely in an account held in the name of the Pool.

58. The foregoing acts, omissions, or failures of A. Leben's agents, including R. Leben, also violate Regulation 4.20(b) and (c), and occurred within the scope of their employment, office, or agency with A. Leben. Therefore, A. Leben is liable for these acts, omissions, or failures pursuant to Regulation 4.20(b) and (c), 17 C.F.R. § 4.20(b) and (c) (2014).

59. Each act of improper receipt and commingling of Pool participant funds, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Regulations 4.20(b) and (c), 17 C.F.R. §§ 4.20(b) and (c) (2014).

**COUNT FIVE:  
FAILURE TO REGISTER AS A COMMODITY POOL OPERATOR  
Defendants' Violations of Section 4m(1) of the CEA, 7 U.S.C. § 6m(1) (2012)**

60. The allegations set forth in paragraphs 1 through 59 are re-alleged and incorporated herein by reference.

61. Section 4m(1) of the CEA, 7 U.S.C. § 6m(1) (2012), provides that it is unlawful for any CPO, unless registered, to make use of the mails or any means or instrumentality of interstate commerce in connection with its business as a CPO.

62. As set forth above, during the Relevant Period, Defendants, individually and by and through their agents, operated and continue to operate SFG as a commodity pool while failing to register as CPOs, in violation of Section 4m(1) of the CEA, 7 U.S.C. § 6m(1) (2012).

63. Each use of the mails or any means or instrumentality of interstate commerce by Defendants while acting as CPOs, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Section 4m(1) of the CEA, 7 U.S.C. § 6m(1) (2012).

## **VI. RELIEF REQUESTED**

WHEREFORE, the Commission respectfully requests that the Court, as authorized by Section 6c of the CEA, 7 U.S.C. § 13a-1 (2012), and pursuant to its own equitable powers, enter:

a. An order finding that Defendants violated Sections 4b(a)(1)(A) and (C), 6(c)(1), 4o(1), and 4m(1) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A) and (C), 9(1), 6o(1), and 6m(1) (2012), and 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2014), R. Leben violated Sections 4b(a)(1)(A)-(C) of the CEA, 7 U.S.C. §§ 6b(a)(1)(A)-(C) (2012), and that A. Leben violated Regulation 4.20(b) and (c), 17 C.F.R. §§ 4.20(b) and(c) (2014);

b. An order of permanent injunction prohibiting Defendants and any of their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with Defendants, including any successor thereof, from, directly or indirectly:

- i. Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a of the CEA, 7 U.S.C. § 1a (2012));
- ii. Entering into any transactions involving commodity futures, options on commodity futures, commodity options (as that term is defined in Regulation 1.3 (hh), 17 C.F.R. § 1.3(hh) (2014)) (“commodity options”), security futures products, foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the CEA, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i) (2012)) (“forex contracts”), and/or swaps (as that term is

defined in Section 1a(47) of the CEA, 7 U.S.C. § 1a(47) (2012), and as further defined by Regulation 1.3(xxx), 17 C.F.R. § 1.3(xxx) (2014)) for their own personal account or for any account in which they have a direct or indirect interest;

- iii. Having any commodity futures, options on commodity futures, commodity options, security futures products, forex contracts, and/or swaps traded on their behalf;
- iv. Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity futures, options on commodity futures, commodity options, security futures products, forex contracts and/or swaps;
- v. Soliciting, receiving or accepting any funds from any person for the purpose of purchasing or selling any commodity futures, options on commodity futures, commodity options, security futures products, forex contracts, and/or swaps;
- vi. Applying for registration or claiming exemption from registration with the Commission in any capacity, and engaging in any activity requiring such registration or exemption from registration with the Commission, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2014);  
and
- vii. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2014)), agent or any other officer or employee of any person (as that term is defined in Section 1a of the CEA, 7 U.S.C. § 1a

(2012)) registered, exempted from registration or required to be registered with the Commission except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2014).

c) An order directing Defendants, as well as any successors to Defendants, to disgorge, pursuant to such procedure as the Court may order, all benefits received from the acts or practices which constitute violations of the CEA and the Regulations, as described herein, and pre- and post-judgment interest thereon from the date of such violations;

d) An order directing Defendants to make full restitution to every person or entity whose funds Defendants received or caused another person or entity to receive as a result of acts and practices that constituted violations of the CEA and the Regulations, as described herein, and pre- and post-judgment interest thereon from the date of such violations;

e) An order directing Defendants to pay a civil monetary penalty for each violation of the CEA and the Regulations described herein, plus post-judgment interest, in the amount of the higher of: 1) \$140,000 for each violation of the CEA and Regulations; or 2) triple the monetary gain to Defendants for each violation of the CEA and the Regulations, plus post-judgment interest;

f) An order directing Defendants and any successors thereof, to rescind, pursuant to such procedures as the Court may order, all contracts and agreements, whether implied or express, entered into between them and any of the customers and Pool participants whose funds were received by Defendants as a result of the acts and practices which constituted violations of the CEA and the Regulations, as described herein;

g) An order requiring Defendants to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2012); and

h) Such other and further relief as the Court deems proper.

Dated: March 12, 2014

Respectfully submitted,

Attorneys for Plaintiff  
U.S. Commodity Futures Trading Commission

WILLIAM N. NETTLES  
UNITED STATES ATTORNEY

By: s/James C. Leventis, Jr.  
James C. Leventis, Jr. (#9406)  
Assistant United States Attorney  
Wells Fargo Building  
1441 Main Street, Suite 500  
Columbia, S.C. 29201  
(803) 929-3000 (main line)  
(803) 254-2912 (facsimile)  
James.Leventis@usdoj.gov

Amanda L. Harding  
IL Bar No. 6299967  
*Pro hac vice* admission pending  
(202) 418-5968 (direct)  
(202) 418-5937 (facsimile)  
aharding@cftc.gov

Elizabeth L. Davis  
D.C. Bar No. 465215  
*pro hac vice* admission pending  
(202) 418-5301 (direct)  
(202) 418-5937 (facsimile)  
edavis@cftc.gov

U.S. Commodity Futures Trading Commission  
Division of Enforcement  
Three Lafayette Centre  
1155 21<sup>st</sup> Street NW  
Washington, DC 20581  
(202) 418-5000 (main)  
(202) 418-5937 (facsimile)