



## II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Defendants Deepak Singhal and Meera Singhal, without a trial on the merits or any further judicial proceedings, Defendants Deepak Singhal and Meera Singhal:

1. Consent to the entry of this Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendants Deepak Singhal and Meera Singhal ("Consent Order");
2. Affirm that they have read and agreed to this Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has been made by the Commission 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, as amended, 7 U.S.C. § 13a-1;
5. Admit the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act, 7 U.S.C. §§ 1, *et seq.*;
6. Admit that venue properly lies with this Court pursuant to Section 6c(e) of the Act, as amended, 7 U.S.C. § 13a-1(e);

7. 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 the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. §§ 148.1 *et seq.* (2012), 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. No. 104-121, §§ 201-253, 110 Stat. 847, 857-868 (1996), as amended by Pub. L. No. 110-28, § 8302, 121 Stat. 112, 204-205 (2007), relating to, or arising from, this action;

(c) any claim of Double Jeopardy based upon the institution of this action or the entry in this action of any order imposing a civil monetary penalty or any other relief, including this Consent Order; and

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

8. Consent to the continued jurisdiction of this Court over them for the purpose of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if Defendants now or in the future reside outside the jurisdiction of this Court;

9. Agree that they will not oppose enforcement of this Consent Order by alleging that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and waives any objection based thereon;

10. 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 allegation in the Complaint or the Findings of Fact or Conclusions of Law in this Consent Order,

or creating or tending to create the impression that the Complaint and/or this Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect their: (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendants 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;

11. 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. Further, Defendants agree and intend that the allegations contained in the Complaint and all of the Findings of Fact and Conclusions of Law contained in 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 Defendants; (b) any proceeding pursuant to Section 8a of the Act, as amended, 7 U.S.C. § 12a, and/or Part 3 of the Regulations, 17 C.F.R. §§ 3.1 *et seq.* (2012); and/or (c) any proceeding to enforce the terms of this Consent Order;

12. Agree to provide immediate notice to this Court and the Commission by certified mail, in the manner required by paragraph 71 of Part VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against them, whether inside or outside the United States; and

13. 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 Defendants in any other proceeding.

### III. FINDINGS AND CONCLUSIONS

The Court, being fully advised in the premises, finds that there is good cause for the entry of this Consent Order and that there is no just reason for delay. The Court therefore directs the entry of the following Findings of Fact, Conclusions of Law, permanent injunction and equitable relief pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, as set forth herein.

#### **THE PARTIES AGREE AND THE COURT HEREBY FINDS:**

##### **A. Findings of Fact**

###### **1. The Parties To This Consent Order**

14. Plaintiff Commodity Futures Trading Commission is an independent federal regulatory agency that is charged by Congress with administering and enforcing the Act, as amended, 7 U.S.C. §§ 1 *et seq.*, and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2012).

15. Defendant Deepak Singhal, upon information and belief, is a citizen of the Republic of India ("India"). He currently resides in Bangalore, Karnataka, India. He has never been registered with the Commission in any capacity.

16. Defendant Meera Singhal, Deepak Singhal's mother, upon information and belief, is a citizen of India. She currently resides in Bangalore, Karnataka, India. She has never been registered with the Commission in any capacity.

###### **2. Defendants' Trading Scheme**

17. Deepak Singhal is a futures and options trader. He opened an account (the "DS Account") at Interactive Brokers, LLC ("Interactive Brokers"), a Futures Commission Merchant ("FCM"), and obtained a unique password to access that account sometime between June 9, 2008 and June 13, 2008. Deepak Singhal is the only individual authorized to trade the DS Account.

18. Meera Singhal allowed Deepak Singhal to open a trading account under her name (the "MS Account"), at Interactive Brokers, using information and materials supplied by her. Deepak Singhal commenced the application process on behalf of Meera Singhal, to open a futures and options trading account at Interactive Brokers on December 2, 2010, via the Internet. During the course of the application process, Interactive Brokers received, via email, a copy of Meera Singhal's Government of India Income Tax Department identification card, as well as a copy of the front and back portions of her passport. At the end of the application process a unique password was assigned to Meera Singhal that would allow her to access the MS Account. The MS account was first funded on December 6, 2010, through an electronic transfer from Meera Singhal's bank account at Citibank FSB. The amount deposited was \$20,000. The first trade executed in the MS Account occurred on December 13, 2010. In late March 2011, all funds in the MS Account at Interactive Brokers were withdrawn and then transferred to Meera Singhal's bank account at Citibank FSB. The amount of funds withdrawn from the MS Account was \$52,507. Meera Singhal was the only individual authorized by Interactive Brokers to trade the MS Account. During the Relevant Period, Deepak Singhal traded the DS Account.

19. During the Relevant Period, Meera Singhal allowed her account, the MS Account, to be traded by Deepak Singhal. Meera Singhal's conduct in this matter is limited to allowing her son to trade her account. During the Relevant period, a series of foreign currency options transactions, executed on Globex, took place between the DS and MS Accounts. The transactions between the DS and MS Accounts involved several types of foreign currency options, including the following:

- (1) the Euro/U.S. Dollar European Style Premium Call Options Contract;
- (2) the British Pound/U.S. Dollar American Style Premium Call Options Contract;

- (3) the Japanese Yen/U.S. Dollar American Style Premium Call Options Contract;
- (4) the Japanese Yen/U.S. Dollar American Style Premium Put Options Contract;
- (5) the British Pound/U.S. Dollar American Style Premium Put Options Contract; and
- (6) the Euro/U.S. Dollar European Style Premium Put Options Contract.

20. During the Relevant Period, Deepak Singhal intentionally made non-competitive, fictitious sales between the DS and MS Accounts, whereby the MS Account virtually always profited. Specifically, during times of low market volume, Deepak Singhal intentionally made non-competitive, fictitious sales by placing virtually simultaneous orders to buy in the MS Account and orders to sell in the DS Account, or conversely, placing virtually simultaneous orders to buy in the DS Account and orders to sell in the MS Account. Moreover, during the Relevant Period, the non-competitive, fictitious sales between the DS and MS Accounts often emanated from the exact same IP address in Bangalore, India.

**3. Defendants' Fictitious, Non-Competitive Euro Call Options Transactions**

21. The Euro/U.S. Dollar European Style Premium Call Options Contract, traded on the CME, is a foreign currency option for the right to buy one 125,000€ futures contract at the strike price and expiration date specified in the contract (the "Euro Call Option").

22. On December 19, 2010 between 10:02 p.m. and 10:07 p.m., Deepak Singhal entered orders to buy 25 Euro Call Options in the MS Account, while also entering orders to sell 25 Euro Call Options in the DS Account, trading opposite the MS Account, resulting in the execution of the following Euro Call Options transactions, with a strike price of \$1.30 per Euro and a January 2011 expiration month (the "1.30 Euro Call Option transactions"), on CME: 1@.0234, 1@.0214, 1@.0202, 1@.0194, 1@.0164, 1@.0134, 5@.0116, 5@.0102, 5@.0080, and 4@.0084.

23. On December 21, 2010 between 3:49 a.m. and 8:42 p.m., Deepak Singhal reversed the December 19, 2010, 1.30 Euro Call Option transactions by entering orders to sell 25, 1.30 Euro Call Options in the MS Account while also entering orders to buy 25 of the 1.30 Euro Call Options in the DS Account, opposite the MS Account, resulting in the execution of the following 1.30 Euro Call Options transactions: 3@.0245, 5@.0244, 3@.0250, 3@.0260, 1@.0190, 1@.0210, 4@.0230, 4@.0250, and 1@.0260.

24. This series of transactions resulted in a transfer of funds, or money pass, from the DS Account to the MS Account in the amount of \$38,712.50.

25. Defendant Deepak Singhal intentionally executed these parallel orders to buy and sell during periods of low overall volume with the purpose of having the opposite orders find and match each other on Globex. Defendant Deepak Singhal executed these transactions by entering, or causing the entry of, the orders to buy and sell the 1.30 Euro Call Options.

26. On December 19, 2010 and December 21, 2010, Defendants' 1.30 Euro Call Option transactions represented 100% of the total daily CME trading volume of the 1.30 Euro Call Option.

**4. Defendants' Fictitious, Non-Competitive British Pound Call Options Transactions**

27. The British Pound/U.S. Dollar American Style Premium Call Options Contract, traded on the CME, is a foreign currency option for the right to buy one 62,500£ futures contract at the strike price and expiration date specified in the contract (the "British Pound Call Option").

28. On December 22, 2010 between 6:43 p.m. and 6:54 p.m., Deepak Singhal entered orders to buy 19 British Pound Call Options in the MS Account, while also entering orders to sell 19 British Pound Call Options in the DS Account, trading opposite the MS Account, resulting in the execution of the following British Pound Call Options transactions, with a strike price of

\$1.53 per Pound and a January 2011 expiration month (the "1.53 British Pound Call Option transactions"), on CME: 1@.0133, 1@.0113, 1@.0103, 1@.0093, and 15@.0093.

29. On December 26, 2010 between 7:10 p.m. and 7:11 p.m., Deepak Singhal reversed the December 22, 2010, 1.53 British Pound Call Option transactions by entering orders to sell 19, 1.53 British Pound Call Options in the MS Account while also entering orders to buy 19 of the 1.53 British Pound Call Options in the DS Account, opposite the MS Account, resulting in the execution of the following 1.53 British Pound Call Options transactions: 4@.0161, 5@.0176, 5@.0191, and 5@.0206.

30. This series of transactions resulted in a transfer of funds from the DS Account to the MS Account in the amount of \$10,450.

31. Defendant Deepak Singhal intentionally executed these parallel orders to buy and sell during periods of low overall volume with the purpose of having the opposite orders find and match each other on Globex. Defendant Deepak Singhal executed these transactions by entering, or causing the entry of, the orders to buy and sell the 1.53 British Pound Call Options.

32. On December 22, 2010 and December 26, 2010, Defendants' 1.53 British Pound Call Option transactions represented 100% and 90%, respectively, of the total daily CME trading volume of the 1.53 British Pound Call Option.

33. In a second set of transactions involving the British Pound Call Options, on December 22, 2010 between 6:50 p.m. and 6:52 p.m., Deepak Singhal entered orders to buy 62 British Pound Call Options in the MS Account, while also entering orders to sell 62 British Pound Call Options in the DS Account, trading opposite the MS Account, resulting in the execution of the following British Pound Call Options transactions, with a strike price of \$1.54

per Pound and a January 2011 expiration month (the "1.54 British Pound Call Option transactions"), on CME: 1@.0098, 1@.0088, 10@.0078, 10@.0068, 20@.0058, and 20@.0051.

34. On December 27, 2010 between 5:34 p.m. and 6:17 p.m., Deepak Singhal reversed the December 22, 2010, 1.54 British Pound Call Option transactions by entering orders to sell 62, 1.54 British Pound Call Options in the MS Account while also entering orders to buy 62 of the 1.54 British Pound Call Options in the DS Account, opposite the MS Account, resulting in the execution of the following 1.54 British Pound Call Options transactions: 8@.0111, 8@.0121, 10@.0116, 20@.0116, 8@.0131, and 8@.0141.

35. This series of transactions resulted in a transfer of funds from the DS Account to the MS Account in the amount of \$23,037.50.

36. Defendant Deepak Singhal intentionally executed these parallel orders to buy and sell during periods of low overall volume with the purpose of having the opposite orders find and match each other on Globex. Deepak Singhal executed these transactions by entering, or causing the entry of, the orders to buy and sell the 1.54 British Pound Call Options.

37. On December 22, 2010 and December 27, 2010, Defendants' 1.54 British Pound Call Option transactions represented 98% and 91%, respectively, of the total daily CME trading volume of the 1.54 British Pound Call Option.

**5. Defendants' Fictitious, Non-Competitive Japanese Yen Call Options Transactions**

38. The Japanese Yen/U.S. Dollar American Style Premium Call Options Contract, traded on CME, is a foreign currency option for the right to buy one 12,500,000¥ futures contract at the strike price and expiration date specified in the contract (the "Yen Call Option").

39. On December 28, 2010 between 7:25 p.m. and 7:27 p.m., Deepak Singhal entered orders to buy 3 Yen Call Options in the MS Account, while also entering orders to sell 3 Yen

Call Options in the DS Account, trading opposite the MS Account, resulting in the execution of the following Yen Call Options transactions, with a strike price of \$0.0121 per Yen and a January 2011 expiration month (the "0.0121 Yen Call Option transactions"), on CME: 1@.000104, 1@.000094, and 1@.000074.

40. On December 29, 2010 between 5:59 p.m. and 6:00 p.m., Deepak Singhal reversed the December 28, 2010, 0.0121 Yen Call Option transactions by entering orders to sell 3, 0.0121 Yen Call Options in the MS Account while also entering orders to buy 3 of the 0.0121 Yen Call Options in the DS Account, opposite the MS Account, resulting in the execution of the following 0.0121 Yen Call Options transactions: 3@.000187.

41. This series of transactions resulted in a transfer of funds from the DS Account to the MS Account in the amount of \$3,612.50.

42. Defendant Deepak Singhal intentionally executed these parallel orders to buy and sell during periods of low overall volume with the purpose of having the opposite orders find and match each other on Globex. Defendant Deepak Singhal executed these transactions by entering, or causing the entry of, the orders to buy and sell the 0.0121 Yen Call Options.

43. On December 28, 2010 and December 29, 2010, Defendants' 0.0121 Yen Call Option transactions represented 38% and 75%, respectively, of the total daily CME trading volume of the 0.0121 Yen Call Option.

**6. Defendants' Fictitious, Non-Competitive Japanese Yen Put Options Transactions**

44. The Japanese Yen/U.S. Dollar American Style Premium Put Options Contract, traded on CME, is a foreign currency option for the right to sell one 12,500,000¥ futures contract at the strike price and expiration date specified in the contract (the "Yen Put Option").

45. On December 27, 2010 between 6:12 p.m. and 6:16 p.m., Deepak Singhal entered orders to buy 29 Yen Put Options in the MS Account, while also entering orders to sell 29 Yen Put Options in the DS Account, trading opposite the MS Account, resulting in the execution of the following Yen Put Options transactions, with a strike price of \$0.0121 per Yen and a January 2011 expiration month (the "0.0121 Yen Put Option transactions"), on CME: 1@.000094, 1@.000084, 1@.000074, 1@.000064, and 25@.000054.

46. On December 28, 2010 between 6:08 p.m. and 6:09 p.m. and on December 29, 2010 at 6:01 p.m., Deepak Singhal reversed the December 27, 2010, 0.0121 Yen Put Option transactions by entering orders to sell 29, 0.0121 Yen Put Options in the MS Account while also entering orders to buy 29 of the 0.0121 Yen Put Options in the DS Account, opposite the MS Account, resulting in the execution of the following 0.0121 Yen Put Options transactions: 1@.000074, 7@.000084, 7@.000094, 6@.000104, and 8@.000037.

47. This series of transactions resulted in a transfer of funds from the DS Account to the MS Account in the amount of \$7,175.

48. Defendant Deepak Singhal intentionally executed these parallel orders to buy and sell during periods of low overall volume with the purpose of having the opposite orders find and match each other on Globex. Defendant Deepak Singhal executed these transactions by entering, or causing the entry of, the orders to buy and sell the 0.0121 Yen Put Options.

49. On December 27, 28 and 29, 2010, Defendants' 0.0121 Yen Put Options transactions represented 38%, 58%, and 20%, respectively, of the total daily CME trading volume of the 0.0121 Yen Put Option.

**7. Summary of Defendants' Fictitious, Non-Competitive Trading Scheme**

50. During the Relevant Period, Defendants repeated their non-competitive, fictitious sales at least 83 times, resulting in the illegal trading of, at least, 424 foreign currency options.

51. Defendants' fictitious, non-competitive, fictitious sales involved, at least, eight types of foreign currency options, including (1) the Euro Call Option, (2) the British Pound Call Option, (3) the Yen Call Option, and (4) the Yen Put Option, as described above.

52. In December 2010, in terms of trading volume, greater than 94% of the total foreign currency options trades in the DS Account, including the non-competitive, fictitious sales, were traded opposite the MS Account. Similarly, approximately 77% of the total foreign currency options trades in the MS Account, including the non-competitive, fictitious sales, were traded opposite the DS Account.

53. The CME's rules specifically prohibit Defendants from executing trades in the manner described in this Complaint.

54. In totum, through this unlawful practice, the Defendants transferred, or aided and abetted in the transfer of, at least, \$118,868.75 from the DS Account to the MS Account.

55. By consistently executing trades between the DS and MS Accounts during periods of low volume, the Defendants sought to pass, or as applicable, by allowing unauthorized access to the MS Account, aided and abetted the passage of, money from the DS Account to the MS Account, thereby entering into transactions, or, as applicable, allowing transactions to be entered into through the MS Account, without the intent to take a genuine, bona fide position in the market.

## **B. Conclusions of Law**

### **1. Jurisdiction and Venue**

56. This Court has jurisdiction over this action pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, which provides that whenever it shall appear to the Commission that any 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 promulgated thereunder, the Commission may bring an action in the proper district court of the United States against such person to enjoin such act or practice, or to enforce compliance with the Act, or any rule, regulation or order thereunder.

57. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, as amended, 7 U.S.C. § 13a-1(e), because Defendants are found in, inhabit, or transact business in this district, and the acts and practices in violation of the Act occurred within this District.

### **2. Deepak Singhal Violated Section 4c(a)(2)(A)(ii) of the Act**

58. By the conduct described in paragraphs 1 through 57 above, Defendant Deepak Singhal repeatedly violated Section 4c(a)(2)(A)(ii) of the Act, 7 U.S.C. § 6c(a)(2)(A)(ii) (2006), as amended, by entering into transactions that were fictitious sales involving the purchase or sale of an option on a commodity for future delivery which transactions were used or may have been used to hedge any transaction in interstate commerce in the commodity or the product or byproduct of the commodity; or to determine the price basis of any such transaction in interstate commerce in the commodity; or to deliver any such commodity sold, shipped, or received in interstate commerce for the execution of the transaction.

**3. Meera Singhal Aided and Abetted Deepak Singhal's Violations of Section 4c(a)(2)(A)(ii) of the Act**

59. By the conduct described in paragraphs 1 through 57 above, Defendant Meera Singhal aided and abetted the violations of Section 4c(a)(2)(A)(ii) of the Act, 7 U.S.C. § 6c(a)(2)(A)(ii) (2006), as amended, by willfully allowing an unauthorized person, Deepak Singhal, to trade the MS Account, thereby assisting in the conduct that led to the violations of that provision, in violation of Section 13(a) of the Act, 7 U.S.C. § 13c(a) (2006), as amended.

**4. Defendant Deepak Singhal Violated Regulation 1.38(a)**

60. By the conduct described in paragraphs 1 through 57 above, Defendant Deepak Singhal violated Regulation 1.38(a), 17 C.F.R. § 1.38(a) (2010), by engaging in a series of unlawful, non-competitive commodity options transactions.

**5. Meera Singhal Aided and Abetted Deepak Singhal's Violations of Regulation 1.38(a)**

61. By the conduct described in paragraphs 1 through 57 above, Defendant Meera Singhal aided and abetted the violation of Regulation 1.38(a), 17 C.F.R. § 1.38(a) (2010), by willfully allowing an unauthorized person, Deepak Singhal, to trade the MS Account, thereby assisting in the conduct that led to the violations of that provision, in violation of Section 13(a) of the Act, 7 U.S.C. § 13c(a) (2006), as amended. Meera Singhal is therefore liable for Defendant Deepak Singhal's violations of Section 4c(a)(2)(A)(ii) of the Act, 7 U.S.C. § 6c(a)(2)(A)(ii) (2006), as amended, and Regulation 1.38(a), 17 C.F.R. § 1.38(a) (2010).

62. Unless restrained and enjoined by this Court, there is a reasonable likelihood that the Defendants will continue to engage in the acts and practices set forth in this Consent Order and in similar acts and practices in violation of the Act and Regulations.

#### IV. PERMANENT INJUNCTION

##### IT IS HEREBY ORDERED THAT:

63. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, Defendants are permanently restrained, enjoined and prohibited from directly or indirectly:

a. Entering into a transaction that is a fictitious sale involving the purchase or sale of any commodity for future delivery or any option on a commodity for future delivery which transaction was used or may have been used to hedge any transaction in interstate commerce in the commodity or the product or byproduct of the commodity; or to determine the price basis of any such transaction in interstate commerce in the commodity; or to deliver any such commodity sold, shipped, or received in interstate commerce for the execution of the transaction in violation of Section 4c(a)(2)(A)(ii) of the Act, 7 U.S.C. § 6c(a)(2)(A)(ii) (2006), as amended;

b. Engaging in purchases and sales of any commodity for future delivery or of any commodity option, on or subject to the rules of a contract market, that are not executed openly and competitively, in violation of Regulation 1.38(a), 17 C.F.R. § 1.38(a) (2010);

c. Committing, or willfully aiding, abetting, counseling, commanding, inducing or procuring the commission of the foregoing violations of the Act and Regulations in violation of Section 13(a) of the Act, 7 U.S.C. § 13c(a), as amended.

64. Defendant Deepak Singhal is restrained, enjoined and prohibited, for a period of 5 years, and Defendant Meera Singhal is restrained, enjoined and prohibited, for a period of 2 years, from directly or indirectly:

a. Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a of the Act, as amended, 7 U.S.C. § 1a);

- b. 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) (2012)) (“commodity options”), security futures products, and/or foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, as amended, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i)) (“forex contracts”) for their own personal account or for any account in which they have a direct or indirect interest;
- c. Having any commodity futures, options on commodity futures, commodity options, security futures products, and/or forex contracts traded on their behalf;
- d. 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, and/or forex contracts;
- e. 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, and/or forex contracts;
- f. 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) (2012); and/or
- g. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2012)), agent or any other officer or employee of any person (as that term is defined in Section 1a of the Act, as amended, 7 U.S.C. § 1a) 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) (2012).

## V. DISGORGEMENT AND CIVIL MONETARY PENALTY

### A. Civil Monetary Penalty

65. Defendant Deepak Singhal shall pay a civil monetary penalty in the amount of one hundred forty thousand dollars (\$140,000) ("CMP Obligation"), plus post-judgment interest. Post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Consent Order pursuant to 28 U.S.C. § 1961 (2006).

66. Defendant Deepak Singhal shall pay the CMP Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

Commodity Futures Trading Commission  
Division of Enforcement  
ATTN: Accounts Receivables – AMZ 340  
E-mail Box: 9-AMC-AMZ-AR-CFTC  
DOT/FAA/MMAC  
6500 S. MacArthur Blvd.  
Oklahoma City, OK 73169  
Telephone: (405) 954-5644

If payment by electronic funds transfer is chosen, Defendant Deepak Singhal shall contact Linda Zurhorst or her successor at the address above to receive payment instructions and shall fully comply with those instructions. Defendant Deepak Singhal shall accompany payment of the CMP Obligation with a cover letter that identifies Defendants Deepak Singhal and Meera Singhal and the name and docket number of this proceeding. Defendant Deepak Singhal shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial

Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581 and A. Daniel Ullman II, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

**B. Disgorgement**

67. Defendant Deepak Singhal shall pay disgorgement in the amount of one hundred eighteen, eight hundred sixty-eight dollars and seventy-five cents (\$118,868.75) ("Disgorgement Obligation"), plus post-judgment interest. Post-judgment interest shall accrue on the Disgorgement Obligation beginning on the date of entry of this Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Consent Order pursuant to 28 U.S.C. § 1961 (2006).

68. Defendant Deepak Singhal shall pay the Disgorgement Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

Commodity Futures Trading Commission  
Division of Enforcement  
ATTN: Accounts Receivables – AMZ 340  
E-mail Box: 9-AMC-AMZ-AR-CFTC  
DOT/FAA/MMAC  
6500 S. MacArthur Blvd.  
Oklahoma City, OK 73169  
Telephone: (405) 954-5644

If payment by electronic funds transfer is chosen, Defendant Deepak Singhal shall contact Linda Zurhorst or her successor at the address above to receive payment instructions and shall fully comply with those instructions. Defendant Deepak Singhal shall accompany payment of the Disgorgement Obligation with a cover letter that identifies Defendants Deepak Singhal and Meera Singhal and the name and docket number of this proceeding. Defendant Deepak Singhal

shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581, and A. Daniel Ullman II, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

**C. Provisions Related to Monetary Sanctions**

69. Partial Satisfaction: Any acceptance by the Commission of partial payment of Defendant Deepak Singhal's Disgorgement Obligation or CMP Obligation shall not be deemed a waiver of his obligation to make further payments pursuant to this Consent Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

**D. Cooperation**

70. Defendants shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement, and any other governmental agency in this action, and in any investigation, civil litigation, or administrative matter related to the subject matter of this action or any current or future Commission investigation related thereto.

**VI. MISCELLANEOUS PROVISIONS**

71. 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 Commission:

Attention - Director of Enforcement  
Commodity Futures Trading Commission  
Division of Enforcement  
1155 21st Street, N.W.  
Washington, DC 20581

Notice to Defendants Deepak Singhal and Meera Singhal:

Attn: Andrew Piunti  
DPA Law Group  
1100 Lincoln Ave., Suite 231  
San Jose, CA 95125  
p: 888.915.5520 x7  
f: 408.351.4444

Counsel for Defendants  
Deepak Singhal and Meera Singhal

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

72. Change of Address/Phone: Until such time as Defendant Deepak Singhal satisfies in full the Disgorgement Obligation and CMP Obligation as set forth in this Consent Order, Defendants shall provide written notice to the Commission by certified mail of any change to their telephone number and mailing address within ten (10) calendar days of the change.

73. 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.

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

75. Waiver: The failure of any party to this Consent Order at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the 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.

76. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action to ensure compliance with this Consent Order and for all other purposes related to this action, including any motion by Defendants to modify or for relief from the terms of this Consent Order.

77. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Defendants, upon any person under their authority or control, and upon any person who receives actual notice of this Consent Order, by personal service, e-mail, facsimile or otherwise insofar as he or she is acting in active concert or participation with Defendants.

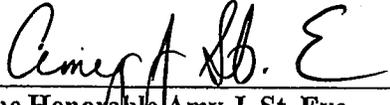
78. Counterparts and Facsimile Execution: This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (by facsimile, e-mail, 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 Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

79. Defendants understand that the terms of the Consent Order are enforceable through contempt proceedings, and that, in any such proceedings they may not challenge the validity of this Consent Order.

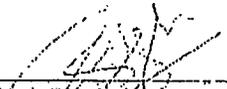
80. The Court hereby directs the transfer of \$118,868.75, held in Defendant Deepak Singhal's Citibank, N.A. Account Number \*\*\*\*\*7979, to the Commission in satisfaction of Deepak Singhal's Disgorgement Obligation set forth in paragraphs 67 and 68. Citibank, N.A. shall comply with the directions for transfer of these funds provided by the Commission. Thereafter, the Court's February 21, 2012 Asset Freeze is hereby terminated.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this *Consent Order for Permanent Injunction, Civil Monetary Penalty, and Other Equitable Relief Against Defendants Deepak Singhal and Meera Singhal.*

IT IS SO ORDERED on this 28 day of November, 2012.

  
\_\_\_\_\_  
The Honorable Amy J. St. Eve  
United States District Judge

CONSENTED TO AND APPROVED BY:

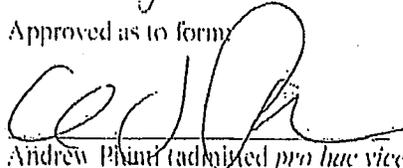
  
\_\_\_\_\_  
Deepak Singhal  
House 21, 13th Cross, 2nd Main, Vignan  
Nagar, Bangalore, Karnataka, India 560075

Date: Sept 06, 2012

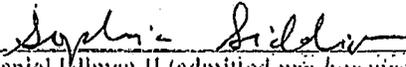
  
\_\_\_\_\_  
Meera Singhal  
House 21, 13th Cross, 2nd Main, Vignan  
Nagar, Bangalore, Karnataka, India 560075

Date: Sept 06, 2012

Approved as to form

  
\_\_\_\_\_  
Andrew Blunt (admitted *pro hac vice*)  
DPA Law Group  
1100 Lincoln Ave., Suite 231  
San Jose, CA 95125p: 888.915.5520 x7  
f: 408.351.4444  
[drew@dpalawyers.com](mailto:drew@dpalawyers.com)

Date: Sept 6, 2012

  
\_\_\_\_\_  
A. Daniel Ullman II (admitted *pro hac vice*)  
Timothy Mulreany (admitted *pro hac vice*)  
Sophia Siddiqui (admitted *pro hac vice*)  
U.S. Commodity Futures Trading Commission  
Division of Enforcement  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581  
p: (202) 418-5000  
f: (202) 418-5523  
[mulreany@cfsc.gov](mailto:mulreany@cfsc.gov)  
[ullman@cfsc.gov](mailto:ullman@cfsc.gov)  
[ssiddiqui@cfsc.gov](mailto:ssiddiqui@cfsc.gov)

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[ependleton@cfsc.gov](mailto:ependleton@cfsc.gov)

Date: Sept 12, 2012