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11:31 am, Feb 20, 2014

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

CFTC Docket No. SD 14-02

In the Matter of:

iFinix Futures, Inc.

Registrant.

**NOTICE OF INTENT TO REVOKE THE REGISTRATION
OF IFINIX FUTURES, INC.**

I.

The U.S. Commodity Futures Trading Commission (“Commission”) has received information from its staff that tends to show, and the Commission’s Division of Enforcement (“Division”) alleges and is prepared to prove, that:

1. iFinix Futures, Inc. (“iFinix”) is a Delaware corporation whose address shown on its application for registration with the Commission or any amendment thereto is 255 Executive Drive, Suite 410, Plainview, New York 11803.
2. iFinix has been registered as an independent Introducing Broker pursuant to Section 4d of the Commodity Exchange Act (the “Act”), 7 U.S.C. § 6d, since October 2001.
3. At all relevant times, Benhope Marlon Munroe (“Munroe”) was the Chief Financial Officer of iFinix and Chief Executive Officer and Chief Financial Officer of its parent corporation. Munroe has been designated with the NFA as a principal of iFinix since September 24, 2008. He is not registered with the Commission.
4. On September 27, 2012, the Commission filed a federal civil injunctive action against iFinix and Munroe. *See CFTC v. iFinix Futures, Inc. and Benhope Marlon Munroe*, Case No. 12-CV-4843 (E.D.N.Y.) (hereinafter “*CFTC v. iFinix*”). The CFTC’s complaint

alleged, *inter alia*, that iFinix and Munroe made false statements and submitted falsified documents to the National Futures Association (the “NFA”) in violation of Section 9(a)(4) of the Act, 7 U.S.C. §13(a)(4).

5. On September 16, 2013, in *CFTC v. iFinix*, the United States District Court for the Eastern District of New York entered an Order for Entry of Judgment by Default, Permanent Injunction, and Civil Monetary Penalty Against Defendants iFinix Futures, Inc. and Benhope Marlon Munroe (“Order”). The Order contained findings of fact and conclusions of law, which found, *inter alia*, that the NFA is a futures association registered pursuant to Section 17 of the Act, 7 U.S.C. § 21, and that iFinix and Munroe willfully made materially false statements to the NFA during an NFA audit, which was conducted in furtherance of the NFA’s official duties under the Act. The Order found that by engaging in this conduct, iFinix and Munroe violated Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4).¹

6. The Order, in relevant part, permanently restrains iFinix and Munroe from:
- (a) willfully falsifying, concealing, or covering up by any trick, scheme, or artifice a material fact, making any false, fictitious, or fraudulent statements or representations, or making or using any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry to a registered entity, board of trade, swap data repository, or futures association acting in furtherance of their official duties, in violation of Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4);

¹ The complaint additionally charged and the Order found that iFinix failed to meet certain minimum financial requirements in violation of Section 4f(b) of the Act, 7 U.S.C. § 6f(b), and Commission Regulations 1.12(a), 1.17(a), and 1.18(a) & (b), 17 C.F.R. §§ 1.12(a), 1.17(a), and 1.18(a) & (b).

(b) 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 in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9); and/or

(c) trading subject to the rules of any registered entity, entering into transactions involving Commission-regulated products or having such products traded on their behalf, controlling or directing the trading of such products on behalf of any other person or entity, soliciting or receiving or accepting funds for the purpose of purchasing or selling such products, applying for registration or claiming exemption from registration with the Commission, and/or acting as a principal (as that term is defined in Commission Regulation 3.1(a), 17 C.F.R. § 3.1 (a)), agent, or any other officer or employee of any person, registered, exempted from registration or required to be registered with the Commission except as provided in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9).

7. Pursuant to Section 8a(2)(C) of the Act, 7 U.S.C. § 12a(2)(C), the Commission may revoke the registration of any person who has been permanently enjoined by order of a court of competent jurisdiction, from certain enumerated activities, including but not limited to (i) acting as a futures commission merchant, introducing broker, floor broker, floor trader, CTA, CPO, or an AP of any registrant under the Act, or (ii) engaging in or continuing any activity involving fraud or any transaction in or advice concerning contracts of sale of a commodity for future delivery or concerning matters subject to Commission regulation under Section 4c or 19 of the Act, 7 U.S.C. §§ 6c or 23.

8. Furthermore, pursuant to Section 8a(2)(E) of the Act, 7 U.S.C. § 12a(2)(E), the Commission may revoke the registration of any person who, within ten years preceding the filing of the registration application or any time thereafter, has been found, in a proceeding brought by the Commission, to have violated the Act where such violation involves, *inter alia*, fraud, forgery, counterfeiting, or false pretenses.

9. Pursuant to Section 8a(2)(H) of the Act, 7 U.S.C. § 12a(2)(H), the Commission may revoke the registration of any person if refusal, suspension, or revocation of the registration of any principal of such person would be warranted because of a statutory disqualification listed in this paragraph. Section 8a further provides that, for the purpose of Section 8a(2), the definition of “principal” includes, “if the person is a corporation, any officer, director, or beneficial owner of at least 10 per centum of the voting shares of the corporation, and any other person that the Commission by rule, regulation, or order determines has the power, directly or indirectly, through agreement or otherwise, to exercise a controlling influence over the activities of such person which are subject to regulation by the Commission.”

10. The facts set forth above constitute a valid basis for the Commission to revoke iFinix’s registration as an Introducing Broker.

II.

11. Pursuant to Regulation 3.60(a), 17 C.F.R. § 3.60(a), iFinix is hereby notified that a public proceeding shall be conducted in accordance with the provisions of Regulation 3.60, 17 C.F.R. § 3.60, and Part 10 of the Regulations, 17 C.F.R. § 10.1 *et seq.*, on the following questions:

- (a) Whether iFinix is subject to statutory disqualification from registration under Section 8a(2)(C), (E), and/or (H) of the Act as set forth in Section I above;

(b) If the answer to question (a) is affirmative, then whether the registration of iFinix as an Introducing Broker should be revoked.

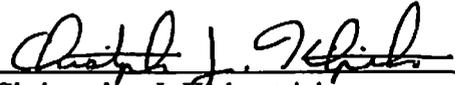
12. Such proceeding shall be held before an Administrative Law Judge or a Presiding Officer in accordance with Regulations 3.60 and 10.8, 17 C.F.R. §§ 3.60, 10.8, and all post-hearing procedures shall be conducted pursuant to Regulations 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j).

13. In accordance with the provisions of Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3), iFinix is entitled to file a response challenging the evidentiary bases of the statutory disqualification or show cause why, notwithstanding the accuracy of the allegations, its registration should not be revoked. Such responses must be filed with the Proceedings Clerk, Office of Proceedings, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and served upon Lara Turcik, Trial Attorney, Division of Enforcement, Eastern Regional Office, 140 Broadway, 19th Fl., New York, NY, 10005, within thirty (30) days after the date of service of this Notice upon iFinix, in accordance with the provisions of Regulation 3.60(b), 17 C.F.R. § 3.60(b).

14. If iFinix fails to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true, and the Administrative Law Judge or the Presiding Officer may issue an Order of Default in accordance with the provisions of Regulation 3.60(g), 17 C.F.R. § 3.60(g).

III.

15. The Proceedings Clerk shall serve this Notice of Intent to Revoke the Registration of iFinix Futures, Inc. in accordance with Regulation 3.50, 17 C.F.R. § 3.50, or by any other means permitted under the Act or Regulations thereunder.



Christopher J. Kirkpatrick
Deputy Secretary of the Commission
Commodity Futures Trading Commission

Dated: February 20, 2014