UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

In the Matter of:	) CFTC Docket No. SD 11-01
M25 INVESTMENTS, INC., And M37 INVESTMENTS, LLC,	)
Registrants.	)

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NOTICE OF INTENT TO SUSPEND, REVOKE, OR RESTRICT THE REGISTRATIONS OF M25 INVESTMENTS, INC., AND M37 INVESTMENTS, LLC

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. M25 Investments, Inc. ("M25") is a Delaware corporation with its principal place of business in Waxahachie, Texas. M25 has been registered with the Commission as a Commodity Trading Advisor ("CTA") since July 24, 2008, pursuant to Section 4m of the Commodity Exchange Act (the "Act"), as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act of 2008 ("CRA")), §§ 131021-13204, 122 Stat. 1651 (enacted June 18, 2008), to be codified at 7 U.S.C. § 6m.

2. M37 Investments, LLC ("M37"), is a limited liability company registered in Michigan and Texas with a principal place of business co-located with M25 in Waxahachie, Texas. M37 has been registered with the Commission as a CTA since November 5, 2008.

3. On September 29, 2009, the Commission filed an injunctive action in the U.S. District Court for the Northern District of Texas against M25, M37, and other individual defendants. *See CFTC v. M25 Investments, Inc., et al.*, Case No. 3-09-CV-1831-M (N.D. Tex.

filed Sept. 29, 2009). The Commission's complaint alleged that the M25, M37, and others, fraudulently solicited customers, issued false statements, and operated a foreign currency ("forex") trading firm with offices in Texas, West Virginia, Mississippi, Maryland and other states.

4. On October 25, 2010, the Court entered a Consent Order of Permanent Injunction, For Other Equitable Relief, and for Civil Penalties ("Consent Order") against M25, M37 and other individual defendants. The Consent Order contains findings of fact and conclusions of law that, among other violations, M25 and M37 fraudulently solicited customers to trade leveraged off-exchange forex and forex options, engaged in a common scheme to solicit customers, and issued false account statements to customers reflecting profitable trading in violation of Sections 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), Sections 4b(a)(1)(A)-(C) of the Act, as amended by the CRA, to be codified at 7 U.S.C.§§ 6b(a)(1)(A)-(C), Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2006), Section 4o(1) of the Act, 7 U.S.C. § 6o(1) (2006), and Commission Regulations ("Regulations") 32.9(a)-(c), 17 C.F.R. §§ 32.9(a)-(c) (2010).

5. Based on these fraud findings, the Consent Order permanently enjoins M25 and M37 from directly or indirectly engaging in conduct that violates Sections 4b(a)(2)(A)-(C), 4b(a)(1)(A)-(C), 4c(b), and 4o(1) of the Act, and Regulations 32.9(a)-(c). In addition, the Consent Order permanently enjoins M25 and M37 from engaging directly or indirectly in: (a) trading on or subject to the rules of a registered entity, as that term is defined in Section 1a of the Act; (b) entering into any transactions involving commodity futures, options on commodity futures, commodity options, as that term is defined Regulation 32.1(b)(1), 17 C.F.R. § 32.1(b)(1) (2010) ("commodity options"), and/or foreign currency, as described in Sections 2(c)(2)(B)

and/or 2(c)(2)(C)(i) of the Act ("forex contracts") (collectively "commodity interest") for their own personal account or for any account in which they have a direct or indirect interest; (c) having any commodity interest traded on their behalf; (d) controlling or directing the trading for any commodity interest account for or on behalf of any other person or entity, whether by power of attorney or otherwise; (e) soliciting, receiving or accepting any funds from any person in connection with the purchase or sale of any commodity interest; (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) (2010); and (g) acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2010)), 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 for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2010).

6. Pursuant to Section 8a(2)(C) of the Act, as amended by the CRA and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), Pub. L. No. 111-203, Title VII (the Wall Street Transparency and Accountability Act of 2010), §§701-774, 124 Stat. 1376 (enacted July 21, 2010), to be codified at 7 U.S.C. § 12a(2)(C), the Commission may suspend, restrict or revoke the registration of any person "if such person is permanently ... enjoined by order ... of any court of competent jurisdiction ... from ... engaging in or continuing any activity where such activity involves ... 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 [of the Act] ...."

7. Furthermore, under Section 8a(2)(E) of the Act, as amended by the CRA and the Dodd-Frank Act, to be codified at 7 U.S.C. § 12a(2)(E), the Commission may revoke the registration of any person "if such person ... has been found in a proceeding brought by the Commission ... to have violated any provision of [the] Act ... or ... regulation [thereunder] ... where such violation involves ... fraud ...."

8. The facts set forth in paragraphs 1 through 7 above constitute a valid basis for the Commission to suspend, restrict or revoke M25 and M37's registrations.

II.

1. Pursuant to Regulation 3.60(a), 17 C.F.R. § 3.60(a) (2010), Registrants are hereby notified that a public proceeding shall be conducted in accordance with the provisions of Regulation 3.60, 17 C.F.R. § 3.60 (2010), on the following questions:

a. Whether M25 and M37 are subject to statutory disqualification under Sections 8a(2)(C) and (E) of the Act as set forth in Section I above; and

b. If the answer to question "a" immediately above is affirmative, whether the registrations of M25 and M37 should suspended, restricted or revoked.

2. Such proceeding shall be held before an Administrative Law Judge, in accordance with Regulation 3.60, and all post-hearing procedures shall be conducted pursuant to Regulations 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j) (2010).

3. In accordance with the provisions of Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3) (2010), M25 and M37 are entitled to file a response challenging the evidentiary bases of the statutory disqualification or show cause why, notwithstanding the accuracy of the allegations, their registrations should not be suspended, revoked, or restricted. Such response must be filed

with the Hearing Clerk, Office of Hearings and Appeals, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and served upon Timothy M. Kirby, Trial Attorney, Division of Enforcement at the same address, within thirty (30) days after the date of service of this Notice upon M25 and M37 in accordance with the provisions of Regulation 3.60(b). If M25 and M37 fail to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true and 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) (2010).

III.

The Hearing Clerk shall serve this Notice of Intent to Suspend, Revoke, or Restrict Registration by registered or certified mail pursuant to Regulation 3.50, 17 C.F.R. § 3.50 (2010).

By the Commission.

David A. Stawick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: February 23, 2011