UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

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In the Matter of:	) CFTC Docket No. 11-01 SD
Raleigh Capital Management, Inc.,	)
Registrant.	)

NOTICE OF INTENT TO SUSPEND, REVOKE, OR RESTRICT THE REGISTRATION OF RALEIGH CAPITAL MANAGEMENT, 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. Raleigh Capital Management, Inc. ("RCM") is an Illinois corporation with its principal place of business in Chicago, Illinois. RCM has been registered with the Commission as a Commodity Pool Operator ("CPO") since July 24, 1986, 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. On October 28, 2009, the Commission filed an injunctive action in the U.S. District Court for the Northern District of Illinois against RCM and other individual defendants. *See CFTC v. RCM Investments, Inc.*, Case No. 09-CV-06780 (N.D. Ill. filed Oct. 28, 2009). The Commission's complaint alleged that RCM, and others, fraudulently misappropriated pool participants' funds and made material false statements to pool participants.

3. On May 12, 2011, the Court entered an Order of Permanent Injunction and Other Equitable Relief ("Order") against RCM and other individual defendants. The Order contains findings of fact and conclusions of law that, among other violations, RCM fraudulently misappropriated pool participants funds and made materially false statements to pool participants in violation of Section 4b(a)(2)(i), (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i), (iii) (2006), for conduct before June 18, 2008, and Section 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), for conduct on or after June 18, 2009.

4. Based on these fraud findings, the Order permanently enjoins RCM from directly or indirectly engaging in conduct that violates Section 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).

5. 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] ...."

6. 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 ...."

7. The facts set forth in paragraphs 1 through 6 above constitute a valid basis for the Commission to suspend, restrict or revoke RCM's registration.

II.

1. Pursuant to Regulation 3.60(a), 17 C.F.R. § 3.60(a) (2011), RCM 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 (2011), on the following questions:

a. Whether RCM is 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 registration of RCM should be 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 Regulation 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j) (2011).

3. In accordance with the provisions of Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3) (2011), RCM 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 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 Joseph A. Konizeski, Trial Attorney, Division of Enforcement, Chicago Regional Office, 525 W. Monroe, Chicago IL 60661, within thirty (30) days after the date of service of this Notice upon

RCM in accordance with the provisions of Regulation 3.60(b). If RCM fails 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) (2011).

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 (2011).

By the Commission.

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

Dated: October 25, 2011