

**In The United States District Court
For The Northern District of Georgia
Atlanta Division**

JAN 24 2007

JAMES N. HATTEN, CLERK
By: *[Signature]* Deputy Clerk

**Commodity Futures Trading
Commission,
Plaintiff,**

vs.

**Renaissance Asset Management, LLC,
and
Anthony Michael Ramunno, Jr.
Defendants;**

**Civil Action No:
1:07-CV-0200**

**Complaint For Injunctive
And Other Equitable Relief
And Civil Monetary Penalties
Under The Commodity
Exchange Act**

JTC

I. SUMMARY OF ACTION

1. The Commodity Futures Trading Commission ("Commission") seeks preliminary and permanent injunctive relief to enjoin the operations of Renaissance Asset Management, LLC ("RAM"), a commodity pool operator ("CPO"), and certain activities of Anthony Michael Ramunno, Jr. ("Ramunno"), chief executive officer and controlling person of RAM. From at least June 2005, RAM and Ramunno apparently have received investor funds and operated a commodity pool, alternatively entitled "RAM 1 LLP or RAM 1 LLC."

2. RAM and Rammuno have engaged, are engaging, or are about to engage in acts or practices which violate sections of the Commodity Exchange Act,

as amended (“Act”), 7 U.S.C. §§ 1 et seq. (2002), or Commission Regulations thereunder, 17 C.F.R. §§ 1 et seq. (2006). Specifically, since at least July 2006, RAM and Ramunno have violated Sections 4b(a)(2)(i), (ii) and (iii) and 4o(1)(A) and (B) of the Act, 7 U.S.C. §§ 6b(a)(2)(i), (ii) and (iii) and 6o(1) (A) and (B) (2002), by issuing false statements to commodity pool participants and/or prospective pool participants, including the RAM Pool Annual Reports for 2004 and 2005 that reflect substantial profits and also include false representations that the reports had been audited by the accounting firm of Grant Thornton LLP, who, in fact, has never performed any services for RAM. Moreover, an additional Confidential Private Placement Memorandum and Disclosure Document reflects that RAM has audited profitable results since November 2003, when in fact those purported results have not been audited. Additionally, on January 18, 2007, Ramunno contacted staff at the Atlanta FBI office and admitted to “committing fraud.”

3. Unless permanently enjoined by this Court, Defendants RAM and Ramunno are likely to continue to engage in the acts and practices alleged in this Complaint as more fully described below.

4. Accordingly, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, Plaintiff Commission brings this action to enjoin the unlawful acts and practices of

RAM and Ramunno and to compel their compliance with the provisions of the Act and Regulations thereunder.

II. JURISDICTION AND VENUE

5. The Act establishes a comprehensive system for regulating the purchase and sale of commodity futures and options on commodity futures contracts. This Court has jurisdiction over this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, which authorizes the Commission to seek injunctive relief 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 any provision of the Act or any rule, regulation or order thereunder.

6. Venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1(e), in that the Defendants transact business in this District, and the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this District.

III. THE PARTIES.

The parties to this action are as follows:

7. Plaintiff Commodity Futures Trading Commission is an independent federal regulatory agency that is responsible for administering and enforcing the provisions of the Commodity Exchange Act, 7 U.S.C. §§ 1 *et seq.* (2002), and the Regulations promulgated thereunder, 17 C.F.R. §§ 1 *et seq.* (2006).

8. Defendant Renaissance Asset Management, LLC is a Georgia limited liability company formed in June 2005 with its headquarters in Roswell, Georgia. It has been registered as CPO and commodity trading advisor (“CTA”) with the Commission since September 2005.

9. Defendant Anthony Michael Ramunno, Jr. resides in Atlanta, Georgia. He is the chief executive officer and trading funds manager at RAM. He previously applied for registration with the Commission as an associated person in November 2004, but withdrew that application in February 2005 prior to any approval. Ramunno also applied for registration as a CPO in November 2003, but withdrew that application in April 2004 prior to any approval. He also applied for registration as a CTA in November 2003, but withdrew that application in March 2005 prior to any approval. Ramunno is currently listed as a principal of RAM.

IV. STATUTORY BACKGROUND

10. A “commodity pool” is defined in Commission Regulation 4.10(d)(1), 17 C.F.R. § 4.10(d)(1), as any investment trust, syndicate or similar form of enterprise operated for the purpose of trading commodity interests.

11. A “commodity pool operator” is defined in Section 1a(5) of the Act, 7 U.S.C. § 1(a)(5), 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.

V. FACTS

12. RAM has been operating a commodity pool, alternatively entitled "RAM I LLP or RAM I LLC" since at least June 2005 and perhaps earlier.

13. Since at least July 2006, RAM and Ramunno caused to be distributed to various pool participants and prospective pool participants false written statements about RAM, including, but not limited to:

- a) RAM's Pool Annual Reports for 2004 and 2005 that include representations that the reports have been audited by the accounting firm of Grant Thornton LLP, which, in fact, has never performed any services for RAM;
- b) RAM's Pool Annual Reports for 2004 and 2005 that indicate that RAM has operated since November 2003 despite records from the Georgia Secretary of State that document that RAM was only formed in June 2005; and
- c) a RAM Confidential Private Placement Memorandum and Disclosure Document that also indicates that RAM has audited profitable results since November 2003, when in fact these purported results have not been audited.

14. During the week of January 15-19, 2007, the National Futures Association ("NFA"), a self-regulatory organization for the U.S. futures industry, sought to inspect RAM's records and interview its principals based upon a

potential investor's suspicions regarding the pool's Annual Reports for 2004 and 2005.

15. On January 17, 2007, NFA staff met with Ramunno and William Wilkinson ("Wilkinson"), another principal of RAM, at RAM's offices in Roswell, Georgia. At that time, Ramunno and Wilkinson provided NFA staff with various documents. In particular, Ramunno provided NFA staff with copies of what he claimed were RAM's audited Pool Annual Reports for 2004 and 2005 prepared by Grant Thornton LLP.

16. On the evening of January 17, 2007, Ramunno admitted to Wilkinson that RAM's annual statements were fraudulent.

17. On January 18, 2007, Ramunno contacted the Atlanta office of the FBI and admitted to committing fraud.

18. An internal RAM report for the period ending December 31, 2006, reflects approximately 94 participant accounts and total pool assets of at least \$32 million. However, that amount includes purported accumulated profits that cannot be verified. As part of a partial and ongoing audit, NFA determined that there were approximately \$4 million of RAM assets in bank accounts and certain trading accounts as of January 19, 2007.

VI. VIOLATIONS OF THE COMMODITY EXCHANGE ACT

Count I

Violations of Section 4b(a)(2) of the Act Fraud by Misrepresentations and False Statements

19. Paragraphs 1 through 18 are re-alleged and incorporated herein.

20. Section 4b(a)(2)(i), (ii) and (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i), (ii) and (iii), makes it unlawful for any person to cheat or defraud or attempt to cheat or defraud such other person; willfully make or cause to be made to such other person any false report or statement thereof, or willfully enter or cause to be entered for such person any false record thereof; or willfully deceive or attempt to deceive such other person by any means whatsoever in regard to any such order or contract or the disposition or execution of any such order or contract, or in regard to any act of agency performed with respect to such order or contract for such person in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery made, or to be made, for or on behalf of any other person if such contract for future delivery is or may be used for (A) hedging any transaction in interstate commerce in such commodity or the products or byproducts thereof, or (B) determining the price basis of any transaction in interstate commerce in such commodity, or (C) delivering any such commodity sold, shipped, or received in interstate commerce for the fulfillment thereof.

21. Defendants RAM and Ramunno violated Section 4b(a)(2)(i), (ii) and (iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i), (ii) and (iii), in that they cheated or defrauded or attempted to cheat or defraud investors, made false statements and willfully deceived or attempted to deceive investors by issuing false statements to pool participants and/or prospective pool participants, including, but not limited to, the RAM's Pool Annual Reports for 2004 and 2005 that include false representations that these reports had been audited by the accounting firm of Grant Thornton LLP, and a Confidential Private Placement Memorandum and Disclosure Document that included charts that reflect that RAM has audited profitable results since November 2003, when in fact these purported results have not been audited

22. Each material misrepresentation, false statement, and willful deception made including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of Section 4b(a)(2)(i), (ii) and (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i), (ii) and (iii).

Count II
Violations of Section 4o(1)(A) and (B) of the Act
Commodity Pool Fraud

23. Paragraphs 1 through 18 are re-alleged and incorporated herein.

24. Section 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B), makes it unlawful for any CPO, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to employ any

device, scheme, or artifice to defraud any participant or prospective participant; or to engage in any transaction, practice or a course of business that operates as a fraud or deceit upon any participant or prospective participant.

25. RAM acted as a CPO in that it engaged in a business that is in the nature of an investment trust, syndicate, or similar form of enterprise and in connection therewith, solicited, accepted or received funds, securities or property from others 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.

26. RAM violated Section 4o(1)(A) and (B) of the Act, in that it directly or indirectly employed or is employing a device, scheme, or artifice to defraud commodity pool participants, or has engaged or is engaging in transactions, practices or a course of business which operated as a fraud or deceit upon commodity pool participants or potential participants by issuing false statements to pool participants and/or prospective pool participants, including, but not limited to, RAM's Pool Annual Reports for 2004 and 2005 that both include false representations that these reports have been audited by the accounting firm of Grant Thornton LLP and charts in an additional Confidential Private Placement Memorandum and Disclosure Document that reflect audited profitable results since November 2003, when in fact these purported results have not been audited.

27. Each material misrepresentation or omission and false statement made during the relevant time period, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of Section 4o(1)(A) and (B) of the Act.

28. During the relevant time, Ramunno, as chief executive officer and manager of trading funds at RAM, controlled RAM and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting the violations described in this Count.

29. Pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Ramunno is a controlling person liable for the violations described in this Count to the same extent as RAM.

Relief Requested

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

A. Find Defendants RAM and Ramunno liable for violating Sections 4b(a)(2)(i), (ii) and (iii) and 4o(1)(A) and (B) of the Act, 7 U.S.C. §§ 6b(a)(2)(i), (ii) and (iii) and 6o(1)(A) and (B).

B. Enter an order pursuant to Section 6c(a) of the Act restraining Defendants RAM and Ramunno and all persons insofar as they are acting in the

capacity of their agents, servants, successors, employees, assigns, and attorneys, and all persons insofar as they are acting in active concert or participation with them who receive actual notice of such order by personal service or otherwise, from directly or indirectly:

1. Destroying, mutilating, concealing, altering or disposing of any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property wherever located, including all such records concerning the business operations of RAM and Ramunno;
2. Refusing to permit authorized representatives of the Commission to inspect, when and as requested, any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property of RAM and Ramunno wherever located, including all such records concerning RAM business operations and Ramunno's income and assets; and
3. Withdrawing, transferring, removing, dissipating, concealing or disposing of, in any manner, any funds, assets, or other property in the actual or constructive possessions of RAM or Ramunno, wherever situated, including but not limited to, all funds, personal property, money or securities held in safes, safety deposit boxes and all funds on deposit in any financial institution, bank or savings and loan account held by, under the control, or in the name of RAM and/or Ramunno;

C. Enter an order pursuant to Section 6c(a) of the Act appointing a temporary receiver.

D. Enter an order directing that RAM and Ramunno provide the Plaintiff with immediate and continuing access to their books and records and the books and records of RAM, make an accounting to the Court of all of RAM's assets and

liabilities, together with all funds they received from and paid to pool participants and other persons in connection with commodity futures or option transactions or purported commodity futures or option transactions, including the names, addresses and telephone numbers of any such persons from whom they received such funds from January 2003 to and including the date of such accounting, and all disbursements for any purpose whatsoever of funds received from commodity pool participants, including salaries, commissions, fees, loans and other disbursements of money and property of any kind, from January 2003 to and including the date of such accounting;

E. Enter orders of preliminary and permanent injunction enjoining Defendants RAM and Ramunno and all persons insofar as they are acting in the capacity of their agents, servants, employees, successors, assigns, and attorneys, and all persons insofar as they are acting in active concert or participation with Defendants RAM and Ramunno who receive actual notice of such order by personal service or otherwise, from directly or indirectly:

1. Engaging in conduct in violation of Sections 4b(a)(2)(i), (ii) and (iii), and 4o(1)(A) and (B) of the Act, 7 U.S.C. §§ 6b(a)(2)(i), (ii) and (iii), and 6o(1)(A) and (B);
2. Directly or indirectly soliciting or accepting any funds from any person in connection with the purchase or sale of any commodity futures and/or options contract;
3. Engaging in, controlling, or directing the trading of any commodity futures and/or options accounts, on their own behalf

or for or on behalf of any other person or entity, whether by power of attorney or otherwise;

4. Introducing customers to any other person engaged in the business of commodity futures and/or options trading;
5. Issuing statements or reports to others concerning commodity futures and/or options trading; and
6. Otherwise engaging in any business activities related to commodity futures and/or options trading;

F. Enter an order requiring Defendants RAM and Ramunno to disgorge to any officer appointed or directed by the Court or directly to the pool participants all benefits received including, but not limited to, salaries, commissions, loans, fees, revenues and trading profits derived, directly or indirectly, from acts or practices which constitute violations of the Act as described herein, including pre-judgment interest;

G. Enter an order requiring Defendants RAM and Ramunno to make restitution by making whole each and every pool participant whose funds were received or utilized by them in violation of the provisions of the Act as described herein, including pre-judgment interest;

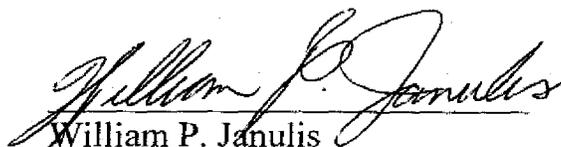
H. Enter an order requiring Defendants RAM and Ramunno to pay civil penalties under the Act, to be assessed by the Court, in amounts of not more than the higher of: (1) triple the monetary gain to them for each violation of the Act and Regulations, or (2) \$130,000 for each violation of the Act and Regulations;

I. Enter an order requiring Defendants RAM and Ramunno to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2); and

J. Enter an Order providing such other and further relief as this Court may deem necessary and appropriate under the circumstances.

Date:

Respectfully submitted,



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