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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

Commodity Futures Trading Commission,

Plaintiff,

v.

Anthony Michael Frisone,
Windsor Forex Trading Corp.,
and COES FX Clearing, Inc.

Defendants.

05-CV-2547 (TCP) (MLO)

**CONSENT ORDER OF
PRELIMINARY INJUNCTION AND
OTHER EQUITABLE RELIEF**

Plaintiff, Commodity Futures Trading Commission (“Commission” or “CFTC”), has filed a Complaint against Defendant COES FX Clearing, Inc. (“COES FX”), seeking injunctive and other equitable relief for alleged violations of the Commodity Exchange Act, as amended (“Act”), 7 U.S.C. §§ 1 et seq. (2002). Specifically, the Complaint alleges that the Defendant COES FX is liable, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2002), and Commission Regulation 1.2, 17 C.F.R. § 1.2 (2004), for the alleged acts and practices of the alleged agents of COES FX, Defendants Anthony F. Frisone and Windsor Forex Trading Corp., which allegedly violated Section 4b(a) of the Act, 7 U.S.C. § 6b(a)(2002).

Defendant COES FX, without admitting the allegations of the Complaint (and, in fact, expressly denying them), consents to the entry of this Consent Order of Preliminary Injunction and Other Equitable Relief (“Order”) and states that its consent is entered voluntarily and that no promise or threat has been made by the Commission or any member, officer, agent or representative thereof, to induce consent to this Order. Defendant COES FX disputes the allegations in the Complaint and intends to vigorously challenge the allegations brought against it as set forth in the Complaint. Further, Defendant COES FX affirms that consent to this Order

has been authorized and approved by its officers and board of directors and that such approval and authorization has been delegated to counsel for COES FX to sign this consent on its behalf.

I.

Jurisdiction and Venue

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

For purposes of this Order, Defendant COES FX consents that:

1. The Court's jurisdiction over the subject matter of this action is disputed. COES FX enters into and will abide by this preliminary injunction without waiving any future argument regarding jurisdiction for purposes of further proceedings. The Court enters this order to preserve the status quo pending further proceedings regarding its jurisdiction.
2. Venue properly lies with this Court.

II.

Prohibition From Violations of the Act

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

3. Until a final adjudication on the merits may be had, Defendant COES FX, and all persons insofar as they are acting in the capacity of officers, agents, servants, employees, or attorneys of Defendant COES FX, and all persons insofar as they are acting in active concert or participation with Defendant COES FX who receive actual notice of this Order by personal service or otherwise, shall be restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly engaging in any acts or courses of conduct in violation of Sections 4b(a)(2)(i) and 4b(a)(2)(iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) and (iii) (2001) as alleged in the Complaint. Further, COES FX alleges that its business is exclusively transactions in retail

“Spot” foreign currency and does not in any manner violate Sections 4b(a)(2)(i) and 4b(a)(2)(iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) and (iii) (2001).

III.

Maintenance of and Access to Business Records

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

4. Defendant COES FX and all persons or entities who receive notice of this Order, by personal service or otherwise, are restrained and enjoined from directly or indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in any manner, directly or indirectly, any documents that relate to the business practices or business finances of Defendant COES FX.

IV.

Inspection and Copying of Books and Records

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

5. Representatives of the CFTC be will be allowed to inspect the books, records, and other documents of Defendant COES FX, including those held by Defendant COES FX' agents, attorneys (to the extent such inspection does not violate the attorney-client privilege), partners, servants, representatives, employees, any person(s) acting or purporting to act for or on its behalf, and corporate and partnership entities in which Defendant COES FX has an interest, including, but not limited to, electronically stored data, tape recordings, and computer discs, wherever they may be situated and whether they are with Defendant COES FX or others, and to copy said documents, data and records, either on or off the premises where they may be situated. Such inspection will be arranged through good faith negotiations conducted between counsel for the CFTC and COES FX.

V.

Maintenance of Statutory Restraining Order

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

6. With respect to Defendants Anthony Michael Frisone and Windsor Forex Trading Corp., and with respect to the Directives to Financial Institutions and Others, the Statutory Restraining Order (the "SRO") issued by this Court on May 26, 2005, as modified herein, shall remain in full force and effect until further order of this Court. With respect to COES FX, the SRO is supplanted and superceded by this Order.

VI.

Force and Effect

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

7. This Order shall remain in full force and effect until further order of this Court, and that this Court retains jurisdiction of this Order consistent with paragraph 1, *supra*. The parties further agree that this Order shall not be deemed to establish any fact and may not be used or introduced in any other proceeding for any purpose, except by this Court to enforce this Order in conjunction with its terms.

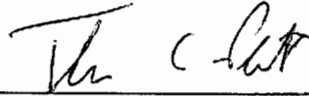
VII.

Extension of Time to Respond to Complaint

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

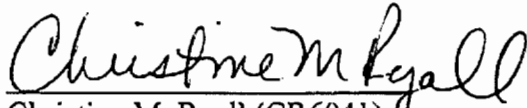
8. Defendant COES FX shall serve an answer or other responsive pleading no later than July 22, 2005.

SO ORDERED, this 10th day of June, 2005, at Central Islip, New York.



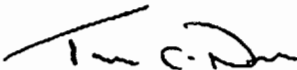
THOMAS C. PLATT
U.S. DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK

Consented to and Approved by:



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