

**THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

**COMMODITY FUTURES
TRADING COMMISSION,**

Plaintiff,

v.

PETER SZATMARI,

Defendant.

Case No: 1:19-CV-544

Hon. _____

**COMPLAINT FOR INJUNCTIVE RELIEF, CIVIL MONETARY
PENALTIES, AND OTHER EQUITABLE RELIEF**

Plaintiff Commodity Futures Trading Commission (“CFTC” or “Commission”), an independent federal agency, by and through its attorneys alleges as follows:

I. SUMMARY

1. Between at least 2014 and December 2016 (“Relevant Period”), Defendant Peter Szatmari and his business partner (“Partner”) created and disseminated millions of fraudulent solicitations to convince recipients to open and fund binary options trading accounts on websites operated by unregistered, off-exchange brokers. These solicitations, which included emails, websites, promotional videos, advertorials, and social media, enticed recipients with false and misleading promises that free automated trading software would trade binary options in their accounts, generating significant profits. Many of their solicitations used fictitious testimonials from actors or fake personalities who claimed to be successful owners or profitable users of the software. Other solicitations depicted fake bank and trading statements or simulated trading demonstrations showing profits purportedly made from trading binary options.

2. Over the Relevant Period, Szatmari and Partner generated profits of at least \$3.8 million from binary options brokers, who paid them a flat fee for each new account that was opened and funded as a result of their solicitations.

3. Szatmari intentionally or recklessly disregarded that the testimonials depicted in his solicitations were fictitious, that the automated trading software did not work as claimed and resulted in trading losses, and that investors who deposit funds with brokers for binary options trading generally lose their funds and are unlikely to earn any profits, much less significant profits. Nevertheless, Szatmari and Partner disseminated solicitations that downplayed the risks involved in trading binary options by using minimal or no risk disclosures, or in some cases by disclaiming risk entirely and guaranteeing profits.

4. By engaging in this conduct and the conduct further described herein, Szatmari has engaged, is engaging, or is about to engage in certain violations of the Commodity Exchange Act (“Act”), 7 U.S.C. §§ 1-26 (2012), and CFTC Regulations (“Regulations”), 17 C.F.R. pts. 1-190 (2019).

5. Specifically, Szatmari violated the following provisions of the Act and Regulations:

(a) Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Regulation 32.4, 17 C.F.R. § 32.4 (2019), by engaging in fraud in connection with commodity options transactions;

(b) Section 4o(1) of the Act, 7 U.S.C. § 6o(1) (2012), by engaging in fraud as a commodity trading advisor (“CTA”);

(c) Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2019), by using or employing a

manipulative device, scheme, or artifice to defraud, making false or misleading material statements, and engaging in acts that operate or would operate as a fraud or deceit on any person, in connection with swaps; and

(d) Regulations 4.41(a)(1)-(3) and (b)(1)-(2), 17 C.F.R. §§ 4.41(a)(1)-(3), (b)(1)-(2) (2019), by engaging in fraudulent advertising by a CTA and not making required risk disclosures.

6. Unless restrained and enjoined by this Court, Szatmari is likely to continue engaging in the acts and practices alleged in this Complaint or in similar acts and practices. Accordingly, the CFTC brings this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), to enjoin Szatmari's unlawful acts and practices and to compel his compliance with the Act and Regulations. The CFTC also seeks civil monetary penalties and remedial ancillary relief, including restitution, disgorgement, pre- and post-judgment interest, trading and registration bans, and such other equitable relief as this Court may deem necessary and appropriate.

II. JURISDICTION AND VENUE

7. This Court possesses jurisdiction over this action pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1 (2012), which authorizes the CFTC to seek injunctive and other relief against any person whenever it appears to the CFTC 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.

8. Venue lies properly in this District pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2012), because Szatmari transacted business in this District, and certain of the acts and practices in violation of the Act and Regulations occurred within this District, among other places.

III. THE PARTIES

9. Plaintiff **Commodity Futures Trading Commission** is an independent federal regulatory agency charged by Congress with administering and enforcing the Act and Regulations.

10. Defendant **Peter Szatmari** was a resident of Hawaii during the Relevant Period. Szatmari has never been registered with the CFTC in any capacity.

IV. FACTS

A. Szatmari Was an Affiliate Marketer for Binary Options

11. Affiliate marketing is a form of performance-based marketing that promotes third party products or services and is typically conducted via solicitations that the affiliate marketer emails to recipients and/or posts on the internet.

12. Every time the affiliate marketer's solicitations result in a person taking a specific action, such as buying a third party's product or service, the third party typically pays the affiliate marketer a fee.

13. Between at least 2014 and December 2016, Szatmari and Partner were affiliate marketers, including for binary options.

14. A binary option is a type of option contract in which the payout depends entirely on the outcome of a discrete event and is typically in the form of a binary "yes" or "no" proposition. That proposition typically relates to whether—yes or no—the price of a particular asset, such as a currency pair or commodity future, will exceed or fall below a specified amount at a specified date and time. The investor only makes money if his yes or no prediction is correct.

15. For every new account opened and funded as a result of their solicitations, Szatmari and Partner were paid a flat fee, usually between \$350 and \$450, from the broker with whom the account was opened.

16. During the Relevant Period, Szatmari and Partner tracked the success of their binary options solicitations. Solicitations they created and disseminated for these six campaigns were, in all, viewed thousands of times by prospective investors, including prospective investors located in the United States, in approximately 350,000 website visits. As a result of those views, approximately 25,000 victims opened accounts with unregistered, off-exchange brokers and funded their accounts with initial deposits, usually of \$250 or more. These newly opened and funded accounts generated profits for Szatmari and Partner of at least \$3.8 million in fees paid by binary options brokers.

17. For their binary options-related affiliate marketing, Szatmari and Partner shared some tasks and split others. Szatmari's work included identifying, soliciting, and/or negotiating with binary options brokers regarding fees and other matters; creating solicitation materials; obtaining, rebranding, and distributing the promoted automated trading software; performing accounting functions; and arranging for the bulk dissemination of solicitations, including through social media. Partner's work included monitoring customer service email addresses associated with their solicitations; registering websites and developing their content and design; and arranging for the bulk dissemination of solicitations.

18. Finally, Szatmari and Partner also engaged in what they referred to as "remarketing" by distributing, including using their own email lists, other affiliate marketers' binary options-related solicitation materials for compensation.

B. Szatmari's Binary Options-Related Affiliate Marketing Was Fraudulent

19. During the Relevant Period, Szatmari and Partner created and disseminated false and misleading solicitations that promoted binary options trading in at least six different affiliate marketing campaigns: (1) Automated Money Kit (2014); (2) Wall Street Millionaire (2014); (3) Click Click Money (2014); (4) Guaranteed Wealth (2015); (5) The Cash Code / Robert Allen System (2015); and (6) The Conservative Investor (2016). Solicitations for these campaigns were designed to convince recipients to open and fund binary options trading accounts on websites operated by unregistered, off-exchange brokers, who paid Szatmari and Partner a fee for each new account opened and funded as a result of their solicitations.

20. The solicitations Szatmari and Partner created and disseminated for these six campaigns included emails, websites, promotional videos, advertorials resembling news articles, and social media. They steered recipients to click on embedded electronic links that routed to binary options websites, where recipients would purportedly learn a "secret" method of making money using a trading system.

21. For example, a Guaranteed Wealth email promised, "The best traders the trading community has ever known will help you earn over \$15,000 without taking ANY payment >from [*sic*] you. Take advantage of their FREE mentorship NOW." A Click Click Money email enticed recipients to "Click. Click. Click. Click. Click. Click. Click. PROFIT. That's only 7 clicks in total. And that's all it takes to set up this software and profit from it on complete autopilot But don't take my word for it. Have a look at how these beta testers got on (without paying a penny for [*sic*] this software)[.] Do me a favor? Email me tomorrow and let me know how much you made in 24 hours. If it isn't more than at least \$1,000 I'll retire and never email you again. That's a promise! Get in there (for FREE) before someone else beats you to it."

22. Similarly, the binary options websites to which solicitation recipients were routed after clicking on the embedded electronic links typically promoted automated trading software that would trade binary options and generate significant profits, all for “free” if the solicitation recipient opened and funded a binary options trading account at a recommended broker.

23. Sztatmari and Partner made numerous false and misleading representations in their solicitation materials about profits, including that trading binary options using the promoted automated trading software had generated significant profits for prior users and would generate significant, even guaranteed, profits for recipients of their solicitation materials. None of these profit claims was supported by trading results of actual investors who used the automated trading software. To the contrary, Sztatmari and Partner intentionally or recklessly disregarded that investors who deposit funds with brokers for binary options trading generally lose their funds and that investors are unlikely to earn any profit, much less a significant profit, from trading binary options using automated trading software.

24. For example, Sztatmari and Partner claimed in emails for their Automated Money Kit campaign that it would take “Just 23 minutes to make profits” and invited email recipients to “Imagine \$164.99 . . . \$760.90 . . . even \$3,432.60 slamming into your account on a daily basis.” They solicited recipients of Click Click Money campaign emails to “Take advantage of this unique money making strategy to bank at least \$800 a day.” Their Cash Code / Robert Allen System campaign materials promised recipients that “This dead simple easy to use software has the ability to pull in up to \$70,000 per month for average investors with no experience.” None of these claims was supported by the trading results of actual investors who used the promoted software, nor were they likely to be replicated by future software users.

25. Szatmari and Partner also made numerous false and misleading representations about the functionality, reliability, or even existence of the automated trading software they promoted. In doing so, they intentionally or recklessly disregarded that the software had not been tested and did not work as claimed, as they did not test the software themselves and received numerous complaints from investors who lost money using the software.

26. For example, in an advertorial they wrote and disseminated for The Cash Code / Robert Allen System campaign, Szatmari and Partner told the story of “Robert Allen,” a “regular person with no investment experience” who parlayed his life savings of \$1,500 into \$2.7 million using The Cash Code, a system that had been tested for three years and patented before now being made available to the public for free. In fact, “Robert Allen” did not exist, and The Cash Code had been neither tested nor patented. On another occasion, the software they promoted did not exist, and they instead disseminated recycled software from a prior binary options campaign.

27. In multiple solicitation materials, including written materials and videos featured on binary options websites, Szatmari and Partner used fictitious testimonials from actors or fake personalities, such as “Robert Allen,” who claimed to be successful owners or profitable users of automated trading software. However, they failed to disclose that the actors and fake personalities were not, in fact, actual owners or users of the software. They also failed to disclose that paid actors were, in fact, paid actors, or that testimonials were not representative of the experience of others or a guarantee of future performance or success.

28. In multiple solicitation materials, in particular videos featured on binary options websites, Szatmari and Partner depicted fake bank and trading account statements showing thousands of dollars or more in purported profits or simulated “live” trading demonstrations showing purported “real time” profits being made from trading binary options using automated

trading software. However, Szatmari and Partner failed to disclose that the depicted trading results were simulated or hypothetical results and did not represent actual trading results.

29. Szatmari and Partner minimized the risks of trading binary options in numerous solicitation materials, including no statements regarding risk in some solicitation materials and explicitly disclaiming any risk in others. In doing so, they intentionally or recklessly disregarded that binary options trading involves the risk of loss, and that investors who deposit funds with brokers for binary options trading generally lose their funds and are unlikely to earn any profit from trading binary options using automated trading software.

30. For example, a “Guaranteed Wealth” email disseminated by Szatmari and Partner stated “YOU can NOT lose.. [*sic*] period.” This statement was baseless.

31. Szatmari and Partner failed to disclose in their solicitation materials that they received a fee from the binary options brokers they recommended every time a new account was opened and funded as a result of their solicitations, and that this fee arrangement was their sole basis for recommending brokers.

32. Finally, in “remarketing” binary options-related solicitations of other affiliate marketers, Szatmari and Partner intentionally or recklessly disregarded that those materials included false and misleading statements about profits, trading activity, and risk of loss.

V. VIOLATIONS OF THE COMMODITY EXCHANGE ACT

COUNT I

OPTIONS FRAUD

Violations of Sections 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Regulation 32.4, 17 C.F.R. § 32.4 (2019)

33. The allegations set forth in the preceding paragraphs are re-alleged and incorporated herein by reference.

34. 7 U.S.C. § 6c(b), in relevant part, makes it unlawful for any person “to offer to enter into, enter into or confirm the execution of, any transaction involving any commodity regulated under [the] Act which is of the character of, or is commonly known to the trade as,” inter alia, an “option,” “bid,” “offer,” “put,” or “call,” in contravention of CFTC rules or regulations “prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe.”

35. 17 C.F.R. § 32.4, provides in relevant part that, in connection with an offer to enter into, the entry into, or the confirmation of the execution of any commodity option transaction, it shall be unlawful “for any person directly or indirectly: (a) To cheat or defraud or attempt to cheat or defraud any other person; (b) To make or cause to be made to any other person any false report or statement thereof or cause to be entered for any person any false record thereof; or (c) To deceive or attempt to deceive any other person by any means whatsoever.”

36. Szatmari violated 7 U.S.C. § 6c(b) and 17 C.F.R. § 32.4 during the Relevant Period by, among other things, making misrepresentations in affiliate marketing solicitations that he and Partner created and disseminated to convince recipients to open and fund binary options trading accounts to be traded using automated trading software, including the following: (1) misrepresenting that trading binary options would generate significant, even guaranteed, profits while minimizing or disclaiming any risks; (2) claiming that automated trading software had been tested and generated profits when, in reality, the software had not been tested, did not work as claimed, and in some cases did not exist; (3) portraying actors or fake personalities as actual owners or users of automated trading software, without disclosing that they were not real

users of the software; and (4) depicting fictitious trading results as real. Szatmari engaged in the acts and practices described herein knowingly or with reckless disregard for the truth.

37. Each act of misrepresenting and omitting material facts related to trading activity, profits, losses, and risks, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 7 U.S.C. § 6c(b) (2012) and 17 C.F.R. § 32.4.

COUNT II

FRAUD BY A CTA Violations of Section 4o(1) of the Act, 7 U.S.C. § 6o(1) (2012)

38. The allegations set forth in the preceding paragraphs are re-alleged and incorporated herein by reference.

39. 7 U.S.C. § 6o(1) makes it unlawful for a commodity trading advisor (“CTA”), using the mails or any instrumentality of interstate commerce, “directly or indirectly—(A) to employ any device, scheme, or artifice to defraud any client or participant or prospective client or participant; or (B) to engage in any transaction, practice or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.”

40. Section 1a(12) of the Act, 7 U.S.C. § 1a(12) (2012), defines a CTA as including any person who, for compensation or profit, engages in the business of advising others, either directly or through publications, writings, or electronic media, as to the value or advisability of trading in any swap or commodity option.

41. During the Relevant Period, Szatmari acted as a CTA by advising recipients of his affiliate marketing solicitations, which included emails, websites, promotional videos, advertorials, and social media, as to the value and advisability of opening and funding binary options trading accounts to be traded using automated trading software. Szatmari did so for

compensation or profit, as he earned a fee for each person that opened and funded a binary options trading account as a result of his solicitations.

42. Szatmari violated 7 U.S.C. § 6o(1) during the Relevant Period by, among other things, making misrepresentations in affiliate marketing solicitations that he and Partner created and disseminated to convince recipients to open and fund binary options trading accounts to be traded using automated trading software, including the following: (1) misrepresenting that trading binary options would generate significant, even guaranteed, profits while minimizing or disclaiming any risks; (2) claiming that automated trading software had been tested and generated profits when, in reality, the software had not been tested, did not work as claimed, and in some cases did not exist; (3) portraying actors or fake personalities as actual owners or users of automated trading software, without disclosing that they were not real users of the software; and (4) depicting fictitious trading results as real, all while acting as a CTA and using instrumentalities of interstate commerce. Szatmari engaged in the acts and practices described herein knowingly or with reckless disregard for the truth.

43. Each act of misrepresenting and omitting material facts related to trading activity, profits, losses, and risks, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 7 U.S.C. § 6o(1).

COUNT III

MANIPULATIVE OR DECEPTIVE DEVICE, SCHEME, OR ARTIFICE TO DEFRAUD Violations of Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a) (1)- (3), 17 C.F.R. § 180.1(a)(1)-(3) (2019)

44. The allegations set forth in the preceding paragraphs are re-alleged and incorporated herein by reference.

45. 7 U.S.C. § 9(1) provides in relevant part that “[i]t shall be unlawful for any person, directly or indirectly, to use or employ or attempt to use or employ, in connection with

any swap . . . any manipulative or deceptive device or contrivance, in contravention of such rules and regulations as the Commission shall promulgate”

46. 17 C.F.R. § 180.1(a)(1)-(3), in part, makes it unlawful for any person, directly or indirectly, in connection with any swap, “to intentionally or recklessly: (1) Use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud; (2) Make, or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue or misleading; [or] (3) Engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any person.”

47. Binary options qualify as swaps pursuant to Section 1a(47)(A) of the Act, 7 U.S.C. § 1a(47)(A) (2012), which defines a “swap” as including, inter alia, “any agreement, contract, or transaction” that: (i) is an option of any kind; (ii) provides for payment dependent on the occurrence, nonoccurrence, or extent of occurrence of an event or contingency; or (iii) provides on an executory basis for payments based on the value of one or more interest or other rates, currencies, commodities, securities, or other financial or economic interests or property, and that transfers in whole or part the financial risk associated with a future change in such value between the parties to the transaction without also conveying an ownership interest in the asset or liability.

48. Szatmari violated 7 U.S.C. § 9(1) and 17 C.F.R. § 180.1(a)(1)-(3) during the Relevant Period by, among other things, making misrepresentations in affiliate marketing solicitations that he and Partner created and disseminated to convince recipients to open and fund binary options trading accounts to be traded using automated trading software, including the following: (1) misrepresenting that trading binary options would generate significant, even

guaranteed, profits while minimizing or disclaiming any risks; (2) claiming that automated trading software had been tested and generated profits when, in reality, the software had not been tested, did not work as claimed, and in some cases did not exist; (3) portraying actors or fake personalities as actual owners or users of automated trading software, without disclosing that they were not real users of the software; and (4) depicting fictitious trading results as real, all while acting as a CTA and using instrumentalities of interstate commerce. Szatmari engaged in the acts and practices described herein knowingly or with reckless disregard for the truth.

49. Each act of misrepresenting and omitting material facts related to trading activity, profits, losses, and risks, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 7 U.S.C. § 9(1) and 17 C.F.R. § 180.1(a)(1)-(3).

COUNT IV

FRAUDULENT ADVERTISING BY A CTA Violations of Regulation 4.41(a)(1)-(2), 17 C.F.R. § 4.41(a)(1)-(2) (2019)

50. The allegations set forth in the preceding paragraphs are re-alleged and incorporated herein by reference.

51. 17 C.F.R. § 4.41(a)(1)-(2), in part, prohibits a CTA from advertising in a manner that “(1) Employs any device, scheme, or artifice to defraud” any client or prospective client, or “(2) Involves any transaction, practice or course of business which operates as a fraud or deceit upon” any client or prospective client.

52. Szatmari violated 17 C.F.R. § 4.41(a)(1)-(2) during the Relevant Period by, among other things, making misrepresentations in affiliate marketing solicitations that he and Partner created and disseminated to convince recipients to open and fund binary options trading accounts to be traded using automated trading software, including the following:

(1) misrepresenting that trading binary options would generate significant, even guaranteed,

profits while minimizing or disclaiming any risks; (2) claiming that automated trading software had been tested and generated profits when, in reality, the software had not been tested, did not work as claimed, and in some cases did not exist; (3) portraying actors or fake personalities as actual owners or users of automated trading software, without disclosing that they were not real users of the software; and (4) depicting fictitious trading results as real, all while acting as a CTA. Szatmari engaged in the acts and practices described herein knowingly or with reckless disregard for the truth.

53. Each act of misrepresenting and omitting material facts related to trading activity, profits, and losses, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 17 C.F.R. § 4.41(a)(1)-(2).

COUNT V

FAILURE TO INCLUDE REQUIRED DISCLOSURES BY A CTA Violations of Regulation 4.41(a)(3) and (b)(1)-(2), 17 C.F.R. § 4.41(a)(3), (b)(1)-(2) (2019)

54. The allegations set forth in the preceding paragraphs are re-alleged and incorporated herein by reference.

55. 17 C.F.R. § 4.41(a)(3) makes it unlawful for a CTA to refer “to any testimonial, unless the advertisement or sales literature providing the testimonial prominently discloses: (i) That the testimonial may not be representative of the experience of other clients; (ii) That the testimonial is no guarantee of future performance or success; and (iii) If, more than a nominal sum is paid, the fact that it is a paid testimonial.”

56. 17 C.F.R. § 4.41(b)(1)-(2) requires CTAs to include specific disclosures in immediate proximity to any simulated or hypothetical performance presented in advertisements, including a statement that “These results are based on simulated or hypothetical performance

results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading.”

57. Szatmari violated 17 C.F.R. § 4.41(a)(3) and (b)(1)-(2) during the Relevant Period by, while acting as a CTA, using in binary options solicitations fictitious testimonials from actors or fake personalities who claimed to be successful owners or profitable users of the software without prominently disclosing that the testimonials: (i) were not representative of the experience of other clients; (ii) were no guarantee of future performance or success; or (iii) paid, where portrayed by paid actors.

58. Szatmari violated 17 C.F.R. § 4.41(b)(1)-(2) during the Relevant Period by, while acting as a CTA, using in binary options solicitations simulated or hypothetical performance returns without including the specific disclosures required by 17 C.F.R. § 4.41(b)(1)-(2).

59. Each act of using testimonials and simulated or hypothetical trading results in solicitations as a CTA without making required disclosures, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 17 C.F.R. § 4.41(a)(3) and (b)(1)-(2).

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that this Court, as authorized by Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), and pursuant to its equitable powers:

A. Find that Szatmari violated Sections 4c(b), 4o(1), and 6(c)(1) of the Act, 7 U.S.C. §§ 6c(b), 6o(1), 9(1) (2012), and Regulations 4.41(a)(1)-(3) and (b)(1)-(2), 32.4, and 180.1(a)(1)-(3), 17 C.F.R. §§ 4.41(a)(1)-(3), 4.41(b)(1)-(2), 32.4, 180.1(a)(1)-(3) (2019);

B. Enter an order of permanent injunction enjoining Szatmari, and his affiliates, agents, servants, employees, successors, assigns, attorneys, and all persons or entities in active

concert with him, who receive actual notice of such order by personal service or otherwise, from engaging in conduct described above, in violation of 7 U.S.C. §§ 6c(b), 6o(1) and 9(1), and 17 C.F.R. §§ 4.41(a)(1)-(3), 4.41(b)(1)-(2), 32.4, 180.1(a)(1)-(3);

C. Enter an order of permanent injunction restraining and enjoining Szatmari, and his affiliates, agents, servants, employees, successors, assigns, attorneys, and all persons or entities in active concert with him, from directly or indirectly:

1. Trading on or subject to the rules of any registered entity (as that term is defined by Section 1a(40) of the Act, 7 U.S.C. § 1a(40) (2012));
2. Entering into any transactions involving “commodity interests” (as that term is defined in Regulation 1.3, 17 C.F.R. § 1.3 (2019)) for accounts held in the name of Szatmari or for accounts in which Szatmari has a direct or indirect interest;
3. Having any commodity interests traded on his behalf;
4. Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity interests;
5. Soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
6. Applying for registration or claiming exemption from registration with the CFTC in any capacity, and engaging in any activity requiring such registration or exemption from registration with the CFTC, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2019); and
7. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2019)), agent, or any other officer or employee of any person

registered, exempted from registration, or required to be registered with the CFTC, except as provided for in 17 C.F.R. § 4.14(a)(9).

D. Enter an order requiring Szatmari, as well as any third-party transferee and/or successors thereof, to disgorge, pursuant to such procedure as the Court may order, 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 and Regulations as described herein, including pre-judgment and post-judgment interest;

E. Enter an order directing Szatmari, as well as any successors thereof, to make full restitution to every person who has sustained losses proximately caused by the violations described herein, including pre-judgment and post-judgment interest;

F. Enter an order directing Szatmari to pay a civil monetary penalty assessed by the Court, in an amount not to exceed the penalty prescribed by Section 6c(d)(1) of the Act, 7 U.S.C. § 13a-1(d)(1) (2012), as adjusted for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Pub. L. 114-74, tit. VII, § 701, 129 Stat. 584, 599–600, *see* Regulation 143.8, 17 C.F.R. § 143.8 (2019), for each violation of the Act and Regulations, as described herein;

G. Enter an order requiring Szatmari to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2413(a)(2) (2012); and

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

Dated: October 7, 2019

Respectfully submitted,

COMMODITY FUTURES
TRADING COMMISSION

/s Susan Gradman

Susan Gradman

Camille Arnold

Scott Williamson

Division of Enforcement

Commodity Futures Trading Commission

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