

**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA**

	)	
<b>COMMODITY FUTURES TRADING</b>	)	
<b>COMMISSION,</b>	)	
	)	<b>Case No.</b>
<b>Plaintiff,</b>	)	
	)	
<b>v.</b>	)	<b>COMPLAINT FOR INJUNCTIVE</b>
	)	<b>AND OTHER EQUITABLE RELIEF,</b>
<b>THE ALISTA GROUP, LLC, MARVIN W.</b>	)	<b>RESTITUTION, AND CIVIL</b>
<b>COURSON III, CHRISTOPHER A.</b>	)	<b>MONETARY PENALTIES UNDER</b>
<b>KERTATOS, AND LUIS M. PINEDA</b>	)	<b>THE COMMODITY EXCHANGE</b>
<b>PALACIOS, a/k/a LUIS PINEDA,</b>	)	<b>ACT AND COMMISSION</b>
	)	<b>REGULATIONS</b>
<b>Defendants.</b>	)	

Plaintiff Commodity Futures Trading Commission (“Commission”), by and through its attorneys, alleges as follows:

**I. SUMMARY**

1. From at least July 2016 through at least January 2018 (the “Relevant Period”), The Alista Group, LLC (“Alista”), by and through the actions of its employees and agents, including but not limited to, Marvin W. Courson III (“Courson”), Christopher A. Kertatos (“Kertatos”), and Luis M. Pineda Palacios, a/k/a Luis Pineda (“Pineda”), offered to enter into, and conducted an office or business in the United States for the purpose of soliciting or accepting orders from retail customers for contracts for the purchase or sale of precious metals on a leveraged or financed basis (“leveraged precious metals transactions” or “retail commodity transactions”).

2. In connection with this activity, Alista, Courson, and Kertatos defrauded these retail customers by misappropriating their funds to, among other things, speculate in precious metals for Alista's own account, pay Alista's business expenses, and make Ponzi-style payments to customers who sought to cash out some of their purported holdings.

3. In addition, Kertatos and Pineda individually defrauded at least some of Alista's customers by using individual and/or corporate bank accounts under their personal control to accept Alista customer funds and then misappropriate those funds to pay for personal and other expenses unrelated to leveraged precious metals transactions on behalf of Alista's customers.

4. By virtue of this conduct and the conduct further described herein, Alista has engaged, is engaging, or is about to engage in conduct in violation of Section 4(a) of the Commodity Exchange Act ("Act"), 7 U.S.C. § 6(a) (2018), and Alista, Courson, Kertatos, and Pineda (collectively, "Defendants") have engaged, are engaging, or are about to engage in conduct in violation of Section 4b(a)(2)(A) and (C) of the Act, 7 U.S.C. § 6b(a)(2)(A), (C) (2018).

5. At all relevant times, the acts and omissions of Courson, Kertatos, and Pineda were committed within the scope of their employment, agency, or office with Alista. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2018), and Regulation 1.2, 17 C.F.R. § 1.2 (2019), Alista is liable as a principal for the actions and omissions of Courson, Kertatos, and Pineda in violation of the Act.

6. At all times during the Relevant Period, Courson was the controlling person of Alista. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2018), Courson is liable for the actions and omissions of Alista in violation of the Act.

7. Accordingly, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1(a) (2018), the Commission brings this action to enjoin Defendants' unlawful acts and practices, to compel compliance with the Act, and to further enjoin Defendants from engaging in any commodity-related activity.

8. In addition, the Commission seeks civil monetary penalties, restitution, and remedial ancillary relief, including but not limited to, trading and registration bans, disgorgement, rescission, pre-judgment and post-judgment interest, and such other relief as the Court may deem necessary and appropriate.

## **II. JURISDICTION AND VENUE**

9. This Court has jurisdiction over this action under 28 U.S.C. § 1331 (2018) (federal question jurisdiction) and 28 U.S.C. § 1345 (2018) (district courts have original jurisdiction over civil actions commenced by the United States or by any agency expressly authorized to sue by Act of Congress). Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a) (2018), authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such person has engaged, is engaging, or is about to engage in any act or practice that violates any provision of the Act or any rule, regulation, or order promulgated thereunder.

10. With respect to Defendants' retail commodity transactions, the Commission also has jurisdiction over the conduct and transactions at issue pursuant to Section 2(c)(2)(D) of the Act, 7 U.S.C. § 2(c)(2)(D) (2018).

11. Venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(a) (2018) because Defendants are found in, inhabit, or transact business in this District, or the acts and practices in violation of the Act occurred, or are occurring, or are about to occur within this District, among other places.

### III. PARTIES

#### A. Plaintiff

12. Plaintiff **Commodity Futures Trading Commission** is an independent federal regulatory agency charged by Congress with the administration and enforcement of the Act, 7 U.S.C. §§ 1-26 (2018), and the Regulations promulgated thereunder, 17 C.F.R. pts. 1–190 (2019).

#### B. Defendants

13. **The Alista Group, LLC** was a domestic limited liability company registered in Georgia in July 2016. In September 2018, Georgia administratively dissolved Alista for failure to file its annual registration. At various times during the period that it was active, Alista conducted operations from Fort Myers, Florida; Orlando, Florida; and Savannah, Georgia. Alista has never been registered with the Commission.

14. **Marvin W. Courson III** is a resident of Fort Myers, Florida. Courson has never been registered with the Commission. In December 2009, Courson was sentenced to 94 months in prison, following his plea of guilty to conspiracy to distribute cocaine.

15. **Christopher A. Kertatos** is a resident of Cape Coral, Florida. Kertatos has never been registered with the Commission. Kertatos was previously the operator of Bullion Trading Group, a precious metals dealer with offices in Stuart and West Palm Beach, Florida. In June 2011, Kertatos was sentenced to 42 months in prison, following his plea of guilty to conspiracy to commit mail fraud and eight counts of mail fraud for his involvement in a \$1.6 million fraud involving Bullion Trading.

16. **Luis M. Pineda Palacios, a/k/a Luis Pineda**, is a resident of Orlando, Florida. Upon information and belief, Pineda may be currently residing in Deltona, Florida. Pineda has

never been registered with the Commission. In January 2018, Pineda registered a company called Lincoln Bullion Group with the State of Florida, listing himself as Manager. Lincoln Bullion Group purports to be a precious metals retailer.

#### **IV. STATUTORY BACKGROUND**

17. Section 2(c)(2)(D) of the Act, 7 U.S.C. §2(c)(2)(D) (2018), gives the Commission jurisdiction over “any agreement, contract, or transaction in any commodity” that is entered into with, or offered to, a non-eligible contract participant (“ECP”) “on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis” subject to certain exceptions not applicable here. Such transactions are known as “retail commodity transactions.” Section 1a(18)(xi) of the Act, 7 U.S.C. § 1a(18)(xi) (2018), defines an ECP, in relevant part, as an individual who has amounts invested on a discretionary basis, the aggregate of which exceeds \$10 million, or \$5 million if the individual enters into the transaction to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual.

18. Section 2(c)(2)(D) of the Act also makes Sections 4(a) and 4(b) of the Act, 7 U.S.C. §§ 6(a) and 6(b) (2018), applicable to retail commodity transactions “as if” such transactions are contracts for the sale of a commodity for future delivery.

#### **V. FACTS**

##### **A. Background**

19. Courson registered Alista as a domestic limited liability company in the state of Georgia on July 7, 2016. Alista’s articles of incorporation list Courson as the company’s organizer. The articles of incorporation list Alista’s principal business address as 100 Bull

Street, Savannah, Georgia; however, Alista also operated at various times during the Relevant Period out of offices in Fort Myers, Florida and Orlando, Florida.

20. During the Relevant Period, Alista, by and through the actions of its employees and agents, including but not limited to, Courson, Kertatos, and Pineda, solicited customers through an internet website and telephone calls to engage in leveraged precious metals transactions.

21. At least some, if not all, of the customers solicited by Alista were non-ECP's.

22. During the Relevant Period, Alista, by and through the actions of its employees and agents, including but not limited to, Courson, Kertatos, and Pineda, solicited and accepted at least \$890,500 from at least nineteen customers. Of this amount, \$639,500 was sent by customers through checks or wire transfers directly to Alista's bank accounts ("Alista Accounts") and, upon information and belief, \$77,500 was sent by customers to a bank account under the personal control of Pineda. In addition, at least one customer sent Alista numismatic coins as payment for his transactions. These coins were sent to Alista with the intention that they would be sold by Alista on behalf of the customer and the proceeds of such sale would be used to purchase leveraged precious metals for the customer's account. As detailed later in this Complaint, Kertatos sold at least some of these coins for \$173,500.

23. With the exception of two fully-paid precious metals transactions which are not the subject of this Complaint, Alista never purchased precious metals in the names of its customers. Instead, Defendants misappropriated all of the Alista customers' funds, using them to speculate in leveraged precious metals for Alista's own account, to pay for Alista's business expenses and Defendants' personal expenses, and to make Ponzi-style payments to customers.

**B. Alista Used Customer Funds to Speculate for Its Own Account**

24. For the first nine months of its operation, Alista was not very successful in attracting customers. During that time, it signed up only one customer, who engaged in two fully-paid precious metals transactions through an arrangement Alista had with a Cayman Islands-based precious metals dealer (“Cayman Precious Metals Dealer”).

25. Sometime in or around April 2017, however, Alista began an aggressive campaign of cold-calling customers to solicit them to engage in leveraged precious metals transactions. These efforts proved more successful; from April to October 2017, Alista acquired eighteen new customers. In addition, in April 2017, Alista convinced the one customer whom it had introduced to the Cayman Precious Metals Dealer to sell his fully-paid precious metals and to use the proceeds of this sale, along with additional funds, to engage in leveraged precious metals transactions.

26. Alista never opened any leveraged precious metals accounts in the names of its customers; nor did it ever purchase any precious metals on a leveraged basis in the names of its customers, deliver any precious metals to its customers, or store any precious metals on behalf of its customers. Rather, in May 2017, Courson opened a trading account in Alista’s name at a California-based precious metals dealer (“U.S. Precious Metals Dealer”). In the account application to the U.S. Precious Metals Dealer, Courson did not disclose that Alista was a precious metals broker dealer. Between May and July 2017, Alista took \$239,300 of its customers’ funds and used those funds to speculate in leveraged precious metals for its own account. Customer funds were also used to pay interest charges and fees in connection with Alista’s account. These funds came from Alista Accounts over which both Courson and Kertatos had signatory authority.

27. Between June and September 2017, Alista sold some of the holdings from its U.S. Precious Metals Dealer account. A small amount of the proceeds of these sales was used to pay a customer who had requested a withdrawal from her account and the rest was used by Alista, Courson, and Kertatos to pay for business, personal, and other expenses, as detailed later in this Complaint.

28. In late September 2017, the U.S. Precious Metals Dealer became aware that Alista was a precious metals broker dealer. When confronted with this information by the U.S. Precious Metals Dealer, Courson denied it; however, on the advice of its legal department, the U.S. Precious Metals Dealer thereafter refused to accept any new buy orders from Alista for its account.

29. Unable to make further purchases through its U.S. Precious Metals Dealer account, Alista turned back to the Cayman Precious Metals Dealer in late October 2017. Because of the Cayman Precious Metals Dealer's restrictions on engaging in leveraged precious metals transactions on behalf of U.S. clients, however, Alista could not open a leveraged precious metals trading account in its own name. Instead, a straw account was opened in the name of an individual who was an associate of Kertatos. This individual is a French citizen and used his French address on the account application. Alista was named in the account application as the broker agent and legal representative with discretionary control over all activities with regard to this account.

30. The individual in whose name the account was opened was never an Alista customer and never put any of his own money into this account. Rather, Alista, Courson, and Kertatos took \$67,000 of Alista customer funds and used those funds to speculate in leveraged precious metals through this account. These funds came from an Alista Account over which

Courson had sole signatory authority and from a personal account controlled by Kertatos into which Alista customer funds had been deposited as detailed below.

31. Beginning in December 2017, Alista began to receive margin calls from the U.S. Precious Metals Dealer with regard to its account. At the time of these margin calls, Alista owed the U.S. Precious Metals Dealer over \$480,000 for the leveraged precious metals purchased for its account and it had less than \$10,000 in its bank accounts. In response to these calls, Courson told the U.S. Precious Metals Dealer that “his ‘partners’ had embezzled money from him.” Ultimately, these margin calls forced Alista to sell all of its remaining holdings in its U.S. Precious Metals Dealer account. Alista never returned any of the proceeds of these sales to its customers.

**C. Alista, Courson, and Kertatos Used Customer Funds to Pay for Business and Personal Expenses and to Make Ponzi-Style Payments to Customers**

32. In addition to using customer money to speculate for its own account, Alista Courson, and Kertatos, also misappropriated customer money to pay for Alista’s business expenses, expenses related to travel, food, shopping, and entertainment, and to make Ponzi-style payments to customers who sought to cash out some of their purported holdings. For example:

- At least \$158,670 was withdrawn from the Alista Accounts in checks made out to cash, cash withdrawals, and ATM withdrawals. The checks for cash and the cash withdrawals were signed at various times by both Courson and Kertatos.
- At least \$104,590 was paid in checks drawn on the Alista Accounts and made out to Courson, Kertatos, Pineda, and other Alista employees. These checks were signed at various times by both Courson and Kertatos.
- At least \$17,950 was drawn on the Alista Accounts to cover other business-related expenses such as rent, communications expenses (phone and internet), and

state fees. Checks for these expenses were signed at various times by both Courson and Kertatos.

- At least \$14,290 was drawn on the Alista Accounts to cover expenses related to travel, food, shopping, entertainment, and other expenses.
- At least \$149,632 was paid to four customers who sought to cash out some of their purported holdings. In one instance, Alista paid one customer \$55,232.25 within three days of receiving \$67,500 from two other customers.

**D. Kertatos Used Bank Accounts Under His Personal Control to Misappropriate Customer Funds**

33. Kertatos used two bank accounts under his personal control to misappropriate at least \$205,000 in Alista customer funds.

34. During the Relevant Period, Kertatos received a net total of \$67,500 of customer funds directly from Alista into a bank account in the name of a company of which Kertatos was the incorporator and President. Most, if not all, of this money was either withdrawn by Kertatos via ATM withdrawals or used by Kertatos to pay personal expenses, including payments for travel, hotels, Alista employees, and restaurants.

35. During the Relevant Period, Kertatos also took certain coins which had been sent to Alista by a customer for the purpose of purchasing leveraged precious metals and sold them to a coin and jewelry exchange for \$173,500. Of this amount, Kertatos sent only \$36,000 to Alista. The remainder was deposited either into Kertatos's corporate bank account or into a personal bank account in his name, from which it then was either withdrawn by Kertatos via ATM withdrawals or used by Kertatos to pay personal expenses, to make payments to Pineda, and to speculate in leveraged precious metals through the straw account established at the Cayman Precious Metals Dealer.

**E. Pineda Used a Bank Account Under His Personal Control to Misappropriate Customer Funds**

36. Upon information and belief, Pineda used a bank account under his personal control to misappropriate at least \$77,500 in Alista customer funds.

37. During the Relevant Period, at least two Alista customers sent funds totaling at least \$77,500 directly to Pineda's personal checking account in connection with their leveraged precious metals transactions. None of this money was used to purchase leveraged precious metals on behalf of these customers. Rather, Pineda either withdrew the money via ATM withdrawals or used it to pay his personal expenses, including food, travel, and entertainment.

**F. Courson Acted as a Controlling Person of Alista**

38. At all times during the Relevant Period, Courson acted as a controlling person of Alista. Courson registered Alista with the State of Georgia and is listed in Alista's incorporation papers as the company's organizer. Courson was the Manager and sole Member of Alista, and at various times he held himself out as Alista's "Owner with Control of Entity." Courson opened Alista's bank accounts and was a signatory on all of them. Courson also opened Alista's leveraged precious metals trading account at the U.S. Precious Metals Dealer, and directed the purchase and sale of leveraged precious metals through that account.

**VI. VIOLATIONS OF THE COMMODITY EXCHANGE ACT**

**COUNT I**

**ILLEGAL OFF-EXCHANGE FINANCED TRANSACTIONS**

**Violations of Section 4(a) of the Act, 7 U.S.C. § 6(a) (2018)**

**(Alista and Courson Only)**

39. Paragraphs 1 through 38 of this Complaint are alleged and incorporated herein by reference.

40. 7 U.S.C. § 6(a) (2018), provides in relevant part:

[I]t shall be unlawful for any person to offer to enter into, to enter into, to execute, to confirm the execution of, or to conduct any office or business anywhere in the United States, its territories or possessions, for the purpose of soliciting or accepting any order for, or otherwise dealing in, any transaction in, or in connection with, a contract for the purchase or sale of a commodity for future . . . unless—

- (1) such transaction is conducted on or subject to the rules of a board of trade which has been designated or registered by the Commission as a contract market or derivatives transaction execution facility for such commodity;
- (2) such contract is executed or consummated by or through a contract market . . . .

41. During the Relevant Period, the retail commodity transactions described in this Complaint were offered and entered into by Alista: (a) on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis, (b) with persons who are not ECPs as defined by the Act, and (c) not made or conducted on, or subject to, the rules of any board of trade, exchange, or contract market.

42. The leveraged precious metals that are the subject of the retail commodity transactions discussed in this Complaint are commodities as defined by Section 1a(9) of the Act, 7 U.S.C. § 1a(9) (2018).

43. The retail commodity transactions did not result in actual delivery within 28 days. In fact, there was no actual delivery of precious metals.

44. Pursuant to Section 2(c)(2)(D)(iii) of the Act, 7 U.S. C. § 2(c)(2)(D)(iii) (2018), the retail commodity transactions alleged herein are subject to Section 4(a) of the Act, 7 U.S.C. § 6(a) (2018), as if they are contracts of sale for future delivery.

45. As set forth above, during the Relevant Period, Alista, by and through the actions of its employees and agents, including, but not limited to, Courson, Kertatos, and Pineda, violated 7 U.S.C. § 6(a) by offering to enter into, entering into, executing, confirming the execution of, or conducting an office or business in the United States for the purpose of soliciting or accepting orders for, or otherwise dealing in, transactions in, or in connection with, retail commodity transactions.

46. Each offer to enter into, execution, confirmation, solicitation, or acceptance of an order for a retail commodity transaction with a non-ECP customer made during the Relevant Period is alleged in this Complaint as a separate and distinct violation of 7 U.S.C. § 6(a).

47. Courson directly or indirectly controlled Alista and did not act in good faith, or knowingly induced, directly or indirectly, the acts constituting Alista's violations of 7 U.S.C. § 6(a). Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2018), Courson is liable for each of Alista's violations of 7 U.S.C. § 6(a) as a controlling person of Alista.

48. The acts and omissions of Courson, Kertatos, and Pineda, as described in this Complaint, were done within the scope of their employment and/or agency with Alista. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2018), and Regulation 1.2, 17 C.F.R. § 1.2 (2019), Alista is liable as a principal for each act, omission, or failure of Courson, Kertatos, and Pineda constituting violations of 7 U.S.C. § 6(a).

## **COUNT II**

### **FRAUD BY MISAPPROPRIATION IN CONNECTION WITH RETAIL COMMODITY TRANSACTIONS (All Defendants)**

#### **Violations of Section 4b(a)(2)(A) and (C) of the Act, 7 U.S.C. § 6b(a)(2)(A), (C) (2018)**

49. Paragraphs 1 through 38 of this Complaint are re-alleged and incorporated herein by reference.

50. 7 U.S.C. § 6b(a)(2)(A) and (C) (2018) provides, in relevant part, that it is unlawful:

[F]or any person, in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery, or swap, that is made, or to be made, for or on behalf of, or with, any other person, other than on or subject to the rules of a designated contract market—

(A) to cheat or defraud or attempt to cheat or defraud the other person . . .  
or

(C) willfully to deceive or attempt to deceive the other person by any means whatsoever in regard to any order or contract or the disposition or execution of any order or contract, or in regard to any act of agency performed, with respect to any order or contract for or, in the case of paragraph (2), with the other person . . . .

51. Pursuant to Section 2(c)(2)(D)(iii) of the Act, 7 U.S.C. § 2(c)(2)(D)(iii) (2018), the retail commodity transactions engaged in by Alista are subject to 7 U.S.C. § 6b(a)(2)(A) and (C) (2018) as if they are contracts of sale of a commodity for future delivery.

52. During the Relevant Period, Defendants, willfully or recklessly: (1) cheated or defrauded, or attempted to cheat or defraud, other persons, and/or (2) deceived or attempted to deceive other persons, and done so in or in connection with retail commodity transactions. Defendants did so by misappropriating customer funds provided in connection with retail commodity transactions. By this conduct, Defendants violated Section 7 U.S.C. § 6b(a)(2)(A) and (C).

53. Each act of misappropriation, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of 7 U.S.C. § 6b(a)(2)(A) and (C).

54. Courson controlled Alista throughout the Relevant Period and did not act in good faith, or knowingly induced, directly or indirectly, the acts constituting the violations of Alista

described in this Count. Pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2018), Courson is liable as a controlling person for those violations of 7 U.S.C. § 6b(a)(2)(A) and (C).

55. The acts and omissions of Courson, Kertatos, and Pineda, as described in this Complaint, were done within the scope of their employment and/or agency with Alista. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2018), and Regulation 1.2, 17 C.F.R. § 1.2 (2019), Alista is liable as a principal for each act, omission, or failure of Courson, Kertatos, and Pineda constituting violations of 7 U.S.C. § 6b(a)(2)(A) and (C).

## **VII. RELIEF REQUESTED**

WHEREFORE, the Commission respectfully requests that this Court, as authorized by Section 6c of the Act, 7 U.S.C. § 13a-1 (2018), and pursuant to its own equitable powers, enter:

- A. An order finding that Alista and Courson violated Section 4(a) of the Act, 7 U.S.C. §§ 6(a) (2018);
- B. An order finding that Defendants violated Section 4b(a)(2)(A) and (C) of the Act, 7 U.S.C. § 6b(a)(2)(A), (C) (2018);
- C. An order of permanent injunction permanently restraining, enjoining, and prohibiting Alita, Courson, and any other person or entity associated with them, from engaging in conduct in violation of 7 U.S.C. § 6(a) (2018);
- D. An order of permanent injunction permanently restraining, enjoining, and prohibiting Defendants, and any other person or entity associated with them, from engaging in conduct in violation of 7 U.S.C. § 6b(a)(2)(A) and (C) (2018);
- E. An order of permanent injunction prohibiting Defendants, and any other person or entity associated with them, from directly or indirectly:

- (i) Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a(40) of the Act, 7 U.S.C. § 1a(40) (2018));
- (ii) Entering into any transactions involving “commodity interests” (as that term is defined in Regulation 1.3 , 17 C.F.R. § 1.3) (2019), for their own personal account or for any account in which they have a direct or indirect interest;
- (iii) Having any commodity interests traded on their behalf;
- (iv) 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;
- (v) Soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
- (vi) 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) (2019);
- (vii) 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 Commission, except as provided for in Regulation 4.14(a)(9); and
- (viii) Engaging in any business activities related to commodity interests.

F. An order requiring that Defendants, as well as any third-party transferees and/or successors thereof, disgorge, pursuant to such procedure as the Court may order, all benefits received from the acts or practices that constitute violations of the Act and Regulations as described herein, including, but not limited to, salaries, commissions, loans, fees, revenues and trading profits derived, directly or indirectly, including pre-judgment and post-judgment interest;

G. An order requiring Defendants as well as any successors thereof, to make full restitution to every person or entity who has sustained losses proximately caused by the violations described herein, including pre-judgment and post-judgment interest;

H. An order directing Defendants, as well as any successors, to rescind, pursuant to such procedures as the Court may order, all contracts and agreements, whether implied or express, entered into between them and any of the customers whose funds were received by them as a result of the acts and practices which constitute violations of the Act and Regulations, as described herein;

I. An order directing Defendants to pay a civil monetary penalty assessed by the Court, in an amount not to exceed the penalty prescribed by 7 U.S.C. § 13a-1(d)(1) (2018), as adjusted for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Pub. L. 114–74, title VII, § 701, 129 Stat. 584, 599–600, *see* 17 C.F.R. § 143.8 (2019), for each violation of the Act and as described herein;

J. An order requiring Defendants, as well as any successors, to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2018); and

K. An order providing such other and further relief as the Court may deem necessary and appropriate under the circumstances.

Respectfully Submitted,

*/s/ Alan Edelman*

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