

**IN THE UNITED STATES DISTRICT COURT
 FOR THE SOUTHERN DISTRICT OF NEW YORK**

 U.S. Commodity Futures Trading
 Commission,

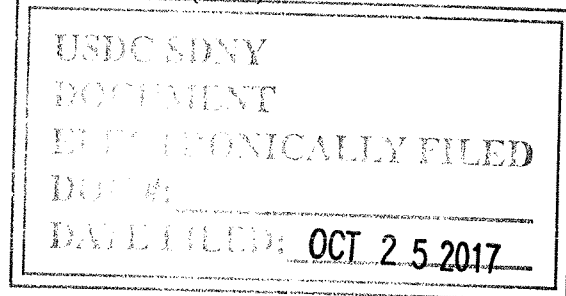
Plaintiff,

v.

All City Investments, LLC and Jamal Y.
 Vance,

Defendants.

Case No. 16-Civ-7372(AJN)



**CONSENT ORDER FOR PERMANENT INJUNCTION, CIVIL MONETARY PENALTY
 AND OTHER EQUITABLE RELIEF AGAINST JAMAL Y. VANCE**

I. INTRODUCTION

On September 21, 2016, Plaintiff Commodity Futures Trading Commission ("Commission" or "CFTC") filed a Complaint against Defendant All City Investments, LLC ("All City") and Defendant Jamal Y. Vance ("Vance") (collectively "Defendants") seeking injunctive and other equitable relief, as well as the imposition of civil penalties, for violations of the Commodity Exchange Act ("Act"), 7 U.S.C. §§ 1-26 (2012), and the Commission's Regulations ("Regulations") promulgated thereunder, 17 C.F.R. § 1.1 *et seq.* (2017).

II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Defendant Vance without a trial on the merits or any further judicial proceedings, Defendant Vance:

1. Consents to the entry of this Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendant Jamal Y. Vance ("Consent Order");

2. Affirms that he read and agreed to this Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has been made by the Commission or any member, officer, agent or representative thereof, or by any other person, to induce consent to this Consent Order;

3. Acknowledges service of the summons and Complaint;

4. Admits the jurisdiction of this Court over them and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012);

5. Admits the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act, 7 U.S.C. §§ 1-26 (2012);

6. Admits that venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2012);

7. Waives:

(a) Any and all claims that he may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2012) and 28 U.S.C. § 2412 (2012), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. §§ 148.1 *et seq.* (2017), relating to, or arising from, this action;

(b) Any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, §§ 201-253, 110 Stat. 847, 857-868 (1996), as amended by Pub. L. No. 110-28, § 8302, 121 Stat. 112, 204-205 (2007), relating to, or arising from, this action;

(c) Any claim of Double Jeopardy based upon the institution of this action or the entry in this action of any order imposing a civil monetary penalty or any other relief, including this Consent Order; and

(d) Any and all rights of appeal from this action;

8. Consents to the continued jurisdiction of this Court over him for the purpose of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if Defendant now or in the future resides outside the jurisdiction of this Court;

9. Agrees that he will not oppose enforcement of this Consent Order on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and hereby waives any objection based thereon;

10. Agrees that neither he nor any of his agents or employees under his authority or control shall take any action or make any public statement denying, directly or indirectly, any allegation in the Complaint or the Findings of Fact or Conclusions of Law in this Consent Order, or creating or tending to create the impression that the Complaint and/or this Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect the: (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendant Vance shall comply with this agreement, and shall undertake all steps necessary to ensure that all of his agents and/or employees under his authority or control understand and comply with this agreement;

11. Consents to the entry of this Consent Order without admitting or denying the allegations of the Complaint or any findings or conclusions in this Consent Order, except as to jurisdiction and venue, which he admits;

12. Consents to the use of the findings and conclusions in this Consent Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission

is a party or claimant, and agrees that they shall be taken as true and correct and be given preclusive effect therein, without further proof;

13. Does not consent, however, to the use of this Consent Order, or the findings and conclusions herein, as the sole basis for any other proceeding brought by the Commission or to which the Commission is a party, other than a statutory disqualification proceeding, proceeding in bankruptcy or receivership, or proceeding to enforce the terms of this Order;

14. Agrees to provide immediate notice to this Court and the Commission by certified mail, in the manner required by paragraph 47 of Part VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against him, whether inside or outside the United States;

15. Agrees that no provision of this Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against him in any other proceeding.

III. FINDINGS AND CONCLUSIONS

The Court, being fully advised in the premises, finds that there is good cause for the entry of this Consent Order and that there is no just reason for delay. The Court therefore directs the entry of the following Findings of Fact, Conclusions of Law, permanent injunction and equitable relief pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), as set forth herein. The findings and conclusions in this Consent Order are not binding on any other party to this action.

THE PARTIES AGREE AND THE COURT HEREBY FINDS:

A. Findings of Fact

The Parties To This Consent Order:

16. Plaintiff Commodity Futures Trading Commission is an independent federal regulatory agency that is charged by Congress with administering and enforcing the Act,

7 U.S.C. §§ 1-26 (2012), and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 – 190.10 (2017).

17. Defendant **Jamal Y. Vance**. Jamal Y. Vance is an individual whose last known address is in Dallas, Texas. Vance held himself out as being the President, Secretary and Member of All City. Vance also is an authorized signatory for bank and trading accounts held in the name of All City. Vance has never been registered with the Commission in any capacity.

Defendant's Fraudulent Operations in Violation of Sections 4b(a)(2)(A)-(C) and 4o(1) of the Act and Regulation 5.2(b)

18. During the Relevant Period, Defendant Vance solicited customers on Vance's website, allcityinvestments.com (the "Website"), for the purpose of trading in off-exchange foreign currency ("forex") in accounts to be managed by Defendant Vance. The Website advertised "the advantages of forex trading" and claimed that "we help clients grow their wealth in a recession proof vehicle" by "growing wealth in WEEKS NOT YEARS!" The Website also referred to All City as a "forex trader/wealth accumulation strategist."

19. There was no requirement on the Website that prospective forex customers needed to have amounts invested on a discretionary basis, the aggregate of which was in excess of:

- i. \$10,000,000 [ten million dollars], or
- ii. \$5,000,000 [five million dollars] and have entered in the agreement, contract, or transaction with the Defendant in order to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred by the customer.

20. Accordingly, customers were not required to be eligible contract participants in connection with retail forex transactions.

21. Customers who wanted to set up accounts were directed from the Website to a broker where they were instructed to set up an account. The Website contained a “limited power of attorney form.” By executing this form, a customer designates All City as the customer’s “trading agent” and provides All City with the ability to “control, manage or direct trading decisions” for customers’ forex accounts. It also stated that customers can correspond with their trading agent via the email address staff@allcityinvestments.com.

22. By signing the limited power of attorney form, the customer acknowledged that All City would “receive thirty percent (30%) of all gross profits generated and deducted out of” that customer’s trading account. A “30% Performance Fee” also was referenced elsewhere on the All City website.

23. “J Vance” was the “Registrant Name,” “Admin Name” and “Tech Name” associated with the Website.

24. The Website included several purported testimonials from customers praising “Jay Vance” for his forex trading knowledge and the returns obtained, and referencing the investment vehicle as “Jay’s offer.”

25. In order to fraudulently induce customers to have Defendant Vance act as their commodity trading advisor (“CTA”), the Website included a graph with an accompanying table and text that falsely and misleadingly shows “2,675.10% growth” from December 2013 through September 2015. It further falsely and/or misleadingly claimed that All City performed 444 trades during that timeframe broken down as follows: “Profit Trades: 442 (99.55%)” and “Loss Trades: 2 (0.45%).” The information on the trading graph, table and text (the “Track Record”) were all false and/or misleading.

26. All City has only had three trading accounts with one futures commission merchant (“FCM”) registered with the CFTC. Defendant Vance opened these three accounts on behalf of All City with this registered FCM located in New York, New York. The accounts consisted of the following: (1) an account opened on May 16, 2013 which was funded with \$100,000.00; (2) an account opened on January 28, 2015, which was never funded; and (3) an account opened on May 12, 2015 with \$2,000.00.

27. For the All City account opened on May 16, 2013, forex trading was conducted from May through August 2013, during which there were 217 profitable forex trades and 213 losing forex trades resulting in a net loss of \$64,986.05 or approximately 65% of the value of the account. No trading occurred in this All City account from September 2013 through August 2014. On two days in September 2014, two profitable forex trades and one losing forex trade were executed in this All City account resulting in a net gain of \$9.58. There was no further trading in this account. In sum, this trading account fails to support the “profit trade” percentages on the Track Record.

28. For the All City account opened on January 28, 2015 account, no trading was conducted.

29. For the All City account opened on May 12, 2015, forex trading was conducted from May 2015 through July 2015, during which there were 49 profitable forex trades and 39 losing forex trades which resulted in a net loss of \$138.65. There was no further trading in this account. Again, this trading account fails to support the false and/or misleading information on the Track Record.

30. Vance and/or All City had no other trading accounts in their name or accounts which they managed with any other registered FCM.

31. Statements and omissions made by Vance set forth above were material misstatements and misrepresentations as well as fraudulent omissions.

Failure to Register in Violation of Section 4m(1) of the Act and Regulation 5.3(a) (3)

32. Through the Website, Defendant Vance engaged in the business of advising others as to the value of or the advisability of forex trading for compensation or profit.

33. Defendant Vance held himself out generally to the public as a CTA and was not exempt from registration as a CTA.

34. Defendant Vance made use of the mails or any means of interstate commerce in connection with his business as a CTA, while failing to register with the Commission as a CTA.

B. Conclusions of Law

Jurisdiction and Venue

35. This Court has jurisdiction over this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), which provides that whenever it shall appear to the Commission that any 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 promulgated thereunder, the Commission may bring an action in the proper district court of the United States against such person to enjoin such act or practice, or to enforce compliance with the Act, or any rule, regulation or order thereunder.

36. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2012), because acts and practices in violation of the Act occurred within this District.

Solicitation Fraud, Failure to Register as a CTA, CTA Fraud

37. By the conduct described in paragraphs 18 through 31 above, Defendant Vance cheated and defrauded, or attempted to cheat and defraud, and willfully deceived, or attempted to deceive, his customers and potential customers by, among other things, knowingly or recklessly:

providing a Track Record on the Website that contained false and/or misleading information in order to fraudulently solicit customers to have Defendant Vance trade their forex accounts in violation of Section 4b(a)(2)(A)-(C) of the Act, 7 U.S.C. § 6b(a)(2)(A)-(C) (2012) and Regulation 5.2(b), 17 C.F.R. § 5.2(b) (2017).

38. Under Section 1(a)(12) of the Act, 7 U.S.C. § 1a(12) (2012), a CTA is 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 of or the advisability of trading in a number of products, including forex under Section 2(c)(2)(C) of the Act, 7 U.S.C. 2(c)(2)(C) (2012).

39. By the conduct described in paragraphs 18 through 34 above, Defendant Vance for compensation or profit, engaged in the business of advising others as to the advisability of trading forex. As such, Defendant Vance was required to register as a CTA and failed to do so, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012).

40. By the conduct described in paragraphs 18 through 34 above, Defendant Vance, while acting as a CTA, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly employed a device, scheme, or artifice to defraud customers or engaged in transactions, practices, or a course of business which operated as a fraud or deceit upon customers by, among other things, providing a Track Record on the Website that contained false and/or misleading information in order to fraudulently solicit customers to have Defendant Vance trade their forex accounts in violation of Section 4o(1) of the Act, 7 U.S.C. § 6o(1) (2012).

IV. PERMANENT INJUNCTION

IT IS HEREBY ORDERED THAT:

41. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), Defendant Vance is permanently restrained, enjoined and prohibited from directly or indirectly:

a. Cheating or defrauding, or attempting to cheat or defraud, willfully making or causing to be made any false report or statement or willfully entering or causing to be entered any false record or willfully deceiving, or attempting to willfully deceive, any other 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 in violation of Section 4b(a)(2)(A)-(C) of the Act, 7 U.S.C. § 6b(a)(2)(A)-(C) (2012);

b. Cheating or defrauding, or attempting to cheat or defraud, willfully making or causing to be made any false report or statement or willfully entering or causing to be entered any false record or willfully deceiving, or attempting to willfully deceive, any other person by use of the mails or by any means or instrumentality of interstate commerce, directly or indirectly, in or in connection with any retail forex transaction in violation of Regulation 5.2(b), 17 C.F.R. 5.2(b) (2017);

c. Making use of the mails or any means or instrumentality of interstate commerce in connection with his business as a CTA, while failing to register with the Commission as a CTA in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012);

d. Exercising discretionary trading authority or obtaining written authorization to exercise discretionary trading authority over any account for or on behalf of any person that is not an eligible contract participant in connection with retail forex transactions

while failing to register with the Commission as a CTA in violation of Regulation 5.3(a) (3), 17 C.F.R. 5.3(a) (3) (2017);

e. While acting as a CTA, by use of the mails or any means or instrumentality of interstate commerce, employing a device, scheme, or artifice to defraud any client or participant or prospective client or participant or engage in transactions, practices, or a course of business which operates as a fraud or deceit in violation of Section 4o(1) of the Act, 7 U.S.C. § 6o(1) (2012).

42. Defendant Vance is also permanently restrained, enjoined and prohibited from directly or indirectly:

- a. 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) (2012));
- b. Entering into any transactions involving “commodity interests” (as that term is defined in Regulation 1.3(yy), 17 C.F.R. § 1.3(yy) (2017), for his own personal account or for any account in which he has a direct or indirect interest;
- c. Having any commodity interests traded on his behalf;
- d. 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;
- e. Soliciting, receiving or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
- f. 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) (2017); and/or

g. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2017)), agent or any other officer or employee of any person (as that term is defined in Section 1a(38) of the Act, 7 U.S.C. § 1a(38) (2012)), registered, exempted from registration or required to be registered with the Commission except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2017).

V. CIVIL MONETARY PENALTY

A. Civil Monetary Penalty

43. Defendant Vance shall pay a civil monetary penalty in the amount of one-hundred thousand dollars \$100,000 (“CMP Obligation”), plus post-judgment interest. Post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Consent Order pursuant to 28 U.S.C. § 1961 (2012).

44. Defendant Vance shall pay his CMP Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier’s check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

Commodity Futures Trading Commission
Division of Enforcement
ATTN: Accounts Receivables
DOT/FAA/MMAC/AMZ-341
CFTC/CPSC/SEC
6500 S. MacArthur Blvd.
Oklahoma City, OK 73169
(405) 954-7262 office
(405) 954-1620 fax
nikki.gibson@faa.gov

If payment by electronic funds transfer is chosen, Defendant Vance shall contact Nikki Gibson or her successor at the address above to receive payment instructions and shall fully comply with those instructions. Defendant Vance shall accompany payment of the CMP Obligation with a cover letter that identifies Defendant and the name and docket number of this proceeding.

Defendant shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

B. Provisions Related to Monetary Sanctions

45. Partial Satisfaction: Acceptance by the Commission of any partial payment of Defendant Vance's CMP Obligation shall not be deemed a waiver of his obligation to make further payments pursuant to this Consent Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

VI. MISCELLANEOUS PROVISIONS

46. Notice: All notices required to be given by any provision in this Consent Order shall be sent certified mail, return receipt requested, as follows:

Notice to Commission:

Manal M. Sultan, Deputy Director
U.S. Commodity Futures Trading Commission

Division of Enforcement
140 Broadway, 19th Floor
New York, NY 10005

Notice to Defendant Vance:

Jamal Vance
6808 Skillman St. Apt. 8101
Dallas, TX 75321

All such notices to the Commission shall reference the name and docket number of this action.

47. Change of Address/Phone: Until such time as Defendant Vance satisfies in full his CMP Obligation as set forth in this Consent Order, Defendant Vance shall provide written notice to the Commission by certified mail of any change to his telephone number and mailing address within ten (10) calendar days of the change.

48. Entire Agreement and Amendments: This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify this Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

49. Invalidation: If any provision of this Consent Order or if the application of any provision or circumstance is held invalid, then the remainder of this Consent Order and the application of the provision to any other person or circumstance shall not be affected by the holding.

50. Waiver: The failure of any party to this Consent Order or of any customer at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the party or customer at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

51. Waiver of Service, and Acknowledgement: Defendant Vance waives service of this Consent Order and agrees that entry of this Consent Order by the Court and filing with the Clerk of the Court will constitute notice to Defendant Vance of its terms and conditions.

Defendant Vance further agrees to provide counsel for the Commission, within thirty (30) days after this Consent Order is filed with the Clerk of Court, with an affidavit or declaration stating that Defendant Vance has received and read a copy of this Consent Order.

52. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action to ensure compliance with this Consent Order and for all other purposes related to this action, including any motion by Defendant Vance to modify or for relief from the terms of this Consent Order.

53. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Defendant Vance, upon any person under his authority or control, and upon any person who receives actual notice of this Consent Order, by personal service, e-mail, facsimile or otherwise insofar as he or she is acting in active concert or participation with Defendant Vance.


54. Counterparts and Facsimile Execution: This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (by facsimile, e-mail, or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to this Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

55. Contempt: Defendant Vance understands that the terms of the Consent Order are enforceable through contempt proceedings, and that, in any such proceedings he may not challenge the validity of this Consent Order.

56. Agreements and Undertakings: Defendant Vance shall comply with all of the undertakings and agreements set forth in this Consent Order.

There being no just reason for delay, the Clerk of the Court is hereby ordered to enter this *Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Jamal Y. Vance* forthwith and without further notice.

IT IS SO ORDERED on this 25th day of October, 2017 . .



JUDGE ALISON J. NATHAN
United States District Judge

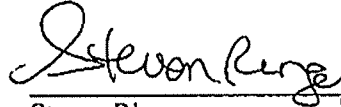
CONSENTED TO AND APPROVED BY:



Jamal Y. Vance

Date: _____

7/6/17



Steven Ringer
Chief Trial Attorney
Commodity Futures Trading Commission
140 Broadway, 19th Floor
New York, NY 10005
(646) 746-9760
sringer@cftc.gov

Date: _____

10/17/17