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DOC #:
DATE FILED: 8-2-2018

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

U.S. COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

v.

MICHAEL S. WRIGHT AND WRIGHT
TIME CAPITAL GROUP LLC (d/b/a
GLOBAL FX CLUB),

Defendants.

Case No. 17-4722 (LTS)(DCF)

**CONSENT ORDER FOR PERMANENT INJUNCTION, CIVIL MONETARY PENALTY
AND OTHER EQUITABLE RELIEF AGAINST DEFENDANT MICHAEL S. WRIGHT**

I. INTRODUCTION

On June 22, 2017, Plaintiff Commodity Futures Trading Commission (“Commission” or “CFTC”) filed a Complaint against Defendants Michael S. Wright (“Wright”) and Wright Time Capital Group (d/b/a/ GLOBAL FX CLUB) (“WTCG” and together with Wright, “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 Wright without a trial on the merits or any further judicial proceedings, Defendant Wright:

1. Consents to the entry of this Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendant Michael S. Wright (“Consent Order”):

2. Affirms that he has 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 him 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.* (2016), 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, 857-74 (codified as amended in scattered sections of 5 U.S.C. and 15 U.S.C.), 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 Wright 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 his:

(a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendant Wright 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. In *United States v. Wright*, No. 17-CRIM-459 (PAE) (S.D.N.Y.), Defendant Wright pleaded guilty to violating 7 U.S.C §§ 2(c)(2)(C)(iv), 6b(a)(2)(A)-(C), 13(a)(5) (2012) and 18 U.S.C. § 2 (2012). In connection with that plea, Defendant Wright admitted the facts set

out in the transcript of his plea allocution, a copy of which is attached as Exhibit A to this Order, and those same facts are admitted as if set forth in this Order. Wright admits to all of the findings made in this Consent Order and all of the allegations in the Complaint;

12. Agrees to provide immediate notice to this Court and the Commission by certified mail, in the manner required by paragraph 62 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; and

13. 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 Defendant Wright 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

1. The Parties To This Consent Order

14. 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).

15. Defendant Michael S. Wright is an individual whose last known address is in Jersey City, New Jersey. Wright was the chief executive officer, founder, and chief strategist of WTCG. Wright has never been registered with the Commission in any capacity.

2. Defendant Wright's Solicitation Fraud, Misappropriation, and False Statements

16. From approximately 2010 through June 2017 (the "Relevant Period"), Defendant Wright fraudulently solicited pool participants to invest in a commodity pool for forex trading. The fraudulent solicitations included misrepresentations that all or substantially all of pool participants' funds would be pooled and used to engage in forex trading. For example, Defendant Wright told one prospective pool participant in a written solicitation that his \$30,000 investment would be pooled and used for forex trading and that after 100% profit was made, the gains thereafter would be split with the pool participant 85/15 in favor of WTCG. Such representations were false because Defendant Wright did not use all of pool participants' funds to engage in forex trading and instead misappropriated pool participants' funds for unauthorized personal and business expenses.

17. Defendant Wright was the sole authorized signatory of WTCG's bank accounts. Defendant Wright opened two individual forex trading accounts that were held in the name of Michael Wright (the "Forex Trading Accounts"). Wright was the sole signatory of the two trading accounts and was the only person who had authority to trade the accounts.

18. Defendant Wright transferred some but not all of the funds received from pool participants into the Forex Trading Accounts. Between August 2010 and April 2016, Defendant Wright deposited approximately \$115,800 into the Forex Trading Accounts.

19. At all relevant times, Wright individually and on behalf of WTCG, controlled and directed the forex trading in the Forex Trading Accounts.

20. Through the Forex Trading Accounts, Defendant Wright engaged in forex transactions on a leveraged or margined basis that did not result in actual delivery within two days or otherwise create an enforceable obligation to deliver between a seller and buyer that have the ability to deliver and accept delivery, respectively, in connection with their line of business.

21. As of mid-May 2016, the Forex Trading Accounts incurred, on a net basis, realized trading losses of approximately \$114,300.

22. Instead of using all or substantially all of pool participants' funds for forex trading as promised, Defendant Wright misappropriated the majority of pool participants' funds for unauthorized business and personal expenses such as food, clothing, jewelry, and entertainment.

23. During the Relevant Period, Defendant Wright made false account statements that inflated and misrepresented the value of pool participants' accounts and the pool's trading returns. Defendant Wright sent these false account statements to pool participants via email to at least one pool participant that resided in New York County, New York.

24. The false account statements purported to reflect profitable earnings in the pool for periods when Defendant Wright knew, or had to be aware, that there were in fact no such profitable earnings because Defendant Wright was not engaging in forex trading at the time and because there was an overall significant decrease in the net value of the pool due to the combined effect of Defendant Wright's unprofitable forex trading and misappropriation.

25. For example, shortly after the end of the second quarter of 2016, Defendant Wright made false and misleading account statements and sent them to at least six pool participants via email. The statements showed bar graphs that created the appearance that the pool had consistent positive forex trading returns ranging from +1.08% a month to +18.81% a month for each month from November 2014 through June 2016. These statements were false,

however, because in reality, WTCG did not engage in any forex trading from November 2014 through March 2015, mid-July 2015 through September 2015, or after mid-May 2016.

Moreover, the forex trading Defendants did engage in for certain periods between April 2015 and mid-May 2016 resulted in overall trading losses.

26. Although Defendant Wright did not engage in any forex trading after mid-May 2016, Defendant Wright continued to make and issue false pool participant account statements that created the appearance of pool forex trading gains through the end of the third quarter 2016.

27. Defendant Wright did not disclose to pool participants that the pool suffered significant trading losses or that some or all of their funds were actually misappropriated and never used for forex trading.

28. In or around November 2016, Defendant Wright made misrepresentations via email to at least one pool participant regarding the availability of pool funds for withdrawal, including misrepresenting that pool funds were available for withdrawal.

29. At no time during the Relevant Period did any purported commodity pool operated by Defendants qualify as an ECP. The purported commodity pool operated by Defendants during the Relevant Period was a non-ECP, and was therefore subject to the jurisdiction of the Commission, because (1) at no time during the Relevant Period did the pool have assets in excess of \$5,000,000, (2) at no time during the Relevant Period was any purported commodity pool formed and operated by a person subject to regulation under the Act, because none of the Defendants were properly registered with the Commission as a Commodity Pool Operator ("CPO"), and (3) at all times during the Relevant Period, one or more pool participants did not qualify as an ECP, as defined by Section 1a(18)(A)(ix) of the Act, 7 U.S.C. § 1a(18)(A)(ix) (2012).

3. Failure To Register with the Commission

30. During the Relevant Period, Defendant WTCG, by and through its officers, employees or agents, used the mails, emails, wire transfers, websites, and other means or instrumentalities of interstate commerce, to solicit pool participants and prospective pool participants.

31. WTCG was never registered as a CPO. During the Relevant Period, WTCG acted as a CPO by engaging in a business that is of the nature of a commodity pool and, in connection with that business, soliciting and accepting pool funds from participants for the purpose of trading in forex transactions described in Section 2(c)(2)(C)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i) (2012), which were not transactions in foreign currency executed, traded on, or otherwise subject to the rules of a designated contract market pursuant to Section 5(a) of the Act.

32. Defendant WTCG was not registered as a CPO while it operated and solicited funds for a pooled investment vehicle that was not an ECP while engaged in forex transactions described in Section 2(c)(2)(C)(i) of the Act.

33. WTCG was not exempt or excluded from registration as a CPO.

4. Commingling Pool Funds, Failure to Receive Pool Participant Funds in Pool's Name, and Failure To Operate Pool as a Separate Entity

34. WTCG, while acting as a CPO, failed to operate its commodity pool as a separate legal entity, received pool funds in the name of Wright or WTCG rather than the pool, and commingled pool funds with non-pool property by depositing pool funds into the bank accounts of Wright or WTCG rather than a separate bank account for the pool.

B. Conclusions of Law

1. 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 the Defendant WTCG resided in this District during the relevant time, Defendants transacted business within this District, and acts and practices in violation of the Act occurred within this District.

2. Fraud by Misrepresentations and Omissions, False Account Statements, and Misappropriation of Participant Funds and Fraud and Deceit by an Associated Person of a CPO

37. By the conduct described in paragraphs 1 through 29 above, Defendant Wright cheated and defrauded, or attempted to cheat and defraud, and willfully deceived, or attempted to deceive, WTCG pool participants by, among other things, knowingly or recklessly: making false representations and omissions including but not limited to (1) misrepresenting to prospective pool participants that all or substantially all of participants' funds would be pooled and used to engage in forex trading; (2) sending pool participants false account statements that inflated and misrepresented the value of their accounts and the pool's trading returns; (3) misrepresenting that pool participant funds were available for withdrawal; and (4) misappropriating pool participants' funds for unauthorized personal or business expenses rather than engaging in retail forex trading

and failing to disclose that pool participants' funds had been misappropriated, in violation of Section 4b(2)(A)-(C) of the Act, 7 U.S.C. § 6b(a)(2)(A)-(C) (2012), and Regulation 5.2(b)(1)-(3), 17 C.F.R. § 5.2(b)(1)-(3) (2017).

38. By the conduct described in paragraphs 1 through 29 above Defendant Wright, while acting in the capacity as an Associated Person ("AP") of a CPO, used the mails or any means or instrumentality of interstate commerce to employ devices, schemes, or artifices to defraud WTCG pool participants and/or engage in transactions, practices, or courses of business operated as a fraud or deceit upon WTCG pool participants by, among other things, (1) misrepresenting in solicitations that all or substantially all of participants' funds would be pooled and used to engaged in forex trading; (2) making and sending to pool participants false account statements that inflated and misrepresented the value of their accounts and the pool's trading returns; (3) misrepresenting that pool participant funds were available for withdrawal; and (4) misappropriating pool participants' funds for unauthorized personal or business expenses rather than trading retail forex transactions and failing to disclose that pool participants' funds had been misappropriated, in violation of Section 4o(1)(A)-(B) of the Act, 7 U.S.C. § 6o(1)(A)-(B) (2012).

3. Failure to Register

39. By the conduct described in paragraphs 1 through 33 above, Defendant WTCG was not registered as a CPO while it operated and solicited funds for a pooled investment vehicle that was not an ECP while engaged in forex transactions described in Section 2(c)(2)(C)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i) (2012). Therefore, Defendant WTCG was in violation of Section 2(c)(2)(C)(iii)(1)(cc) of the Act.

40. By the conduct described in paragraphs 1 through 33 above, Defendant WTCG also acted as an unregistered CPO, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012).

41. By the conduct described in paragraphs 1 through 33 above, Defendant WTCG also acted as a CPO engaged in retail forex transactions as defined by Regulation 5.1(d)(1), 17 C.F.R. § 5.1(d)(1) (2017), and was not otherwise exempt or excluded from registration as a CPO. Because WTCG was not registered with the Commission as a CPO and engaged in retail forex transactions, it violated Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2017).

42. Defendant Wright controlled Defendant WTCG, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, WTCG's acts in violation of the Act and Regulations; therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012), Defendant Wright is liable for WTCG's violations of Sections 2(c)(2)(C)(iii)(I)(cc) and 4m(1) of the Act and Regulation 5.3(a)(2)(i).

4. Commingling Pool Funds, Failure to Receive Investor Funds in Pool's Name, and Failure to Operate Pool as a Separate Entity

43. By the conduct described in paragraphs 1 through 34 above, Defendant WTCG, while acting as a CPO, violated Regulation 4.20(a)-(c), 17 C.F.R. § 4.20(a)-(c) (2017), by: (1) failing to operate a commodity pool as a legal entity separate from Wright or WTCG; (2) receiving pool participants' funds in the names of Wright or WTCG rather than the commodity pool; and (3) commingling the property of the pool with property of Defendants or others.

44. Defendant Wright controlled Defendant WTCG, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, WTCG's acts in violation of the

Act and Regulations; therefore, pursuant to Section 13(b) of the Act, Defendant Wright is liable for WTCG's violations of Regulation 4.20(a)-(c).

45. Unless restrained and enjoined by this Court, there is a reasonable likelihood that the Defendant will continue to engage in the acts and practices alleged in the Complaint and in similar acts and practices in violation of the Act and Regulations.

IV. PERMANENT INJUNCTION

IT IS HEREBY ORDERED THAT:

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

- a. Cheating or defrauding, or attempting to cheat or defraud, any other person, 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 deceive any other person 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), or in connection with any retail forex transaction in violation of Regulation 5.2(b), 17 C.F.R. § 5.2(b) (2017);
- b. While acting as an AP of a CPO, by use of the mails or any means or instrumentality of interstate commerce, employing a devise, 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);

c. Operating or soliciting funds for a pooled investment vehicle that is not an ECP in connection with forex transactions described in Section 2(c)(2)(C)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i) (2012), while failing to register with the Commission as a CPO, in violation of Section 2(c)(2)(C)(iii)(I)(cc) of the Act; making use of the mails or any means or instrumentality of interstate commerce in connection with any business acting as a CPO, while failing to register with the Commission as a CPO, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012); and operating or soliciting funds for a pooled investment vehicle that is not an ECP and that engages in retail forex transactions while failing to register with the Commission a CPO, in violation of Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2017).

d. Failing to operate a commodity pool as a legal entity separate from that of a CPO, failing to receive pool participants' funds in any name other than that of the pool's, and commingling the property of any pool with the property of any other person, in violation of Regulation 4.20(a)-(c), 17 C.F.R. § 4.20(a)-(c) (2017).

47. Defendant Wright 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. RESTITUTION AND CIVIL MONETARY PENALTY

A. Restitution

48. Defendant Wright shall pay restitution in the amount of four hundred thousand dollars (\$400,000) ("Restitution Obligation"), plus post-judgment interest. Post-judgment interest shall accrue on the Restitution 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).

49. Defendant Wright is currently the defendant in a criminal action charging him, in part, for the misconduct that is at issue in this matter. *See United States of America v. Wright,*

Case No. 17-CRIM-459 (S.D.N.Y. filed July 19, 2017) (“Criminal Action”). For amounts disbursed to WTCG pool participants as a result of satisfaction of any restitution ordered in the Criminal Action, Defendant Wright shall receive a dollar-for-dollar credit against the Restitution Obligation. Within ten (10) days of disbursement in the Criminal Action to WTCG pool participants, Defendant shall, under a cover letter that identifies the name and docket number of this proceeding, transmit to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581, and the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606, copies of the form of payment to those pool participants.

50. To effect payment of the Restitution Obligation and the distribution of any restitution payments to WTCG pool participants, the Court appoints the National Futures Association (“NFA”) as Monitor (“Monitor”). The Monitor shall receive restitution payments from Defendant Wright and make distributions as set forth below. Because the Monitor is acting as an officer of this Court in performing these services, the NFA shall not be liable for any action or inaction arising from NFA’s appointment as Monitor, other than actions involving fraud.

51. Defendant Wright shall make Restitution Obligation payments under this Consent Order to the Monitor in the name “Michael S. Wright – Settlement Restitution Fund” and shall send such Restitution Obligation payments by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier’s check, or bank money order, to the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606 under cover letter that identifies the paying Defendant and the name and docket number of this proceeding. Defendant Wright 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.

52. The Monitor shall oversee the Restitution Obligation and shall have the discretion to determine the manner of distribution of such funds in an equitable fashion to WTCG pool participants identified by the Commission or may defer distribution until such time as the Monitor deems appropriate. In the event that the amount of Restitution Obligation payments to the Monitor are of a *de minimis* nature such that the Monitor determines that the administrative cost of making a distribution to eligible pool participants is impractical, the Monitor may, in its discretion, treat such restitution payments as civil monetary penalty payments, which the Monitor shall forward to the Commission following the instructions for civil monetary penalty payments set forth in Part V.B. below.

53. Defendant Wright shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify WTCG pool participants to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any Restitution Obligation payments. Defendant shall execute any documents necessary to release funds that he has in any repository, bank, investment or other financial institution, wherever located, in order to make partial or total payment toward the Restitution Obligation.

54. The Monitor shall provide the Commission at the beginning of each calendar year with a report detailing the disbursement of funds to WTCG's pool participants during the previous year. The Monitor shall transmit this report under a cover letter that identifies the name and docket number of this proceeding to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

55. The amounts payable to each pool participant shall not limit the ability of any pool participant from proving that a greater amount is owed from Defendant Wright or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any pool participant that exist under state or common law.

56. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each pool participant of WTCG who suffered a loss is explicitly made an intended third-party beneficiary of this Consent Order and may seek to enforce obedience of this Consent Order to obtain satisfaction of any portion of the restitution that has not been paid by Defendant Wright to ensure continued compliance with any provision of this Consent Order and to hold Defendant Wright in contempt for any violations of any provision of this Consent Order.

57. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Defendant Wright's Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth above.

B. Civil Monetary Penalty

58. Defendant Wright 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).

59. Defendant Wright 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) 954-6569 office
(405) 954-1620 fax
Marie.Thorn@faa.gov

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

C. Provisions Related to Monetary Sanctions

60. Partial Satisfaction: Acceptance by the Commission/CFTC or the Monitor of any partial payment of Defendant Wright's Restitution Obligation or 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/CFTC's right to seek to compel payment of any remaining balance.

D. Cooperation

61. Defendant Wright shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement, in this action, and in any current or future Commission investigation or action related thereto. Defendant Wright shall also cooperate in any investigation, civil litigation, or administrative matter related to, or arising from, this action.

VI. MISCELLANEOUS PROVISIONS

62. Notice: All notices required to be given by any provision in this Consent Order shall be sent as follows:

Notice to Commission:

Manal M. Sultan, Deputy Director
Commodity Futures Trading Commission
140 Broadway, 19th Floor
New York, NY 10005

Notice to Defendant Wright:

wright.s.michael@gmail.com

All such notices to the Commission shall be sent certified mail, return receipt requested, and reference the name and docket number of this action.

63. Change of Address/Phone: Until such time as Defendant Wright satisfies in full his Restitution Obligation and CMP Obligation as set forth in this Consent Order, Defendant Wright 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.

64. 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.

65. 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.

66. Waiver: The failure of any party to this Consent Order or of any pool participant at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the party or pool participant 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.

67. Waiver of Service, and Acknowledgement: Defendant Wright 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 the Defendant Wright of its terms and conditions. Defendant Wright 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 has received and read a copy of this Consent Order.

68. 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 Wright to modify or for relief from the terms of this Consent Order.

69. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Defendant Wright, 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 Wright.

70. 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.

71. Contempt: Defendant Wright 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.

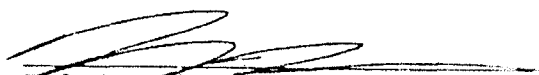
72. Agreements and Undertakings: Defendant Wright shall comply with all of the undertakings and agreements set forth in this Consent Order.


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 Defendant Michael S. Wright* forthwith and without further notice.

IT IS SO ORDERED on this 2 day of August, 2018.


UNITED STATES DISTRICT JUDGE

CONSENTED TO AND APPROVED BY:


Defendant Michael S. Wright


K. Brent Tomer
Chief Trial Attorney
Commodity Futures Trading Commission
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New York, New York
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Date: 12-14-17

Date: 7/24/2018