IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

U.S. COMMODITY FUTURES TRADING COMMISSION	)	
Plaintiff,	)	Civil No. 17-cv-03262
vs.	)	Honorable Marvin E. Aspen Magistrate Judge Maria Valdez
WILLIAM H. POWDERLY IV	)	
Defendant.	)	

CONSENT ORDER OF PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF AGAINST DEFENDANT WILLIAM H. POWDERLY IV

I. INTRODUCTION

On May 1, 2017, Plaintiff Commodity Futures Trading Commission (the "Commission" or "CFTC") filed a Complaint against Defendant William H. Powderly IV("Powderly" or "Defendant") 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. pts. 1-190 (2018). (Doc. 1). In particular, the Commission's Complaint alleges that from at least January 2016 through October 2016 ("relevant period"), Powderly fraudulently solicited customers and prospective customer for Powderly to trade commodity futures on their behalf, accepted approximately $1,278,000 from seven customers, subsequently concealed that he had incurred in excess of $1 million in trading losses while he reported profits, and returned $207,800 to customers before his scheme collapsed, in violation of Sections 4b(a)(1)(A)-(C) and 6(c)(1) of the Act, 7 U.S.C. §§ 6b(a)(1)(A)-(C), 9(1) (2012) and Commission Regulation ("Regulation") 180.1(a), 17 C.F.R. § 180.1(a) (2018). (Doc. 1).

II. CONSENTS AND AGREEMENTS

To effect partial settlement of the matters alleged in the Complaint against Defendant Powderly, without a trial on the merits or any further judicial proceedings, Defendant Powderly:

1. Consents to the entry of this Consent Order of Permanent Injunction and Other Relief Against William H. Powderly IV ("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 under 28 U.S.C. § 1331 (federal question) and 28 U.S.C. § 1345 (federal agency authorized to sue as plaintiff), as Section 6c of the Act, as amended, 7 U.S.C. § 13a-1 (2012) authorizes district courts to enforce compliance with the Commodity Exchange Act and related regulations;

5. Admits the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act;

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. pt. 148 (2018), 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 ("SBREFA"), Pub. L. No. 104-121, tit. II, §§ 201-253, 110 Stat. 847, 857-74 (codified and amended at 28 U.S.C. § 2412 and 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 Consent Order;

8. Consents to the continued jurisdiction of this Court over him for the purpose of implementing and carrying out the terms and conditions of all orders and decrees, including orders setting the appropriate amount of civil monetary penalty, that may be entered herein, to entertain any suitable application or motion for additional relief within the jurisdiction of the Court, to assure compliance with this Consent Order and for any other purpose relevant to this action, even if Defendant Powderly resides outside the jurisdiction of this Court;

9. Agrees that he will not oppose enforcement of this Consent Order by alleging that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and 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. Powderly shall comply with this agreement, and shall undertake all steps necessary to ensure that all of his agents 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, without further proof;

13. Powderly 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 Consent Order;

14. Agrees to provide immediate notice to this Court and the Commission by certified mail, in the manner required by paragraph 54 of Part VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against him, whether inside or outside of 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 Powderly in any other proceeding;

16. Consents to pay restitution, plus post-judgment interest, in the amount of one million sixty-nine thousand three hundred dollars ($1,069,300); and

17. The issue of necessary relief pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1(2012), regarding an appropriate civil monetary penalty to be assessed against Defendant is still unresolved and is hereby reserved for further determination by this Court.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

18. 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 PARTIES AGREE AND THE COURT HEREBY FINDS:

A. Findings of Fact

The Parties to this Consent Order

19. Plaintiff U.S. Commodity Futures Trading Commission is an independent federal regulatory agency that is charged by Congress with administering and enforcing the Act and the Regulations.

20. Defendant William H. Powderly IV is 63 years old and resides in New Hope, Pennsylvania. Powderly has never been registered with the Commission in any capacity.

Powderly Fraudulently Solicited Commodity Customers

21. From at least January 2016 through October 2016 (the "relevant period"), Powderly solicited and accepted at least $1,278,000 from at least seven customers for purposes of trading commodity futures on their behalf in an account in Powderly's and his wife's name

("Powderly's trading account") at a registered futures commission merchant ("FCM") in Chicago, Illinois.

22. In soliciting customers and prospective customers from his circle of friends and acquaintances, Powderly falsely represented that he and a claimed partner, who he described as a professor at a prestigious university, had developed a commodity futures trading program that generated exceptional hypothetical trading results. Powderly claimed that "beta" testing of this system generated consistent daily gains without a single day of daily loss.

23. During the relevant period, Powderly met with customers and prospective customers to give them an opportunity to view his computerized trading program and show them the hypothetical trading results that the program generated. During these meetings, Powderly claimed that his hypothetical trading results using the trading program were exceptional and that he never had a losing day. However, to the extent that he already had begun actual trading in his trading account, Powderly failed to tell customers and prospective customers that the actual trading he conducted in his trading account at the FCM was consistently unprofitable, and that he never had a profitable month trading commodity futures for his account during the relevant time period.

24. Similarly, Powderly sent customers and prospective customers email correspondence touting that hypothetical trading of his trading system generated consistent profits. In his correspondence, Powderly failed to tell customers and prospective customers that the actual commodity trading he conducted for his FCM account sustained losses every month during the relevant period.

25. In soliciting prospective customers, Powderly represented that he needed investment capital in order to begin placing actual trades in the commodity futures markets, utilizing his trading program.

26. Some customers transferred funds directly to Powderly to be traded in Powderly's commodity trading account, and other customers invested through loan agreements with Powderly that entitled them to repayment of their respective loans, a monthly rate of interest, and a specified percentage of the net gain in assets in Powderly's trading account on the loan's maturity date.

After Customers Invested Funds with Powderly, He Falsely Represented that His Commodity Trading Was Generating Profits and He Falsified Account Statements

27. Powderly accepted a total of $1,278,000 from seven customers. From July 2015, when Powderly first opened his trading account at a registered FCM located in Chicago, Illinois, through October 2016, Powderly funded his trading account with a total of $1,033,500 in customers' funds and sustained net realized trading losses of approximately $1,027,425.

28. After customers invested funds with Powderly, he falsely represented that their investmests had grown when, in fact, Powderly's trading account has sustained losses. Powderly's failure to advise customers of trading losses precluded their opportunity to take remedial measures.

29. In or about September 2016, Powderly claimed that the balance in his trading account was approximately $2 million. Thereafter, some customers requested the withdrawal of a portion of their profits in order to pay income taxes on the purported trading gains Powderly had reported to them.

30. Powderly could not transfer the requested funds because the balance in his trading account had fallen to $513 by the end of September 2016. Instead, he falsely represented to

customers that he had incurred large losses over a period of a few days in September 2016, because he became ill and could not monitor his trading system.

31. To support his false story that he had initially been successful, but then incurred large trading losses in September 2016 solely due to his poor health and his inability to monitor his trading during that period, Powderly created false FCM account statements for his account, showing large trading profits in August 2016 and massive trading losses in September 2016. In particular, the false FCM account statements Powderly created for August 2016 and sent to his customers, showed net trading profits of $517,537 for that month and an account balance on August 31, 2016 of $1,377,844. The false FCM account statements that Powderly created for September 2016 and sent to his customers showed net trading losses of $1,263,427 for that month and an account balance on September 30, 2016 of $74,216.

32. In fact, Powderly's trading account incurred net realized losses of $121,848 in August 2016 and had an account balance on August 31, 2016 of $18,478. Powderly's trading account incurred net realized losses of $12,808 in September 2016 and had an account balance on September 30, 2016 of $513.

33. In summary, seven customers invested a total of $1,278,000 with Powderly, of which Powderly returned $208,700 to customers, who thus incurred total net losses of at least $1,069,300.

B. Conclusions of Law

Jurisdiction and Venue

34. This Court has jurisdiction over this action under 28 U.S.C. § 1331 (2012) (federal question jurisdiction) and 28 U.S.C. § 1345 (2012) (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-l(a) (2012), 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.

35. Venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1(e) (2012), in that Powderly transacted business in this District, and the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this District.

Powderly Violated Sections 4b(a)(1)(A)-(C) and 6(c)(1) of the Act, 7 U.S.C. § 4b(a)(1)(A)-(C) (2012) and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2018)

36. By the conduct described in paragraphs 1 through 35, Powderly cheated or defrauded or attempted to cheat or defraud, and willfully deceived or attempted to deceive, other persons in connection with commodity futures trading, by, among other things, knowingly or recklessly: i) failing to inform his customers and prospective customers that the actual trading he conducted for his trading account during the relevant period was unprofitable; ii) falsely representing to his customers that his commodity trading had positive rates of return during the relevant period, when, in fact, the commodity futures trading he conducted in his trading account had a negative return, losing virtually all of the funds he committed to trading; and iii) falsely representing that the trading system he utilized was developed with the assistance of a university professor, when he had no such partner and had developed the program, in violation of Section 4b(a)(1)(A) and(C) of the Act, 7 U.S.C. §§ 6b(a)(1)(A),(C) (2012).

37. By the conduct described in paragraphs 1 through 35, Powderly willfully made or caused to be made false reports or statements to another person in violation of Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b(a)(1)(B) (2012), by willfully making or causing to be made

false account statements and false FCM statements that misrepresented the balances in Powderly's trading account and concealed Powderly's actual trading losses.

38. By the conduct described in paragraphs 1 through 35, Powderly directly or indirectly, used or employed, or attempted to use or employ, manipulative or deceptive devices or contrivances in connection with commodities in interstate commerce, or for future delivery on or subject to the rules of a registered entity, by intentionally or recklessly: i) failing to tell prospective customers and customers that the actual trading he conducted for his trading account during the relevant period was unprofitable; ii) falsely representing that his commodity trading had positive rates of return during the relevant period, when, in fact, the commodity futures trading he conducted in his trading account had a negative return, losing virtually all of the funds he committed to trading; iii) falsely representing that the trading system he utilized was developed with the assistance of a university professor, when he had no such partner and had developed the program himself; and iv) willfully making or causing to be made false FCM statements that misrepresented the balances in his trading account and concealed his trading losses, in violation of Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2012), and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2018).

Likelihood of Future Violations

39. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Powderly 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. ORDER FOR RELIEF

IT IS HEREBY ORDERED THAT:

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

A. Cheating or defrauding, or attempting to cheat or defraud, other persons; willfully making, or causing to be made, any false report or statement to other persons, or willfully entering, or causing to be entered, any false record for other persons; or willfully deceiving, or attempting to deceive, other persons, in or in connection with any order to make, or the making of, any contract of sale of any commodity in interstate commerce or for future delivery that is made, or to be made, on or subject to the rules of a designated contract market, for or on behalf of such other persons, in violation of Section 4b(a)(1)(A)-(C) of the Act, 7 U.S.C. § 6b(a)(1)(A)-(C) (2012);

B. Using or employing, or attempting to use or employ, any manipulative device, scheme, or contrivance to defraud; making, or attempting to make, any untrue or misleading statement of a material fact or omitting to state a material fact necessary in order to make the statements made not untrue or misleading; or engaging, or attempting to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit on other person, in connection with any swap, or a contract of sale of any commodity in interstate commerce, or for future delivery on or subject to the rules of any registered entity, in violation of Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2012) and Regulation 180.1(a), 17 C.F.R § 180.1(a) (2018);

41. Defendant Powderly 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, 17 C.F.R. § 1.3 (2018), 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 claim exemption from registration with the Commission in any capacity, and engage 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) (2018); and/or

g. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2018)), 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 17 C.F.R. § 4.14(a)(9).

V. STATUTORY AND EQUITABLE RELIEF

A. Restitution

42. Defendant Powderly shall pay restitution in the amount of one million sixty-nine thousand three hundred dollars ($1,069,300) ("Restitution Obligation"). If the Restitution Obligation is not paid immediately, 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).

43. To effect payment of the Restitution Obligation and the distribution of any restitution payments to Powderly's defrauded customers, the Court appoints the National Futures Association ("NFA") as Monitor ("Monitor"). The Monitor shall receive restitution payments from Powderly 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.

44. Defendant Powderly shall make Restitution Obligation payments under this Consent Order to the Monitor in the name "Powderly – Restitution Fund" and shall send such payments by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier's, 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. Powderly 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.

45. 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 Powderly's customers 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 customers is impractical, the Monitor may, in its discretion, treat such restitution payments as civil monetary payments, which the Monitor shall forward to the Commission following the instructions for civil monetary penalty payments set forth in Part C below.

46. Powderly shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Defendant's customers to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any Restitution Obligation payments. Powderly 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.

47. The Monitor shall provide the Commission at the beginning of each calendar year with a report detailing the disbursement of funds to Powderly's customers 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.

48. The amounts payable to a customer shall not limit the ability of any customer from proving that a greater amount is owed from Powderly or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of customers that exist under state or common law.

49. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each customer of Powderly 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 Powderly to ensure continued compliance with any provision of this Consent Order and to hold Powderly in contempt for any violation of any provision of this Consent Order.

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

51. Partial Satisfaction: Acceptance by the Commission or the Monitor of any partial payment of Powderly's Restitution 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.

B. Civil Monetary Penalty

52. The Court shall determine the appropriateness of civil monetary penalty and the procedures for payment and distribution of any monetary sanction by further order after: the parties file legal memorandum addressing the issue or, upon motion of the parties submitting to the Court a proposed consent order setting out their agreement on the amount of civil monetary penalty to be paid by Powderly in this matter.

53. In connection with any Commission request for civil monetary penalties, and at any hearing held on such a request: (a) Powderly will be precluded from arguing that he did not violate the federal laws as alleged in the Complaint; (b) Powderly may not challenge the validity of his consents and agreements herein or this Consent Order; (c) solely for the purpose of such request, the allegations of the Complaint and the Findings of Fact and Conclusions of Law in this Consent Order shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the request on the basis of affidavits, declarations, and documentary evidence.

VI. MISCELLANEOUS PROVISIONS

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

Notice to the Commission:

Director, Division of Enforcement, Commodity Futures Trading Commission,
Three Lafayette Centre, 1155 21st Street, NW
Washington, D.C. 20581.

Notice to NFA:

Daniel Driscoll, Executive Vice President, COO

National Futures Association
300 S. Riverside Plaza, Suite 1800
Chicago, IL 60606-3447

Notice to Powderly:

James L. Kopecky, Esq.
Kopecky Schumacher Rosenburg PC
120 N. Lasalle Street, Suite 2000
Chicago, IL 60602

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

55. Entire Agreement and Amendments: This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto 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.

56. 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.

57. Waiver: The failure of any party to this Consent Order or of any Powderly 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.

58. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action in order to implement and carry out the terms of all orders and decrees, including orders setting the appropriate amount of civil monetary penalty, that may be entered herein, to entertain any suitable application or motion for additional relief within the jurisdiction of the Court, to assure compliance with this Consent Order and for all other purposes relevant to this action, including any motion by Powderly to modify or for relief from the terms of this Consent Order.

59. Injunctive and Equitable Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Powderly, upon any person under the authority or control of Powderly, 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 Powderly.

60. 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.

61. Contempt: Defendant Powderly 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.

62. Agreements and Undertakings: Defendant Powderly 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 directed to enter this Consent Order of Permanent Injunction and Other Statutory and Equitable Relief Against Defendant Powderly.

IT IS SO ORDERED on this 11th day of September 2018.

Marvin E. Aspen
United States District Judge

CONSENTED TO AND APPROVED BY:

Diane M. Romaniuk
Commodity Futures Trading Commission
525 West Monroe Street,
Suite 1100
Chicago, IL 60661
(312) 596-0541
dromaniuk@cftc.gov

William H. Powderly IV

William H. Powderly IV

Date: 8-30-2018

Approved as to form:

By:

James L. Kopecky
Attorney for Defendant Powderly
Kopecky Schumacher Rosenburg PC
120 N. Lasalle Street, Suite 2000
Chicago, IL 60602
jkopecky@ksrpc.comxz