



## U.S. COMMODITY FUTURES TRADING COMMISSION

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Office of Proceedings

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12:18 pm, Jan 31, 2025

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In the Matter of

Purvesh Mankad,

Registrant.

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CFTC Docket No. SD 24-02

**Served electronically**

### **INITIAL DECISION ON DEFAULT**

*Before:* Kavita Kumar Puri, Administrative Judge  
Commodity Futures Trading Commission  
Washington, D.C.

*Appearances:* Christopher A. Reed, Esq., Deputy Regional Counsel  
Commodity Futures Trading Commission  
Division of Enforcement  
2600 Grand Boulevard, Suite 210  
Kansas City, MO 64108

On August 16, 2024, the Commission issued a Notice of Intent to Revoke the Registration of Purvesh Mankad—the principal and associated person of CFTC-registered introducing broker CTAX Partners, LLC, and CFTC-registered commodity pool operator CTAX Series, LLC. This Notice of Intent was prompted by a Consent Order issued to settle charges alleged in a Commission action against him, *CFTC v. Mankad*, 2022 WL 17752224 (D. Ariz. Oct. 19, 2022), that makes him subject to statutory disqualification from Commission registration.

By Motion dated November 22, 2204, the Commission’s Division of Enforcement moved for entry of default judgment with respect to revocation against Purvesh Mankad for his failure to respond to the Notice of Intent to Revoke his registration.<sup>1</sup> As a result of his default, Mankad has waived his right to a hearing on all issues and precluded from introducing evidence that he should not be statutorily disqualified from registration created by the findings of fact and conclusions of law found in the Division’s Motion for Default Judgment, and the Consent Order. The well-plead allegations in the Commission’s Notice—as augmented by the evidence in proposed findings of fact and conclusions of law in the Division’s Motion for Default Judgment—are deemed true and conclusive for purposes of finding that Mankad is statutorily disqualified from registration under Sections 8a(2)(C)(i), (ii), and (E)(i) of the Act, 7 U.S.C. § 12(a)(2)(C)(i), (ii), and (E)(i).

Accordingly, as explained below, the Division’s Motion for Default Judgment is granted, Mankad has been found to be unfit for registration and statutorily disqualified from registration, and his registration has been revoked.

**I. Findings of Fact**

1. Mankad’s address listed with the NFA is 10543 Wellworth Avenue, Los Angeles, CA 90024.

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<sup>1</sup> On November 12, 2024, this Office issued a Default Notice informing Purvesh Mankad that he was in default of his obligation to file a response in these proceedings. That Default Notice is included in this Initial Decision on Default as Appendix A and familiarity with it and the facts discussed therein is assumed.

2. Mankad is the principal, majority owner, control person, and CFTC-registered associated person (“AP”) of registered introducing broker CTAX Partners, LLC and registered commodity pool operator CTAX Series, LLC.

3. On October 8, 2021, the Commission filed an action against Mankad, CTAX Partners, and CTAX Series. The Commission’s Complaint alleged, *inter alia*, that Mankad fraudulently solicited approximately \$2.4 million from pool participants and subsequently engaged in conduct resulting in near-total losses to pool participants; as well as falsified documents to conceal his misconduct from the NFA.

4. On October 19, 2022, the Court entered the Consent Order to effect settlement of all charges alleged in the Complaint against Mankad without a complete trial on the merits or any further judicial proceedings. Mankad consented to the Consent Order. The Court found and concluded that Mankad violated multiple antifraud provisions of the Act (Sections 4b(a)(1)(A) and (C), 4c(1)(A)-(B), and 9(a)(4) of the Act, 7 U.S.C. §§ 6b(a)(1)(A), (C), 6c(1)(A)-(B), 13(a)(4)) by adopting the parties’ agreed findings of fact and conclusions of law in the Consent Order.

5. The Consent Order notes that Mankad consented “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,” and did not consent to the use of the consent order as the sole basis for another proceeding “other than a statutory

disqualification proceeding” and several other proceedings not relevant here. Consent Order, Ex. 2 at p.4. Thus, among other things, Mankad consented to the use of the conclusions of law, by the Commission in a statutory disqualification proceeding, that he violated Sections 4b(a)(1)(A) and (C), 4c(1)(A)-(B), and 9(a)(4) of the Act.

6. The Consent Order permanently restrained, enjoined, and prohibited Mankad from, among other things, directly or indirectly “applying for registration or claiming exemption from registration with the CFTC in any capacity, and engaging in any activity requiring such registration or exemption from registration with the CFTC except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) . . . .” Consent Order, Ex. 2 at p. 19. It also enjoined Mankad from continuing to engage in fraud, including by misappropriating funds, in violation of Sections 4b(a)(1)(A) and (C), 4c(1)(A)-(B) of the Act. Consent Order, Ex. 2 at p. 18.

7. The Commission filed the Notice of Intent to Revoke the Registration of Mankad on August 16, 2024.

8. On August 16, 2024, the Commission’s Office of Proceedings served the Notice on Mankad at his address listed with the NFA, 10543 Wellworth Avenue, Los Angeles, CA 90024 by USPS Certified Mail in accordance with Regulation 3.50(a), 17 C.F.R. § 3.50(a) (2024), and his email address at pmankad@gmail.com. Both of which were accompanied by a cover letter instructing Mankad about the process along with the hyperlinks to the Commission’s Part 3 and 10 Rules.

9. Commission Regulation 3.30(a), 17 C.F.R. § 3.30(a) (2024), provides, in relevant part, that the address of each registrant as identified on its application for registration (Form 7-R or Form 8-R) or as submitted on its biographical supplement (Form 8-R) shall be deemed to be the address for delivery to the registrant for any communications from the Commission, including any summons, complaint, notice, or other written documents or correspondence, unless the registrant specifies another address for this purpose.

10. Mankad never responded to the Notice of Revocation.

11. Mankad made no appearance in these proceedings except to note, after the Division of Enforcement had filed his Motion for Default Judgment, that he would be withdrawing his registration from NFA and would email this Office once that process was complete.

12. Mankad made no further attempts to communicate with this Office to confirm that he withdrew his registration or otherwise.

13. Further, Mankad made no objections to the entry of Default Judgment against him.

## **II. Discussion and Conclusions of Law**

12. Pursuant to Sections 8a(2)(C)(i) and (ii) of the Act, 7 U.S.C. § 12a(2)(C)(i), (ii), the Commission may revoke the registration of any person who has been permanently enjoined by order of a court of competent jurisdiction, including an order entered pursuant to an agreement of settlement to which the Commission is a party, from certain enumerated activities, including but not limited to acting as

an AP of any registrant under the Act and engaging in or continuing any activity when such activity involves, among other things, fraud or misappropriation of funds.

13. Pursuant to Section 8a(2)(E)(i) of the Act, 7 U.S.C. § 12a(2)(E)(i), the Commission may revoke the registration of any person if such person has been found in a proceeding brought by the Commission to have violated any provision of the Act involving, among other things, fraud or misappropriation of funds.

14. Accordingly, because Mankad was found in a proceeding brought by the Commission to have violated provisions of the Act involving, among other things, fraud and misappropriation, and was permanently enjoined by order of a court of competent jurisdiction from acting as an AP of registered introducing broker CTAX Partners and as an AP of registered commodity pool operator CTAX Series and continuing to engage in fraud or misappropriation, there is a basis for Mankad's registrations to be revoked pursuant to Sections 8a(2)(C)(i) and (ii), (E)(i) of the Act, 7 U.S.C. § 12(a)(2)(C)(i), (ii), (E)(i).

The facts set forth above constitute a valid basis for the Commission to revoke Mankad's registration as an AP of CTAX Partners and CTAX Series, pursuant to Sections 8a(2)(C)(i), (ii), and 8a(2)(E)(i) of the Act.

### **ORDER**

Mankad is statutorily disqualified from registration under Sections 8a(2)(C)(i), (ii), and (E)(i) of the Act, 7 U.S.C. § 12(a)(2)(C)(i), (ii), and (E)(i). Accordingly: (1) the Division's Motion for Entry of Default Judgment is **GRANTED**;

(2) Mankad has waived his right to a hearing on all issues, and the allegations in the Notice, Proposed Findings of Fact, and Proposed Conclusions of Law are deemed true and conclusive; and (3) the AP registrations of Mankad are revoked.

Dated: January 31, 2025

/s/ Kavita Kumar Puri  
Kavita Kumar Puri  
Administrative Judge