

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

U.S. COMMODITY FUTURES) TRADING COMMISSION)) Plaintiff,)) vs.)) GERALD J. CONSIDINE, a/k/a) JERRY J. CONSIDINE,) CONSIDINE TRADING CORP.,) and) NOVO TRADING LLC,)) Defendants.)))	Civil No. _____ Complaint for Injunctive and Other Equitable Relief and Civil Monetary Penalties under the Commodity Exchange Act
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**COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF AND CIVIL
MONETARY PENALTIES UNDER THE COMMODITY EXCHANGE ACT**

The United States Commodity Futures Trading Commission (“CFTC” or “Commission”),
by and through its attorneys, hereby alleges as follows:

I. SUMMARY

1. From at least January 2010 through December 2013 (“relevant period”),
Considine Trading Corporation (“CTC”) and Novo Trading LLC (“Novo”), by and through their
principal and controlling person, Gerald J. Considine, a/k/a Jerry J. Considine (“Considine”)
(collectively “Defendants”), fraudulently solicited customers to purportedly open individual
managed commodity futures or exchange traded foreign currency (“forex”) accounts at
registered futures commission merchants (“FCMs”) and grant Novo or CTC discretionary
authority to trade such accounts. Instead of instructing customers to open and fund individual
trading accounts at registered FCMs, for Defendants to trade on their behalf, Considine

instructed customers to transfer their monies directly to CTC or Novo, and Defendants never opened or funded any individual trading accounts for customers with the monies they received.

2. At least 9 customers transferred a total of approximately \$2,425,327 to Defendants. Defendants misappropriated at least \$1,650,127 of these customers' monies, using a portion of their monies to fund trading accounts in the names of Considine, CTC and Novo, which Considine controlled, and to pay for Considine's personal expenses, such as country club fees, automobiles, dinners, and entertainment. Defendants further defrauded their customers by issuing account statements that falsely represented that Defendants had funded individual customer trading accounts and depicted fictitious trading results and account balances.

3. Additionally, during the time periods January 2010 through July 2011, and October 6, 2012 through September 19, 2013, Novo engaged in the foregoing misconduct without benefit of registration with the Commission as a commodity trading advisor ("CTA"). Similarly, during the relevant period, CTC engaged in the foregoing misconduct without benefit of registration as a CTA and Considine engaged in his misconduct without benefit of registration as an associated person ("AP") of Novo and CTC, both CTAs.

4. By virtue of this conduct and the conduct further described herein, Defendants have engaged, are engaging in, or are about to engage in fraud in violation of Section 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 Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2013). During the time periods January 2010 through July 2011, and October 6, 2012 through September 19, 2013, Novo acted as a CTA without the benefit of required registration, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012). Similarly, during the relevant period, CTC acted as a CTA without the benefit of required registration in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012), and Considine

acted as an AP of two CTAs, Novo and CTC, without the benefit of registration, in violation of Section 4k(3) of the Act, 7 U.S.C. § 6k(3) (2012). Considine controlled Novo and CTC, and failed to act in good faith or knowingly induced, directly or indirectly, their violations, and therefore is liable for their violations as a controlling person pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012).

5. Unless restrained and enjoined by this Court, the Defendants are likely to continue to engage in the acts and practices alleged in this Complaint and in similar acts and practices, as more fully described below.

II. JURISDICTION AND VENUE

6. This Court has jurisdiction over this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), which authorizes the Commission to seek injunctive relief against any person whenever it shall appear to the Commission that such 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 thereunder.

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

III. THE PARTIES

PLAINTIFF

8. The U.S. Commodity Futures Trading Commission (“Commission” or “CFTC”) is an independent federal regulatory agency charged by Congress with the responsibility for administering and enforcing the provisions of the Act, 7 U.S.C. §§ 1 *et seq.*

(2012), and the Commission's Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2013).

DEFENDANTS

9. **Jerry J. Considine** is 53 years old and resides in Oak Park, Illinois. He was registered with the Commission as an AP and was also listed with the National Futures Association ("NFA") as a principal of CTC from February 18, 1993 through January 20, 1996 and as a principal of Novo from August 1, 2011 through October 5, 2012, and from September 17, 2013 to the present.

10. **Considine Trading Corporation** was an Illinois corporation that was formed on January 27, 1993, and was dissolved on June 10, 2011. During its operation, its principal place of business was located in Chicago, Illinois, and Considine was its President and sole principal. CTC was registered with the Commission as a CTA and as a commodity pool operator ("CPO") from November 16, 1992 through January 20, 1996.

11. **Novo Trading LLC** is an Illinois limited liability company that was formed on January 29, 2009. Its office was located in Oak Park, Illinois and Considine is its principal, chief executive officer and registered agent. As of January 1, 2014, Novo's status with the Illinois Secretary of State was "Not in Good Standing." Novo was registered with the Commission as a CTA from August 1, 2011 through October 5, 2012 and from September 20, 2013 to the present.

12. As CTC's and Novo's principal and chief executive officer, Considine was signatory on CTC's and Novo's bank accounts and controlled all aspects of CTC's and Novo's operations, including opening and funding commodity futures trading accounts in CTC's and Novo's names. Considine authored CTC's and Novo's solicitation materials, including performance charts and Trading Advisor Agreements, solicited and accepted customer monies,

issued account statements to customers, and made all decisions concerning CTC's and Novo's financial operations. As such, Considine is CTC's and Novo's controlling person and held himself out to the public as such.

IV. FACTS

A. Statutory Background

13. A CTA is defined in Section 1a(6) of the Act, 7 U.S.C. § 1a(6) (2012), as 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: i) any contract of sale of a commodity for future delivery made or to be made on or subject to the rules of a contract market or derivatives transaction execution facility; ii) any commodity option authorized under Section 4c of the Act; or iii) any leverage transaction authorized under Section 19 of the Act; or a person who for compensation or profit, and as part of a regular business, issues or promulgates analyses or reports concerning any of the activities referred to above. Commission regulation 4.30, 17 C.F.R. § 4.30, prohibits CTAs from soliciting or accepting client funds in the CTA's name for the purpose of purchasing, margining or guaranteeing a client's commodity interest.

14. An AP of a CTA is defined in Commission Regulation 1.3(aa)(4), 17 C.F.R. § 1.3(aa)(4) (2013), in relevant part, as any natural person who is associated with a CTA as: a partner, officer, employee, consultant or agent to a CTA (or any natural person occupying a similar status or performing similar functions), in any capacity that involves the solicitation of a client's or a prospective client's discretionary account or the supervision of any person or persons so engaged.

B. Defendants Fraudulently Solicited Discretionary Accounts

15. From at least January 2010 until December 2013, CTC and Novo, by and through their controlling person, Considine, solicited customers to open and fund commodity futures and forex managed accounts and grant CTC and Novo discretionary authority to trade exchange traded currencies, equity indices, bonds, gold and crude oil for their accounts. In particular, Considine solicited prospective customers and customers from his circle of friends and family in the Chicago area, including his brother and brother's friends.

16. Defendants caused promotional materials, including separate CTC and Novo investor presentations, to be sent to customers and prospective customers. The various presentations, which were basically identical, were authored by Considine and represented that CTC and Novo were CTAs formed by Considine to trade exchange traded G-7 currencies, equity indices, 30 year bonds, gold and crude oil, for domestic and international clients. The presentations touted Considine's qualifications as having "over 25 years of success with a net long term return to investors of over 20 per cent" and represented that stringent risk management parameters are utilized to create a risk adverse investment strategy.

17. The presentations falsely represented that customers' funds would be invested in individual managed accounts, providing customers flexibility and visibility. In particular, the presentations misrepresented that a managed account with Defendants included the following benefits: i) customer funds would be segregated; ii) customers could choose mutually agreeable clearing firms; and iii) customers could withdraw their monies with no restrictions.

18. Customers entered into managed account Foreign Exchange Trading Advisor Agreements ("Agreements") with either CTC or Novo. These Agreements, which were virtually identical, described properly structured managed accounts in which customers would open an individual trading account with a registered FCM, deposit their funds with the FCM for credit to

their account, and give either CTC or Novo discretionary authority to trade the account. In particular, the Agreements granted CTC or Novo “full power and authority in the Client’s name, place and stead, to buy, sell, spread or otherwise trade in foreign exchange interests.”

19. Instead of instructing customers to open and fund trading accounts at registered FCMs, as provided in the Agreements, Considine instructed customers to issue checks payable to CTC or Novo, or to wire their funds to a CTC or Novo bank account. Those bank accounts were controlled by Considine.

20. During the relevant period, at least 9 customers transferred a total of at least \$2,425,327 to CTC or Novo, by either issuing checks to those entities, which were then deposited by Considine into a CTC or Novo bank account, or by wiring funds to those accounts.

C. Defendants Misappropriated Customer Monies by Funding Trading Accounts for Themselves and Using Customer Monies for Considine’s Personal Expenses

21. During the relevant period, Defendants failed to open any individual commodity or forex trading accounts in their customers’ names with the monies they received from them. Instead, Considine opened and/or funded at least 21 commodity trading accounts at five registered FCMs carried in the names of Considine, CTC, and Novo. Defendants deposited a total of approximately \$1,723,752 into these 21 accounts and withdrew a total of approximately \$1,642,366 from them, for a net investment of \$81,386. Over the life of these accounts, Defendants lost approximately \$55,677 trading commodity futures and forex, including, among others, exchange traded currencies, gold, Standard and Poor (“S&P”) 500, Treasury Notes and Treasury Bonds

22. Defendants misappropriated approximately \$1,650,127 of customers’ monies, in that Defendants never conducted any commodity or forex trading on behalf of individual customers and instead used customer monies for their own purposes, including opening and

funding commodity futures and forex accounts in Defendants' names, and paying Considine's personal expenses, such as country club fees, automobiles, dinners, entertainment, and health and pet care. Defendants returned approximately \$787,700 to customers who requested that their accounts be liquidated, of which approximately \$12,500 was returned to a customer in excess of his principal investment.

D. Defendants Issued False Account Statements to Customers

23. During the relevant period, Defendants issued fictitious monthly account statements to at least 6 customers, which falsely represented that Defendants had funded trading accounts in customers' names and depicted fictitious trading results and account balances. Additionally, the monthly statements concealed Defendants' misappropriation of customers' monies and lulled at least one customer into transferring additional monies to Defendants.

V. VIOLATIONS OF THE COMMODITY EXCHANGE ACT

COUNT I

Violations of Section 4b(a)(1)(A),(C) the Act: Fraud by Misrepresentations and Misappropriation

24. The allegations set forth in paragraphs 1 through 23 are re-alleged and incorporated herein.

25. Sections 4b(a)(1)(A),(C) of the Act, 7 U.S.C. §§ 6b (a)(1)(A),(C) (2012), make it unlawful for any person, 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 any other person – (A) to cheat or defraud or attempt to cheat or defraud the other person; ... or (C) willfully to deceive or attempt to deceive the other person by any means whatsoever in

regard to any order or contract or the disposition or execution of any order or contract, or in regard to any act of agency performed, with respect to any order or contract for the other person.

26. During the relevant period, Defendants violated Sections 4b(a)(1)(A),(C) of the Act, 7 U.S.C. §§ 6b(a)(1)(A),(C), in that they cheated or defrauded or attempted to cheat or defraud and willfully deceived or attempted to deceive their customers or prospective customers by: i) sending them promotional materials and entering into Agreements with them that misrepresented that customers' funds would be segregated and invested in individual managed accounts; and ii) misappropriating at least \$1,650,127 of their monies.

27. Defendants engaged in this violative conduct in or in connection with orders to make, or the making of, contracts of sale of commodities, for future delivery, made, or to be made, for or on behalf of such other persons where such contracts for future delivery were or may have been used for (a) hedging any transaction in interstate commerce in such commodity, or the products or byproducts thereof, or (b) determining the price basis of any transaction in interstate commerce in such commodity, or (c) delivering any such commodity sold, shipped or received in interstate commerce for the fulfillment thereof.

28. Considine controlled CTC and Novo, and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting CTC's and Novo's violations alleged in this count. Considine is thereby liable for CTC's and Novo's violations of Sections 4b(a)(1)(A),(C) of the Act, 7 U.S.C. §§ 6b(a)(1)(A),(C) (2012), as a controlling person, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012).

29. Considine was acting as an agent of CTC and Novo when he violated the Act with regard to CTC's and Novo's customers, therefore, CTC and Novo, as Considine's principals, are liable for Considine's acts constituting violations of Sections 4b(a)(1)(A),(C) of the Act,

7 U.S.C. §§ 6b(a)(1)(A),(C) (2012), pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2012), and Commission Regulation 1.2, 17 C.F.R. § 1.2 (2013).

30. Each material misrepresentation or omission and each misappropriation made during the relevant time period, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 4b(a)(1)(A),(C) of the Act, 7 U.S.C. §§ 6b(a)(1)(A),(C) (2012).

COUNT II

Violations of Section 4b(a)(1)(B) of the Act: Fraud by False Statements

31. The allegations set forth in paragraphs 1 through 23 are re-alleged and incorporated herein.

32. Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b (a)(1)(B) (2012), makes it unlawful for any person, 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 any other person – ... (B) willfully to make or cause to be made to the other person any false report or statement or willfully to enter or cause to be entered for the other person any false record.

33. Defendants violated Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b(a)(1)(B) (2012), in that Defendants willfully made or caused to be made false statements to their customers which falsely represented that Defendants had funded individual customers trading accounts, depicted fictitious trading results and account balances and concealed Defendants' misappropriation of their monies.

34. Defendants engaged in this violative conduct in or in connection with orders to make, or the making of, contracts of sale of commodities, for future delivery, made, or to be made, for or on behalf of such other persons where such contracts for future delivery were or

may have been used for (a) hedging any transaction in interstate commerce in such commodity, or the products or byproducts thereof, or (b) determining the price basis of any transaction in interstate commerce in such commodity, or (c) delivering any such commodity sold, shipped or received in interstate commerce for the fulfillment thereof.

35. Considine controlled CTC and Novo, and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting CTC's and Novo's violations alleged in this count. Considine is thereby liable for CTC's and Novo's violations of Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b(a)(1)(B) (2012), as a controlling person, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012).

36. Considine was acting as an agent of CTC and Novo when he violated the Act with regard to CTC's and Novo's customers, therefore, CTC and Novo, as Considine's principals, are liable for Considine's acts constituting violations of Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b(a)(1)(B) (2012), pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2012), and Commission Regulation 1.2, 17 C.F.R. § 1.2 (2013).

37. Each false report or statement made during the relevant time period, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Section 4b(a)(1)(B) of the Act, 7 U.S.C. § 6b(a)(1)(B) (2012).

COUNT III

Violations of Section 6(c)(1) of the Act and Regulation 180.1(a): Fraud by Manipulative or Deceptive Devices or Contrivances

38. Paragraphs 1 through 23 are realleged and incorporated herein by reference.

39. Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2012), makes it unlawful for any person, directly or indirectly, to use or employ, or attempt to use or employ, 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, any manipulative or deceptive device or contrivance in contravention of any Commission rule or regulation.

40. Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2013), makes it unlawful, *inter alia*, for any person, directly or indirectly, 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, to intentionally or recklessly use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud; make, or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue or misleading; or engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit on any person.

41. During the relevant period, Defendants violated 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) (2013), by knowingly employing manipulative or deceptive devices or contrivances in connection with commodities for future delivery on or subject to the rules of a registered entity, including: i) sending customers promotional materials and entering into Agreements with them that misrepresented that customers' funds would be segregated and invested in individual managed accounts; ii) willfully making or causing to be made false statements to customers which falsely reported that Defendants had funded individual customer trading accounts, depicted fictitious trading results and account balances and concealed Defendants' misappropriation of their monies; and iii) misappropriating at least \$1,650,127 of customers' monies.

42. Defendants committed such acts intentionally or recklessly.

43. Considine controlled CTC and Novo, and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting CTC's and Novo's violations alleged in this count. Considine is thereby liable for CTC's and Novo's violations 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) (2013), as a controlling person, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012).

44. Considine was acting as an agent of CTC and Novo when he violated the Act with regard to CTC's and Novo's customers, therefore, CTC and Novo, as Considine's principals, are liable for Considine's acts constituting violations 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) (2013), pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2012), and Commission Regulation 1.2, 17 C.F.R. § 1.2 (2013).

45. Each act of employing a manipulative or deceptive device or contrivance, including, but not limited to, those specifically alleged herein, is alleged as a separate and distinct 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) (2013).

COUNT IV

Violations of Sections 4m(1) and 4k(3) of the Act: Failure to Register as a CTA and as an AP of the CTA

46. Paragraphs 1 through 23 are re-alleged and incorporated herein.

47. With certain specified exceptions and exemptions, not applicable here, all CTAs are required to be registered with the Commission, pursuant to Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012). Similarly, with certain specified exceptions and exemptions, not applicable here, all APs of CTAs are required to be registered with the Commission, pursuant to Section 4k(3) of the Act, 7 U.S.C. § 6k(3) (2012).

48. CTC and Novo acted as CTAs during the relevant period in that they, for compensation or profit, using instrumentalities of interstate commerce, engaged 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 any contract of sale of a commodity for future delivery made or to be made on or subject to the rules of a contract market or derivatives transaction execution facility. Additionally, Considine acted as an AP of two CTAs during the relevant period in that he, using instrumentalities of interstate commerce, solicited discretionary accounts for CTC and Novo.

49. During the time periods January 2010 through July 2011, and October 6, 2012 through September 19, 2013, Novo engaged in the activities described in Paragraph 49, without the benefit of registration with the Commission as a CTA, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012).

50. During the relevant period, CTC engaged in the activities described in Paragraph 49, without benefit of required registration as a CTA, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012). Similarly, Considine engaged in the activities described in Paragraph 49, without benefit of required registration as APs of CTC and Novo, both CTAs, in violation of Section 4k(3) of the Act, 7 U.S.C. § 6k(3) (2012).

51. Considine, directly or indirectly controlled CTC and Novo and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting CTC's and Novo's violations alleged in this count. Considine is thereby liable for CTC's and Novo's violations of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012), pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2012).

52. CTC and Novo violated Section 4k(3) of the Act by allowing Considine to act as their AP, in that CTC and Novo knew or should have known that Considine was not registered as an AP.

53. Each use of the mails or any means or instrumentality of interstate commerce in connection with their business as a CTA or an AP of a CTA, without proper registration during the relevant time period, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 4k(3) and 4m(1) of the Act, 7 U.S.C. §§ 6k(3), 6m(1) (2012).

VI. RELIEF REQUESTED

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

A. An order finding Defendants liable for violating: Sections 4b(a)(1)(A)-(C), 4k(3), 4m(1) and 6(c)(1) of the Act, 7 U.S.C. §§ 6b(a)(1)(A)-(C), 6k(3), 6m(1), 9(1) (2012) and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2013);

B. An order of permanent injunction prohibiting Defendants, and any other person or entity associated with them, from, directly or indirectly, engaging in conduct in violation of Sections 4b(a)(1)(A)-(C), 4k(3), 4m(1) and 6(c)(1) of the Act, 7 U.S.C. §§ 6b(a)(1)(A)-(C), 6k(3), 6m(1) and 9(1) (2012), and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2013).

C. An order of permanent injunction enjoining Defendants and all persons insofar as they are acting in the capacity of their agents, servants, employees, successors, assigns, and attorneys, and all persons insofar as they are acting in active concert or participation with Defendants who receive actual notice of such order by personal service or otherwise, from engaging, directly or indirectly, in:

1. Trading on or subject to the rules of any registered entity, as that term is defined in Section 1a of the Act, 7 U.S.C. § 1a (2012);

2. Entering into any transactions involving commodity futures, options on commodity futures, commodity options (as that term is defined in Regulation 1.3(hh), 17 C.F.R. § 1.3(hh) (2013)) (“commodity options”), security futures products, foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i) (2012)) (“forex contracts”) and/or swaps (as that term is defined in Section 1a(47) of the Act, as further defined by Commission Regulation 1.3(xxx), 17 C.F.R. § 1.3(xxx) (2013)) (“swaps”), for their own personal account or for any account in which they have a direct or indirect interest;

3. Having any commodity futures, options on commodity futures, commodity options, security futures products, forex contracts and/or swaps traded on their behalf;

4. 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 futures, options on commodity futures, commodity options, security futures products, forex contracts, and/or swaps;

5. Soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity futures, options on commodity futures, commodity options, security futures products, forex contracts and/or swaps;

6. 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 Commission Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2013);

7. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2013)), agent or any other officer or employee of any person or entity 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) (2013);

D. An order requiring the Defendants and any third party transferee and/or successors thereof, to disgorge to any officer appointed or directed by the Court all benefits received including, but not limited to, salaries, commissions, loans, fees, revenues and trading profits derived, directly or indirectly, from acts or practices which constitute violations of the Act as described herein, including pre-judgment and post-judgment interest;

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

F. An order requiring Defendants to make restitution by making whole each and every customer whose funds were received or utilized by them in violation of the provisions of the Act or CFTC Regulations as described herein, including pre-judgment interest from the date of such violations, plus post-judgment interest;

G. An order requiring Defendants to pay civil penalties under the Act, to be assessed by the Court, in amounts of not more than the higher of (1) triple the monetary gain to Defendant for each violation of the Act or (2) \$140,000 for each violation of the Act on or after October 23, 2008;

H. An order requiring Defendants to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2012); and

I. An Order providing such other and further relief as this Court may deem necessary and appropriate under the circumstances.

Date: September 29, 2014

Respectfully submitted,
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