

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS

U.S. COMMODITY FUTURES TRADING COMMISSION,)	
)	Civil Action No. 3:11-cv-03068
)	
Plaintiff,)	
)	
v.)	
)	
GID Group, Inc., Roger Wagner, and Rodney Wagner,)	
)	
)	
Defendants.)	

CONSENT ORDER OF PERMANENT INJUNCTION, RESTITUTION, CIVIL MONETARY PENALTY AND OTHER EQUITABLE RELIEF AGAINST DEFENDANTS GID GROUP, INC., ROGER WAGNER, AND RODNEY WAGNER

I. INTRODUCTION

On November 8, 2011, Plaintiff United States Commodity Futures Trading Commission (“Commission” or “CFTC”) filed a Complaint for Injunctive and other Equitable Relief and for Civil Penalties (“Complaint”) against GID Group, Inc. (“GID”), Rodney Wagner and Roger Wagner (“the Wagner brothers”) (GID, Rodney Wagner and Roger Wagner collectively, “Defendants”) for violations of the Commodity Exchange Act (“Act”), as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”), Pub. L. No. 111-203, Title VII (the Wall Street Transparency and Accountability Act of 2010), §§ 701-774, 124 Stat. 1376 (enacted July 21, 2010), to be codified at 7 U.S.C. §§ 1 *et seq.*, and the Commission’s Regulations (“Regulations”) promulgated thereunder, 17 C.F.R. § 1.1 *et seq.* (2011). The Court entered an *ex parte* statutory restraining order against Defendants pursuant to

Section 6c of the Act, 7 U.S.C. § 13a-1 (2006) on November 8, 2011 and a consent order of preliminary injunction (D.E. 12) against the Defendants on November 22, 2011.

II. CONSENTS AND AGREEMENTS

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

1. Consent to the entry of this Consent Order of Permanent Injunction, Restitution, Civil Monetary Penalty and Other Equitable Relief Against Defendants GID Group, Inc., Roger Wagner, and Rodney Wagner (“Consent Order”);

2. Affirm that the Wagner brothers and the authorized representative of GID have 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. Acknowledge service upon them of the summons and Complaint;

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

5. Admit the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act, 7 U.S.C. §§ 1, *et seq.*;

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

7. Waive:

a. any and all claims that they may possess under the Equal Access to Justice Act (“EAJA”), 5 U.S.C. § 504 (2006) and 28 U.S.C. § 2412 (2006), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. §§148.1, *et*

seq. (2011), relating to, or arising from this action;

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

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. Consent to the continued jurisdiction of this Court over them for the purposes of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if the Defendants now or in the future reside or operate outside the jurisdiction of this Court;

9. Agree that they will not oppose enforcement of the Consent Order by alleging that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and waive any objection based thereon;

10. Agree that neither they nor any of their agents or employees under their 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 their: (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendants shall undertake all steps necessary to ensure that all of

their agents and/or employees under their authority or control understand and comply with this agreement;

11. By consenting to the entry of this Consent Order, neither admit nor deny the allegations of the Complaint or the Findings of Fact or Conclusions of Law in this Consent Order, except as to jurisdiction and venue, which they admit. Further, Defendants agree and intend that the allegations contained in the Complaint and all of the Findings of Fact and Conclusions of Law contained in this Consent Order shall be taken as true and correct and be given preclusive effect, without further proof, in the course of any current or subsequent bankruptcy proceeding filed by, on behalf of, or against Defendants; any proceeding pursuant to Section 8a of the Act, as amended, 7 U.S.C. § 12a, and/or Part 3 of the Regulations, 17 C.F.R. §§ 3.1 *et seq.* (2011); and/or (c) any proceeding to enforce the terms of this Consent Order.

12. Agree to provide immediate notice to this Court and the Commission by certified mail, in the manner required by Section VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against either of them whether inside or outside the United States; and

13. Agree 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 Defendants in any other proceeding.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

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, as amended, 7 U.S.C. § 13a-1, as set forth herein.

THE PARTIES AGREE AND THE COURT HEREBY FINDS:

A. FINDINGS OF FACT

14. Plaintiff **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged by Congress with the administration and enforcement of the Act, as amended by the Dodd-Frank Act, to be codified at 7 U.S.C. §§ 1 *et seq.*, and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2011).

15. Defendant **GID Group Inc.** is a Texas corporation whose primary business address is 7211 Bucanero, Grand Prairie, Texas 75054. GID has never been registered with the Commission in any capacity. GID has never been a financial institution, registered broker or dealer, insurance company, financial holding company, or investment bank holding company or associated person of such entities.

16. Defendant **Rodney Wagner**, who resides in Grand Prairie, Texas, is the President and a controlling person of GID. He has never been registered with the Commission in any capacity. He is not an associated person of a financial institution, registered broker dealer, insurance company, financial holding company, or investment bank holding company.

17. Defendant **Roger Wagner**, who resides in Grand Prairie, Texas, is the Vice President and a controlling person of GID. He has never been registered with the Commission in any capacity. He is not an associated person of a financial institution, registered broker dealer, insurance company, financial holding company, or investment bank holding company.

1. Defendants' Forex Operation

18. From at least February 2010 through November 2010 (the "Relevant Period"), GID, through the Wagner brothers, solicited and accepted at least \$5,500,000 from approximately 99 retail customers, for the purpose of trading off-exchange forex contracts on a leveraged or margined basis. GID obtained customers through the Wagner brothers' direct

solicitations and through word of mouth. In these solicitations, the Wagner brothers represented to actual and prospective customers that their funds would be used to trade off-exchange forex contracts.

19. In order to trade, GID required customers to execute an agreement and typically deposit a minimum of \$10,000 into GID's bank account at JP Morgan Chase ("JPMC"). Each agreement included, among other things, a payout schedule that promised at least a 200% return on the deposited funds over 15, 20, or 40 weeks. The GID agreements contained no provision for the payment of compensation or expenses to GID, the Wagner brothers or any other individual or entity.

20. The agreement stated in part that "After five weeks the [customer] will be locked into the program until initial [fifteen, twenty or forty] weeks are completed" and that "All Principal funds shall be secured for five weeks." Additionally, a document accompanying the GID agreement represented that: "Your deposit with the GID Group Inc. automatically means your funds will be invested 'in the market'" and "Time is of the essence by signing this document first party agrees to wire funds within twenty four hrs so funds may be invested as soon as possible to insure maximum returns..."

21. During the Relevant Period, GID made weekly payouts to its customers according to each customer's payout schedule. On November 23, 2010, GID sent an email to customers informing them that due to an investigation by the Texas State Securities Board ("TSSB"), they would discontinue the trading effective immediately and return principal within 6 to 8 weeks. However, GID has failed to refund principal deposits to most customers.

2. The Wagner Brothers' Forex Trading

22. At no time during the Relevant Period did GID maintain any forex trading account in its name with any Futures Commission Merchant ("FCM"). Instead, the Wagner

brothers maintained two personal trading accounts: joint forex trading accounts at FX Direct Dealer LLC (“FXDD”) and Forex Capital Markets Ltd. (“FXCM Ltd.”), the London affiliate of Forex Capital Markets LLC (“FXCM LLC”). Both FXDD and FXCM LLC are registered FCMs.

23. During the Relevant Period, the Wagner brothers transferred a total of \$590,000 in GID customer funds into these trading accounts, via their personal bank accounts. The Wagner brothers executed margined or leveraged forex transactions in their personal forex trading account at FXDD, which was opened in March 2010. This trading account sustained net losses of at least \$70,000 during the Relevant Period. The FXDD trading account was opened in March 2010 and remains open. The FXCM Ltd. account, which was opened in May 2010, sustained net losses of at least \$373,000. No funds were ever returned from either of these two trading accounts back into GID’s bank accounts. Any funds transferred out of the trading accounts remained in the personal bank accounts of the Wagner brothers and were misappropriated.

24. Although no profits were ever returned to GID, the Wagner brothers made regular weekly payouts to GID customers according to each customer’s payout schedule. Because there were no actual trading profits in GID, the funds that Defendants paid out to customers, as represented in GID payout schedules, as well as any fees and other sums paid out by them, came from existing customers’ original deposits or funds deposited by new customers.

25. Neither the Defendants nor the firms that were the counterparties to the foreign currency transactions were financial institutions, registered brokers or dealers, insurance companies, financial holding companies, or investment bank holding companies or associated persons of such entities.

26. Some or all of the Defendants' customers were not "eligible contract participants" as that term is defined in the Act. *See* Section 1a(12)(A)(xi) of the Act, as amended, 7 U.S.C. § 1a(12)(A)(xi)(an "eligible contract participant," as relevant here, is an individual with total assets in excess of (i) \$10 million, or (ii) \$5 million and who enters the transaction "to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual").

27. The forex transactions conducted by the Wagner brothers in the FXDD and FXCM Ltd. accounts, using customer funds, were entered into on a leveraged or margined basis; the Wagner brother were required to provide only a percentage of the value of the foreign currency contracts that they purchased. Additionally, the forex transactions conducted by the Wagner brothers in the FXDD and FXCM Ltd. accounts neither resulted in delivery of actual currency within two days nor created an enforceable obligation to deliver between a seller and a buyer that had the ability to deliver and accept delivery, respectively, in connection with their lines of business. Rather, these forex contracts remained open from day to day and ultimately were offset without anyone making or taking delivery of actual currency (or facing an obligation to do so).

3. Defendants' Fraudulent Solicitations

28. The Wagner brothers provided to actual and prospective GID customers payout schedules that falsely promised returns of at least 200% and represented that the customer's funds were invested "in the market," a reference to the retail forex market. In fact, only a small portion of customer funds was deposited into forex trading accounts, the Wagner brothers' forex trading produced no profits and the Wagner brothers misappropriated the majority of customer funds.

29. On March 31, 2010, Roger Wagner emailed to a prospective customer a

purported forex trading statement showing profitable forex trading on March 25, 2010, representing that the statement depicted actual trading by GID and that GID was making a lot of money. The representations in the March 31, 2010, email were false because the purported trading statement in fact was for a demonstration account in the name of a third party and not from a live GID or Wagner brothers trading account in which any funds were traded or placed at risk.

30. In or about April 2010, during a meeting in Dallas, TX, the Wagner brothers falsely represented to prospective customers that the Wagner brothers had been successfully trading forex for two to three years and GID was earning returns of 6% per day through the Wagner brothers' forex trading. In fact, as of April 2010, the Wagner brothers FXDD trading account had only been open for approximately one month and the Wagner brothers' forex trading had produced no profits to GID.

31. In or about May 2010, the Wagner brothers met with a prospective customer and another individual at one of the Wagner brothers' homes near Dallas, Texas, to solicit them to deposit funds with GID. During this meeting the Wagner brothers falsely represented that they were successful forex traders and could return principal plus 200% on their deposit. In or about August 2010, the Wagner brothers represented to the same prospective customer that the trading was going great. In fact, as of May 2010 and August 2010, the Wagner brothers' FXDD and FXCM Ltd. trading accounts had produced no profits to GID.

32. Additionally, the Wagner brothers failed to disclose to actual and/or prospective customers, that: (1) their personal forex trading accounts at FXDD and FXCM Ltd. sustained net losses; (2) only a small portion of GID customer funds was traded in the forex market; and (3) they misappropriated the majority of customer funds to pay other customers' purported profits, to

pay consultant or broker fees, and for the Wagner brothers' personal use.

4. GID's Misappropriation of Customer Funds

33. During the Relevant Period, GID, through the Wagner brothers, paid approximately \$4,500,000 in purported returns to GID customers and \$260,000 in consultant and broker fees to third parties from bank accounts holding GID customer funds. Since GID never obtained any profits trading forex, any payouts made were from the customers' own deposited funds or the funds of other customers. In doing so, the Wagner brothers misappropriated GID customer funds.

34. During this same period, the Wagner brothers misappropriated for their own personal use approximately \$657,000 in customer funds that were deposited into GID's bank accounts at JPMC.

35. In particular, the Wagner brothers made payments to themselves and another entity they co-owned and made debit card purchases from the GID account for restaurants, gas stations, retail stores, utilities. Together these totaled approximately \$67,000. Additionally, between March 2010 and April 2010, the Wagner brothers transferred \$125,595 from GID's bank account, which contained customer funds, to a personal bank account held in the name of Rodney Wagner. Subsequently, \$120,000 of these funds was transferred from Rodney Wagner's bank account into the Wagner brothers' FXDD trading account. Furthermore, between May 2010 and June 2010, the Wagner brothers transferred \$470,000 from GID's bank account into Rodney Wagner's personal bank account and subsequently into the Wagner brothers' FXCM Ltd. trading account. During the Relevant Period, no funds were ever transferred from the Wagner brothers' personal forex trading accounts at FXDD or FXCM Ltd. back to any bank account in the name of GID.

B. CONCLUSIONS OF LAW

1. Jurisdiction and Venue

36. This Court has jurisdiction over this action pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, 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.

37. The Commission has jurisdiction over the forex solicitations and transactions at issue in this action pursuant to Section 2(c)(2)(C) of the Act, 7 U.S.C. §2(c)(2)(C) (2006 and Supp. III 2009).

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

2. Defendants Violated the Act and Regulations

39. By the conduct described in Section III.A. above, the Wagner brothers knowingly, or with reckless disregard for the truth, violated Sections 4b(a)(2)(A) and (C) of the Act, as amended, 7 U.S.C. §§ 6b(a)(2)(A) and (C), with respect to acts occurring on or after June 18, 2008, by, among other things, (1) the misrepresentation that they were experienced and successful forex traders whose trading generated 6% returns per day; (2) the misrepresentation that all customer funds would be traded in the forex market; (3) the omission that the Wagner brothers misappropriated the majority of customer funds; and (4) the omission that the forex

trading accounts into which a small portion of customer funds was deposited actually sustained net trading losses and/or returned no profits to GID. Additionally, the Wagner brothers concealed and/or perpetuated their fraud by making weekly payouts of “returns” knowing that in fact GID had obtained no profits through forex trading.

40. The foregoing acts, omissions, and failures of Rodney Wagner and Roger Wagner occurred within the scope of their employment, office or agency with GID; therefore pursuant to Section 2(a)(1)(B) of the Act, as amended, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2 (2011), GID is liable for Rodney Wagner’s and Roger Wagner’s acts, omission, and failures in violation of Sections 4b(a)(2)(A) and (C) of the Act, as amended, 7 U.S.C. §§ 6b(a)(2)(A) and (C).

41. Unless restrained and enjoined by this Court, there is a reasonable likelihood that the Defendants 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:

42. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, Defendants are permanently restrained, enjoined and prohibited from directly and indirectly, in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery that is made, or to be made, for or on behalf of, or with, any other person, other than on or subject to the rules of a designated contract market—

- a. Cheating or defrauding or attempting to cheat or defraud other persons; willfully making ... [or] willfully deceiving or attempting 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 or, in the case of paragraph (2) [Section 4b(a) of the Act], with the other person in violation of Sections 4b(a)(2)(A) and (C) of the Act, as amended, 7 U.S.C. §§ 6b(a)(2)(A) and (C).

43. Defendants are 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 of the Act, as amended by the Dodd-Frank Act, to be codified at 7 U.S.C. § 1a);
 - b. 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) (2011)) (“commodity options”), security futures products, foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, as amended, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i)) (“forex contracts”), and/or swaps (as that term is defined in Section 1a(47) of the Act, as amended, 7 U.S.C. § 1a(47) and as further defined by Regulation 1.3(xxx), 17 C.F.R. § 1.3(xxx)) for their own personal account, proprietary account, or for any account in which they have a direct or indirect interest;

- c. having any commodity futures, options on commodity futures, commodity options, security futures products, forex contracts, and/or swaps traded on their 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 futures, options on commodity futures, commodity options, security futures products, forex contracts, and/or swaps;
- e. 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;
- 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) (2011); and
- g. acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2011)), agent, officer or employee of any person (as that term is defined in Section 1a of the Act, as amended, to be codified at 7 U.S.C. § 1a) 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) (2011).

V. RESTITUTION AND CIVIL MONETARY PENALTY

A. Restitution

44. Defendants shall be jointly and severally liable for and pay full restitution in the amount of one million three hundred seventy-six thousand four hundred fifty one dollars (\$1,376,451) (“Restitution Obligation”) within ten (10) days of the date of entry of this Consent Order. If the Restitution Obligation is not paid in full within ten (10) days of the date of entry of this Consent Order, then 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.

45. To effect payment of the Restitution Obligation and the distribution of any restitution payments to Defendants’ customers, the Court appoints the National Futures Association (“NFA”) as Monitor (“Monitor”). The Monitor shall collect restitution payments from Defendants and make distribution 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.

46. Defendants shall make Restitution Obligation payments under this Consent Order to the Monitor in the name “GID 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. Defendants shall simultaneously transmit copies of the cover letter and the form of payment to:

(a) the Director, Division of Enforcement, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581; and (b) the Chief, Office of Cooperative Enforcement, Division of Enforcement, at the same address.

47. 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 Defendants' 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 costs of the making of a distribution to eligible customers 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 instructions for civil monetary penalty payments set forth in Part B below.

48. Defendants shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Defendants' customers to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any Restitution Obligation payments. Defendants shall execute any documents necessary to release funds that they have in any repository, bank, investment or other financial institution, wherever located, in order to make partial or total payment toward Restitution Obligation.

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

50. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each customer of

Defendants 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 Obligation that has not been paid by Defendants to ensure continued compliance with any provision of this Consent Order and to hold Defendants in contempt for any violations of any provision of this Consent Order.

51. To the extent that any funds accrue to the U.S. Treasury as a result of Defendants' Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth above.

B. Civil Monetary Penalty

52. Defendants shall be jointly and severally liable for and pay to the Commission a civil monetary penalty ("CMP") in the amount of one million fifty-four thousand four hundred twenty five dollars (\$1,054,425) ("CMP Obligation") within ten (10) days of the date of this Consent Order. If Defendants do not pay his CMP obligation in full within ten (10) days of the date of entry of this Consent Order, then post-judgment interest shall accrue on his 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.

53. Defendants shall pay their 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, 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 Receivable – AMZ-340
E-mail Box: 9-AMC-AMZ-AR-CFTC

DOT/FAA/MMAC
6500 S. MacArthur Blvd.
Oklahoma City, Oklahoma 73169
Telephone: 405-954-5644

If payment is to be made by electronic funds transfer, Defendants shall contact Linda Zurhorst or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Defendants shall accompany payment of the penalty with a cover letter that identifies the Defendants and the name and docket number of this proceeding. Defendants shall simultaneously transmit copies of the cover letter and the form of payment to the Director, Division of Enforcement, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and the Chief, Office of Cooperative Enforcement, at the same address.

C. Provisions Related to Monetary Sanctions

55. Satisfaction: Upon full satisfaction of the Defendants' Restitution Obligation and CMP Obligation, a satisfaction of judgment will be entered into as to the Defendants.

56. Partial Satisfaction: Any acceptance by the Commission or Monitor of partial payment of the Defendants' Restitution Obligation or CMP Obligation shall not be deemed a waiver of their obligation to make further payments pursuant to this Consent Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

VI. MISCELLANEOUS PROVISIONS

IT IS FURTHER ORDERED THAT:

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

Notice to the Commission:

Attention - Director of Enforcement
Commodity Futures Trading Commission

Division of Enforcement
1155 21st Street N.W.
Washington, DC 20581

Notice to Defendants Rodney Wagner and Roger Wagner:

Rodney and Roger Wagner
7211 Bucanero
Grand Prairie, Texas 75054

Notice to Defendant GID Group, Inc.:

GID Group, Inc.
C/O Rodney Wagner
7211 Bucanero
Grand Prairie, Texas 75054

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

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

65. 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.

66. 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.

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

right of the party or customer at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

68. Acknowledgements: Upon being served with copies of this Consent Order after entry by this Court, Defendants shall sign an acknowledgment of service and serve such acknowledgment on this Court and the Commission within seven (7) calendar days.

69. 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 Defendants to modify or for relief from the terms of this Consent Order.

70. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Defendants, upon any person under Defendants' 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 Defendants.

71. Authority: Rodney Wagner hereby warrants that he is the President of GID, this Consent Order has been duly authorized by GID and he has been duly empowered to sign and submit this Consent Order on behalf of GID.

72. 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.

73. Defendants understand that the terms of the Consent Order are enforceable through contempt proceedings, and that, in any such proceedings they may not challenge the validity of 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, Restitution, Civil Monetary Penalty and Other Equitable Relief Against Defendants GID Group, Inc., Rodney Wagner, and Roger Wagner.*

IT IS SO ORDERED.

SIGNED February 4, 2013.


DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE

/s/ Rodney Wagner
Rodney Wagner, individually and on
behalf of GID Group, Inc.

Dated: December 5, 2012

/s/ Roger Wagner
Roger Wagner

Dated: December 5, 2012

/s/ Eugene Smith
Eugene Smith
Attorney for Plaintiff
U.S. Commodity Futures Trading Commission

Dated: January 29, 2013

Division of Enforcement
1155 21st Street, N.W.
Washington, DC 20581