

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
CASE NO:06-60001-CIV-DIMITROULEAS

COMMODITY FUTURES TRADING  
COMMISSION,

Plaintiff,

v.

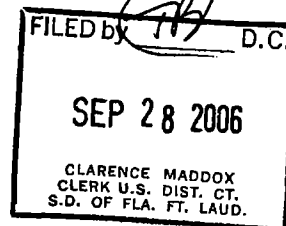
DOREEN ROSE VALKO,  
FRANK A. DESANTIS, a.k.a. JOSH  
ANTHONY, AND  
INTERNATIONAL INVESTMENTS  
HOLDINGS CORP.

Defendants,

v.

JASON TODD DEAN,  
TARA LYN DEAN,  
JOSEPH VALKO,  
JEFFERY PAUL JEDLICKI,  
TIRTZA JEDLICKI,  
THOMAS W. YOOS, JR.,  
ERIN R. DESANTIS, a.k.a. ERIN ROSE  
VALKO,  
ERV & ASSOCIATES, INC.,  
JOE VALKO ENTERPRISES, INC.,  
BOOT CAMP DIET & FITNESS, INC.,  
AMERICAN LIGHTHOUSE TRADING, INC.,  
CERTIFIED FINANCIAL SERVICES, INC.,  
JOHN TADDEO ENTERPRISES, INC.,  
JASON'S ROOFING AND  
WATERPROOFING, INC.

Relief Defendants.



**CONSENT ORDER OF  
DISGORGEMENT AND OTHER  
EQUITABLE RELIEF AS TO  
RELIEF DEFENDANT TIRTZA  
JEDLICKI**

**I.**

**INTRODUCTION**

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Plaintiff Commodity Futures Trading Commission ("Commission"), filed this action in this Court on or about January 3, 2006, charging that Defendant International Investments Holdings Corp. ("IIHC"), Doreen Valko ("Valko") and Frank DeSantis ("DeSantis") (collectively the "Defendants") had engaged, are engaging, and may be about to engage in acts and practices which constitute violations of Section 4c(b) of the Commodity Exchange Act ("Act"), 7 U.S.C. § 6c(b), and Commission Regulations ("Regulations") 1.1(b) (1) and (3), 32.9(a) and (c), 32.11(a), 17 C.F.R. §§ 1.1(b)(1) and (3), 32.9(a) and (c), and 32.11(a) by soliciting the public for the offer and sale of illegal, off-exchange foreign currency options, generated false statements for customer accounts and misappropriating customer funds. The Complaint seeks disgorgement of ill-gotten gains from a number of Relief Defendants, including Relief Defendant Tirtza Jedlicki ("Jedlicki").

## II.

### CONSENTS AND AGREEMENTS

To effect settlement of the matters alleged in the Complaint without a trial on the merits or further judicial proceedings, Jedlicki hereby:

1. Consents to the entry of this *Consent Order of Disgorgement and Other Equitable Relief Against Relief Defendant Tirtza Jedlicki* ("Order");
2. Affirms that she has agreed to this Order voluntarily, and that no promise or threat has been made by the Commission or any member, officer, agent or representative thereof, or by any person, to induce consent to this Order, other than as set forth specifically herein;
3. Acknowledges service of the Summons and Complaint;
4. Admits that this Court has jurisdiction over her and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002);

5. Admits that venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. §13a-1 (2002);

6. Waives:

(a) all claims that she may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2000) and 28 U.S.C. § 2412 (2000) , relating to, or arising from, this action and any right under EAJA to seek costs, fees and other expenses relating to, or arising from this action;

(b) any claim of Double Jeopardy based upon the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief; and

(c) all rights of appeal from this Order;

7. Consents to the continued jurisdiction of this Court for the purpose of enforcing the terms and conditions of this Order and for any other purposes relevant to this case;

8. Agrees that neither Jedlicki nor her agents, employees or representatives acting under her control shall take any action or make any public statement denying, directly or indirectly, any allegations in the Complaint or creating or tending to create the impression that the Complaint is without factual basis; provided, however, that nothing in this provision shall affect Jedlicki's: i) testimonial obligations, or ii) right to take legal positions in other proceedings to which the Commission is not a party. Jedlicki will undertake all steps to assure that all of her agents, employees and representatives understand and comply with this Order.

9. By consenting to the entry of this Order, Jedlicki neither admits nor denies the allegations of the Complaint or the Findings of Fact contained in this Order, except as to jurisdiction and venue. However, Jedlicki agrees, and the parties to this Order intend, that the allegations of the Complaint and the Findings of Fact made by this Court shall be taken as true and correct and given preclusive effect, without further proof, in any proceeding in bankruptcy or

to enforce the terms of this Order. Jedlicki shall provide immediate notice to this Court and the Commission via certified mail of any bankruptcy proceeding filed by, on behalf of, or against him, and shall provide immediate notice of any change of address, telephone number, or contact information.

### III.

#### FINDINGS OF FACT AND CONCLUSIONS OF LAW

10. The Court, being fully advised in the premises, finds that there is good cause for the entry of this Order and that there is no just reason for delay. The Court therefore directs the entry of Findings of Fact and ancillary equitable relief, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002), as set forth herein.

#### A. FINDINGS OF FACT

11. This Court has subject matter jurisdiction over this action and the allegations in the Complaint pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a) (2002).

12. This Court has personal jurisdiction over Jedlicki pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a) (2002).

13. Venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1(e) (2002), because Jedlicki resided in and transacted business in the Southern District of Florida.

14. The **Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged with responsibility for administering and enforcing the provisions of the Act, as amended, 7 U.S.C. §§ 1 *et seq.* (2002), and the Regulations promulgated thereunder.

15. **Tirtza Jedlicki** is an individual who resides at 19616 Dinner Key Drive, Boca Raton, Florida 33498. Tirtza Jedlicki has never been registered with the Commission in any capacity.

16. On or about July 20, 2000, IIHC entered into a written "Clearing and Business Agreement" ("Agreement") with World Banks Foreign Currency Traders, Inc. ("World Banks"). The Agreement states that "IIHC is a clearing and options merchant. Accepting and transferring risk from various options or clearing firms (sic)." The Agreement further provides that "IIHC will receive and execute orders...IIHC will prepare and transmit, or have prepared and transmitted by a third party organization customer reports of execution, monies due, call, and monthly statements."

17. Pursuant to the terms of the Agreement, the parties agreed that "IIHC will hold cash, securities and other property received from [World Banks] on behalf of customers" in connection with the purchase or sale of commodity options contracts. The Agreement was signed on behalf of IIHC by DeSantis. IIHC accepted at least \$1.13 million in customer funds from World Banks, purportedly for executing transactions involving commodities on behalf of customers. Ultimately, IIHC took in a total of \$6,060,000 in funds from all sources, which it failed to use to buy or sell commodity options contracts.

18. IIHC, through its agents, including DeSantis, prepared and transmitted to customers statements entitled "Transaction Summary." These statements were issued on IIHC letterhead, purportedly from the "Chancery House, The Mall, Freeport, Grand Bahama," as the address listed at the top of the statement. The "Transaction Summary" issued by IIHC to customers stated "[T]he following trades have been made this day for your account and risk," and listed options contracts purportedly bought or sold on behalf of customers. The "Transaction

Summary” statements were issued to at least 205 customers beginning on or about July of 2000, and ending in late March of 2001 when World Banks began winding down its operations.

19. Each “Transaction Summary” issued by IIHC to customers constituted a false statement, because none of the “trades” detailed in the “Transaction Summary” ever took place.

20. Despite the representations by IIHC that it traded for customer accounts, the bank records the Commission obtained for the period July 2000 through November 2004 regarding IIHC’s offshore accounts at the Bank of Nevis International, Ltd (“Bank of Nevis”) in Nevis and the Canadian Imperial Bank of Commerce (“CIBC”) in the Bahamas demonstrate that no trading took place. Rather, these bank records clearly demonstrate that IIHC used customer funds to finance the lavish lifestyles of the Defendants and their friends and family.

21. The Bank of Nevis records uncovered by the Commission’s investigation demonstrate that Valko controlled the two bank accounts at the Bank of Nevis and DeSantis controlled the CIBC bank account. Valko and DeSantis controlled these bank accounts both individually and as the agents of IIHC.

22. Defendant Valko caused IIHC to be formed as an International Business Corporation (“IBC”) in the Bahamas on or about July 24, 2000. The Division’s investigation has revealed that a total of 5,000 shares of IIHC stock were initially issued, and that all 5,000 of those shares were issued to Valko.

23. At all relevant times, Valko has been the president of IIHC, and has also held herself out as the corporate secretary and treasurer at the time she opened the two bank accounts at the Bank of Nevis. As president of IIHC, Valko exercised control over the day-to-day business operations of IIHC, and was the sole signatory on each of the two bank accounts held by IIHC at the Bank of Nevis. Valko solicited letters of recommendation from her south Florida

bank and her daughter in order to open the accounts for IIHC at the Bank of Nevis. Valko arranged for Private Corporate Counsel Group of Whitby, Canada, to assist her in opening the accounts for IIHC at the Bank of Nevis.

24. Valko corresponded with management at the Bank of Nevis and directed when wire transfers were to be issued, specifying the amount of each wire, the person or entity to whom the wire transfer was to be made, and the bank and account number to which the funds were to be transferred. When questions arose as to whether a wire transfer had been made correctly, the records the Commission obtained from the Bank of Nevis demonstrate that Valko would make written and telephonic inquiries to the Bank of Nevis for clarification. If the wrong party had been specified in a wire transfer request, Valko would either correspond or speak telephonically with bank officials concerning the error, and provide bank officials with directions as to how she wanted the error resolved.

25. In her dealings with officials at the Bank of Nevis, Valko used a variety of phone numbers and fax numbers, all of which are listed to addresses in south Florida. On a number of occasions, Valko faxed instructions to Bank of Nevis officials from the fax numbers of the south Florida businesses to which she wire transferred customer funds on behalf of various relief defendants.

26. The monthly account statements for each of the Bank of Nevis accounts held by IIHC were initially addressed to "International Investments Holdings Corp.," and mailed to Valko's home located in Coconut Creek, Florida. Subsequently, the monthly account statements were mailed to 2410 NE 31<sup>st</sup> Court, Lighthouse Point, Florida, which at the time was the address of Valko's daughter, Relief Defendant Erin DeSantis, and her son-in-law, Defendant Frank

DeSantis. This is the same property that was purchased using from wire transferred from IIHC's accounts at the Bank of Nevis.

27. All of Valko's activity for IIHC was in pursuit of activities she knew to be fraudulent, and was performed by her both individually and as the agent of IIHC. As the agent of IIHC, Valko knowingly induced the misconduct at issue, or failed to act in good faith.

28. According to the sworn testimony of Frank DeSantis and Erin DeSantis obtained during discovery in the *CFTC v. World Banks Foreign Currency Traders, Inc., et al.*, Case No. 01-7402-CIV-SEITZ/GARBER ("*World Banks*") litigation, DeSantis willfully and knowingly facilitated the creation, operation and success of IIHC by providing consulting and marketing services to both Valko and IIHC, and enforced the administrative policies at IIHC that Valko required to be followed as part of their business operations with Introducing Brokers. DeSantis testified that he served as an officer of IIHC, although his tenure as an officer occurred prior to the enactment of the Commodity Futures Modernization Act ("CFMA") on December 21, 2000. DeSantis testified that he was the individual that arranged for Valko to serve as the president of IIHC. IIHC also utilized DeSantis' personal address in Boca Raton, Florida as the "principal place of business" of IIHC during a portion of IIHC's business operations.

29. According to DeSantis' deposition testimony in the *World Banks* litigation, DeSantis reviewed IIHC's corporate books and records. DeSantis further testified that he was employed as a consultant by IIHC for the express purpose of attempting to expand its operations in the United States and expand its marketing efforts in the United States. DeSantis further testified that he assisted Valko in securing her position as president of IIHC.

30. DeSantis testified that during the entire time he was associated with IIHC, he was aware that IIHC was holding itself out as purchasing and/or selling foreign currency options



contracts on behalf of customers of World Banks and other Introducing Brokers. DeSantis claimed in his testimony that IIHC terminated its business operations in February or March of 2001, when, in actuality, the Commission's investigation has determined that IIHC was still moving funds among its various offshore bank accounts as late as November of 2004 as IIHC continued to be a conduit for misappropriated funds in subsequent foreign currency scams.

31. As noted above, all of DeSantis' activity for IIHC was in furtherance of activities he knew to be fraudulent, and was performed by him both individually and as the agent of IIHC.

32. Jedlicki received \$16,000 in ill-gotten funds from the Defendants, and does not have a legitimate claim to those funds as she did not provide any *bona fide* goods or services to the Defendants in return for said payments.

33. It is clear from the evidence submitted herein that the payments to Jedlicki were paid out of accounts that were receptacles of customers' deposits.

34. Jedlicki received at least \$16,000 from the Defendants without providing any *bona fide* services in return. Jedlicki therefore holds \$16,000 in funds and assets in constructive trust for the benefit of the Defendants' customers.

#### IV.

#### ORDER FOR EQUITABLE RELIEF

#### IT IS FURTHER ORDERED THAT:

35. **PAYMENT OF DISGORGEMENT:** Relief Defendant Tirtza Jedlicki shall disgorge within ten days from the date of this Order \$16,000, plus post-judgment interest at the interest rate set forth in 28 U.S.C. § 1961 ("Disgorgement Amount"). The Commission may

enforce the Court's judgment for disgorgement and interest through all collection procedures authorized by law, at any time after ten days following entry of this Order.

36. **APPOINTMENT OF MONITOR:** The Court appointed Receiver in this matter, Gerald B. Wald, is hereby appointed as the Monitor for the receipt and distribution of the funds subject to this Order. Mr. Wald shall be the Monitor for this action until the complete satisfaction of the Judgment of Disgorgement and the complete distribution of all funds paid or collected in satisfaction of this Judgment of Disgorgement.

37. **COLLECTION OF DISGORGEMENT:** Relief Defendant Jedlicki shall make payments in satisfaction of this Order by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier's check, or bank money order, made payable to "Court Appointed Receiver, Gerald B. Wald," upon the entry of this Order. Payment shall be sent under a cover letter that identifies Jedlicki and the name and docket number of this proceeding.

38. **DISTRIBUTION OF DISGORGEMENT:** As Monitor, Mr. Wald shall distribute disgorgement payments according to a list of known customers and calculation of each customer's known loss, provided to the Monitor by the Commission. In addition, the Commission shall provide the Monitor with the last known address for each customer.

39. **MONITOR'S DISCRETION TO MAKE PRO RATA DISTRIBUTIONS:** In the event that this Consent Order is only partially satisfied, the Monitor is authorized, in his sole discretion, to make one or more partial distributions. Any partial distribution shall be made on a *pro rata* basis to those customers who can be located at the time of the distribution

VI.

**MISCELLANEOUS PROVISIONS**

40. **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 Commission:**

Director of Enforcement  
Commodity Futures Trading  
Commission  
1155 21<sup>st</sup> Street N.W.  
Washington, DC 20581

Timothy J. Mulreany  
Division of Enforcement  
Commodity Futures Trading  
Commission  
1155 21<sup>st</sup> Street N.W.  
Washington, DC 20581

**Notice to Defendants:**

William Nortman, Esq.  
Akerman Senterfitt  
Las Olas Centre II, Suite 1600  
350 East Las Olas Boulevard  
Ft. Lauderdale, FL 33301-2229  
(954) 463-2700

**Notice to Monitor:**

Gerald B. Wald, Esq.  
Murai, Wald, Biondo, Moreno & Bochin, PA  
Two Alhambra Plaza, Penthouse 1B  
Coral Gables, FL 33134  
(305) 444-0101

41. **Entire Agreement and Amendments:** This Order incorporates all of the terms and conditions of the settlement among the parties hereto. Nothing shall serve to amend or modify this Order in any respect whatsoever, unless: (1) reduced to writing; (2) signed by all parties hereto; and (3) approved by order of this Court.

42. Invalidation: If any provision of this Order, or the application of any provisions or circumstances is held invalid, the remainder of the Order and the application of the provision to any other person or circumstance shall not be affected by the holding.

43. Waiver: The failure of any party hereto or of any customer at any time or times to require performance of any provision hereof shall in no manner affect the right of such party at a later time to enforce the same or any other provision of this Order. No waiver in one or more instances of the breach of any provision contained in this 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 Order.

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

45. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this cause to assure compliance with this Order and for all other purposes related to this action.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this Order.

CONSENTED TO AND APPROVED BY:

X *Natali M. Jedlicki*  
Natali M. Jedlicki

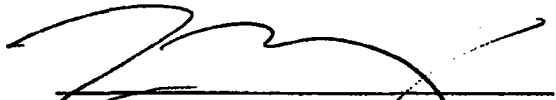
Date: 9/27/06

Approved for Entry:



William Nortman, Esq.  
Akerman Senterfitt  
Las Olas Centre II, Suite 1600  
350 East Las Olas Boulevard  
Ft. Lauderdale, FL 33301-2229  
(954) 463-2700

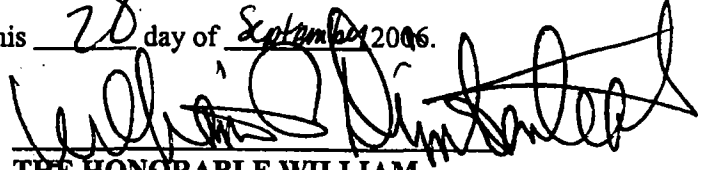
Date: 09/28/06



Timothy J. Mulreany, Chief Trial Attorney  
Paul G. Hayeck, Associate Director  
Commodity Futures Trading Commission

Date: 09/28/06

SO ORDERED, at Ft. Lauderdale, FL on this 28 day of September 2006.



THE HONORABLE WILLIAM  
DIMITROULEAS  
UNITED STATES DISTRICT JUDGE

cc: All Counsel of Record and Court Appointed Receiver