

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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U.S. COMMODITY FUTURES TRADING)	
COMMISSION,)	
)	
Plaintiff,)	CASE NO. _____
)	
v.)	
)	
ACJ CAPITAL, INC.,)	
SOLID VIEW CAPITAL LLC)	
and)	
ANGEL FERNANDO COLLAZO,)	
)	
)	
Defendants.)	
)	
)	
_____)	

**COMPLAINT FOR INJUNCTIVE RELIEF, CIVIL MONETARY
PENALTIES, AND OTHER EQUITABLE RELIEF**

Plaintiff U.S. Commodity Futures Trading Commission (“Commission” or “CFTC”) alleges as follows:

**I. SUMMARY OF DEFENDANTS’ VIOLATIONS
OF THE COMMODITY EXCHANGE ACT**

1. Since at least February 2010 through at least April 2011 (the “relevant period”), Defendants ACJ Capital, Inc. (“ACJ”), Solid View Capital LLC (“Solid View”) and Angel Fernando Collazo (“Collazo”), fraudulently solicited and accepted, directly, and through others, approximately \$1,000,000 from at least 21 individuals or entities to trade off-exchange leveraged

or margined foreign currency contracts (“forex” or “foreign currency”) through participation in a forex pooled investment vehicle (“forex pool”). Collazo formed and controlled both ACJ and Solid View.

2. Defendants, through the acts of Collazo, misappropriated pool participant funds to make payments to pool participants and for personal uses, and concealed trading losses and their misappropriation from the pool participants through the issuance of false account statements.

3. Defendants ACJ and Solid View also each operated the forex pool without being registered as Commodity Pool Operators (“CPOs”), as required, and Collazo solicited pool participants without being registered as an Associated Person (“AP”) of ACJ and Solid View as required.

4. By virtue of this conduct and the further conduct described herein, Defendants have engaged, are engaging, or are about to engage in acts and practices in violation of anti-fraud provisions of the Commodity Exchange Act (the “Act”), 7 U.S.C. §§ 1 *et seq.*, as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act of 2008 (“CRA”)) (Supp. III 2009). In addition, as of October 18, 2010, Defendants ACJ and Solid View operated the forex pooled investment vehicle, i.e., the forex pool, without being registered as CPOs as required under Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2011), and without having any valid exemption from the requirement to register as a CPO. Also as of October 18, 2010, Collazo acted as an AP of ACJ and Solid View without being registered as required under Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(ii), 17 C.F.R. § 5.3(a)(2)(ii) (2011).

5. During the relevant period, Defendant Collazo was the controlling person of ACJ and Solid View and failed to act in good faith or knowingly induced, directly or indirectly, the acts constituting ACJ's and Solid View's violations as alleged herein. Therefore, Defendant Collazo is liable for ACJ's and Solid View's violations pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006). ACJ and Solid View are liable for the violations of their agents, including Collazo, pursuant to Section 2(a)(1)(B), 7 U.S.C. § 2(a)(1)(B)(2006), and Regulation 1.2, 17 C.F.R. § 1.2 (2011).

6. Accordingly, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), and Section 2(c)(2)(C) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C) (Supp. III 2009), the Commission brings this action to enjoin Defendants' unlawful acts and practices, and to compel Defendants to comply with the Act and Regulations. In addition, the Commission seeks civil monetary penalties and other equitable and ancillary relief, including, but not limited to, trading and registration bans, restitution, disgorgement, rescission, pre- and post-judgment interest, and such other relief as the Court may deem necessary and appropriate.

7. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Defendants will continue to engage in the acts and practices alleged in this Complaint or similar acts and practices, as more fully described below.

II. JURISDICTION AND VENUE

8. This Court has jurisdiction over this action pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1 (2006), and Section 2(c)(2)(C) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C) (Supp. III 2009).

9. Section 6c(a) authorizes the Commission to seek injunctive relief in district court 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 the Act or any rule, regulation, or order thereunder. In addition, this section authorizes the Commission to bring a civil action in district court to enforce compliance with the Act or any rule, regulation or order thereunder.

10. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2006), because Defendants are found, inhabit, reside and/or transact business in the District of Puerto Rico, and certain of the transactions, acts, practices, and courses of business alleged to have violated the Act occurred, are occurring, and/or are about to occur within this District.

III. PARTIES

11. 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, 7 U.S.C. §§ 1 *et seq.*, and the Commission Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* The Commission maintains its principal office at Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

12. Defendant **ACJ Capital, Inc.** is a corporation registered in the Commonwealth of Puerto Rico (Register No. 176089). The offices of ACJ are located at Urbanizacion Roosevelt, Calle Juan Devilla #476, San Juan, Puerto Rico. ACJ was incorporated in the state of New Jersey. According to articles of incorporation filed in 2002, Collazo served as the registered agent and sole member of ACJ's board of directors. As of August 10, 2007, ACJ was registered with the Commission as a Commodity Trading Advisor ("CTA"). On January 4, 2009, National Futures Association ("NFA"), a registered futures association and industry self-regulatory organization to whom the Commission delegated certain registration related responsibilities,

withdrew ACJ's CTA registration for failure to file a timely renewal. On February 3, 2010, after ACJ and Collazo failed to respond to a complaint lodged by the NFA's business conduct committee, the NFA permanently barred ACJ from NFA membership and from acting as a principal of an NFA member. The NFA found that ACJ and Collazo provided false information to customers about the performance of their accounts and provided customers with fictitious account statements that showed significant equity in their accounts, when, in fact, most, if not all, of their equity had been lost. ACJ has never been registered with the Commission as a CPO.

13. Defendant **Solid View Capital LLC** is a limited liability company registered in the Commonwealth of Puerto Rico (Register No. 2399). Solid View registered with the Puerto Rico Department of State on June 30, 2010. The offices of Solid View are located at 1400 Americo Salas, Suite #1, San Juan, Puerto Rico. Defendant Collazo serves as the president and registered agent of Solid View. Solid View has never been registered with the Commission as a CPO or in any other capacity.

14. Defendant **Angel Fernando Collazo** is an individual residing in Salinas, Puerto Rico. He served as President of ACJ. Collazo was registered with the Commission as an AP of ACJ as of October 25, 2007. The NFA withdrew Collazo's registration on January 4, 2009 in conjunction with its withdrawal of ACJ's registration. As noted above, on February 3, 2010, the NFA permanently barred Collazo from membership, associate membership and from acting as a principal of an NFA member after finding that he provided false information to customers about the performance of their accounts and provided customers with fictitious account statements that showed significant equity in their accounts, when, in fact, most, if not all, of their equity had been lost. Since June 2010, Collazo has served as the president and registered agent of Solid View.

IV. FACTS

A. Defendants' Fraudulent Solicitation of Pool Participants

15. During the relevant period, Defendants, through Collazo, fraudulently solicited and accepted approximately \$1,000,000 from at least 21 individuals or entities for the purported purpose of trading through a pooled investment vehicle managed by Defendants and in connection with agreements, contracts or transactions in off-exchange, retail foreign currency that are margined or leveraged.

16. Initially, Collazo solicited pool participants to place funds with ACJ. Later Collazo informed pool participants that their funds would be placed with Solid View. During the relevant period, Collazo deposited pool participant funds in trading accounts in the names of both ACJ and Solid View and utilized multiple bank accounts in the names of both entities. Some pool participants executed trading agreements with ACJ while others executed trading agreements with Solid View. Collazo formed and controlled both ACJ and Solid View.

17. Collazo solicited pool participants directly and also indirectly through at least one pool participant who solicited others.

18. Of the approximately \$1,000,000 placed with ACJ and/or Solid View, Defendants, through Collazo, received and accepted approximately \$490,000 from a company called Felgi Investments Corp. ("Felgi"). Felgi was an ACJ/Solid View pool participant who solicited others to place funds with Defendants for purposes of trading foreign currency through the forex pool.

19. In his solicitations, Collazo represented that he would trade foreign currency on behalf of pool participants. Collazo told pool participants that their funds would be pooled with other participant funds for purposes of trading. Collazo also told pool participants that he traded

foreign currency using a computer program. Collazo falsely told at least one pool participant that others had placed more than \$7 million with ACJ.

20. As part of his solicitations, Collazo told Felgi that his trading would generate profits of between 12% and 15% per month. Collazo told at least one other pool participant that he could expect a minimum 20% monthly return. In addition, Collazo provided at least some pool participants, including Felgi, with documents purporting to show profitable trading.

21. During introductory meetings, Collazo also showed some of ACJ and/or Solid View's pool participants information on his computer purporting to show profitable trades.

22. Collazo told ACJ and/or Solid View's pool participants, including Felgi, that he was an experienced, successful forex trader, when, in fact, he had an unsuccessful trading record.

23. In soliciting pool participants, Collazo minimized the risk of forex trading. Collazo told at least one pool participant that it was impossible to lose money using his trading program.

24. During his solicitations of prospective pool participants and throughout the life of the forex pool, Collazo failed to disclose to Felgi and at least one other participant that, as of February 3, 2010, both ACJ and Collazo had been permanently barred from membership by the NFA in connection with his trading of individual ACJ customer managed accounts. Collazo also failed to inform Felgi and at least one other pool participant that NFA found that ACJ and Collazo provided false information to managed account customers about the performance of their accounts and provided managed account customers fictitious account statements that showed significant equity in their accounts when, in fact, most, if not all, of their equity had been lost.

25. Defendants, through Collazo, also failed to disclose that they intended to use pool participants' funds to make payments to other participants and for personal uses, as alleged below.

26. Defendants, through Collazo, knowingly or with reckless disregard of the truth made such material misrepresentations and omissions in order to induce pool participants to invest and trade with them.

B. Defendants Were Barely Profitable In Trading and Misappropriated Funds To Pay Participants and For Personal Use

27. Of the approximately \$1,000,000 placed by pool participants with ACJ/Solid View, Collazo deposited or transferred approximately \$443,000 into six trading accounts. Collazo deposited pool participant funds into two personal trading accounts held in Collazo's name and in four proprietary forex trading accounts, one in the name of ACJ and three in the name of Solid View. Collazo also wired approximately \$18,000 of customer funds to another, now defunct, trading entity.

28. During the relevant period, Collazo's trading in the six trading accounts, including trading in Collazo's personal accounts, yielded an overall net profit of merely approximately \$51,000. Focusing on the period of February 2010 through December 2010, after 11 months of trading, Collazo had sustained net losses across the six trading accounts totaling approximately \$95,000.

29. Of the funds not used for trading, Defendants, through Collazo, misappropriated pool funds to make payments of purported trading profits to ACJ/Solid View pool participants. During the relevant period, despite net trading profits of approximately \$51,000, Defendants, through Collazo, made payments of approximately \$200,000 to Felgi. In addition, Defendants made payments to at least one non-Felgi pool participant of approximately \$128,000.

30. During the relevant period, Defendants, through Collazo, misappropriated pool funds to pay Collazo's personal expenses.

C. Defendants Concealed Trading Results and Misappropriation through False Statements

31. Despite the actual barely profitable overall trading results and the eleven months where Collazo sustained net losses, Defendants, through Collazo provided monthly account statements to Felgi reflecting purported trading profits of approximately \$366,000. Defendants, through Collazo, also provided monthly statements to at least one non-Felgi pool participant reflecting purported trading profits of approximately \$152,000. None of the statements provided by Defendants to Felgi and at least one non-Felgi pool participant reflected any trading losses.

32. During the relevant period, Collazo provided to a representative of Felgi pages of purported ACJ bank statements showing substantial transfers to various individuals. Collazo explained to Felgi that the purported payments represented disbursements to people who placed money with ACJ. However, the purported bank statements were fabricated and false. The purported bank statements did not accurately reflect the true activity in the account or the trading results that had been achieved by ACJ.

33. During the relevant period, in addition to providing false monthly statements showing consistently profitable trading, Collazo also made false verbal representations to pool participants that his trading was making money.

34. Based on the monthly account statements showing consistently profitable trading, Felgi solicited additional individuals and entities that placed funds with ACJ/Solid View through Felgi. In addition, at least one non-Felgi pool participant placed an additional \$160,000 with Solid View based on the false verbal representations and false account statements he received from Collazo.

35. In total, the purported trading statements issued by Defendants to pool participants did not accurately reflect the actual trading results achieved by Collazo. The trading statements also did not reflect that Defendants were not using all the pool participants' funds for purposes of trading, but instead, were using some of the funds to make payments to pool participants and for personal uses, as alleged above.

36. Defendants, through Collazo, knowingly or with reckless disregard for the truth concealed their fraud and the truth of their trading results by making such material misrepresentations and omissions concerning the value and profitability of customers' accounts.

D. Collazo Controlled ACJ and Solid View

37. Collazo is the president and registered agent of both ACJ and Solid View. He has virtually complete authority over, and day-to-day control of, both entities. He does not report to anyone. Collazo controlled the trading of all pool participant funds, including those placed with ACJ/Solid View through Felgi, Collazo also was the authorized signatory on the bank accounts of ACJ and Solid View and was responsible for the handling and disposition of pool participant funds.

E. The Nature of the Transactions

38. Neither Defendants nor the possible counterparties to the forex transactions they conducted were United States financial institutions, registered brokers or dealers, insurance companies, financial holding companies, investment bank holding companies, or the associated persons of financial institutions, registered brokers or dealers, insurance companies, financial holding companies, or investment bank holding companies.

39. Some or all of pool participants were not "eligible contract participants" ("ECP") as that term is defined in Section 1a(18)(A)(xi) of the Act, as amended by the CRA and the

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public L. 111-203, §§ 701-774, 124 Stat. 1376 (effective July 16, 2010) (“Dodd-Frank Act”) (to be codified at 7 U.S.C. § 1a(18)(A)(xi)). Nor were any of the pool participants ECPs as that term was defined prior to July 16, 2010. See 7 U.S.C. § 1a(12)(A)(xi) (Supp. III 2009). An ECP, as relevant here, is an individual who has total assets in an amount in excess of (i) \$10 million or (ii) \$5 million and who enters into the transaction in order to manage risk.

40. The forex transactions Defendants purportedly conducted on behalf of the pool participants were entered into on a leveraged or margined basis. Accordingly, Defendants were required to provide only a percentage of the value of the forex contracts that they purchased. The forex transactions Defendants purportedly conducted neither resulted in the delivery of actual currency within two days nor created an enforceable obligation to deliver actual currency 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 purportedly remained open from day to day and ultimately were offset without anyone making or taking delivery of actual currency (or facing an enforceable obligation to do so).

F. Defendants ACJ and Solid View Each Acted as Unregistered Forex Commodity Pool Operators, and Defendant Collazo Acted as an Unregistered Associated Person

41. Pursuant to Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), any person must be registered pursuant to a Commission Regulation or Rule in order to operate or solicit funds for any pooled investment vehicle that is not an ECP in connection with forex transactions.

42. Pursuant to Commission Regulation 5.1(d)(1), 17 C.F.R. § 5.1(d)(1) (2011), effective on October 18, 2010, any person who operates or solicits funds, securities, or property for a pooled investment vehicle that is not an ECP, as defined in Section 1a(18)(iv) of the Act, as

amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(18)(iv)), and that engages in retail forex transactions is defined as a CPO.

43. Section 1a(18)(iv) of the Act, as amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(18)(iv)), defines an ECP as, “a commodity pool that – (I) has total assets exceeding \$5,000,000; and (II) is formed and operated by a person subject to regulation under [the] Act ... provided, however, that for purposes of section 2(c)(2)(B)(iv) and section 2(c)(2)(C)(vii), the term ‘eligible contract participant’ shall not include a commodity pool in which any participant is not otherwise an eligible contract participant.”

44. The forex pool operated by Defendants is not an ECP.

45. Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2011), requires any person or entity acting as a CPO, as defined by Commission Regulation 5.1(d)(1), to be registered as such.

46. Throughout the relevant period, ACJ and Solid View each acted as a CPO as defined by Commission Regulation 5.1(d)(1), relating to off-exchange foreign currency transactions, because they operated or solicited funds for a pooled investment vehicle that is not an ECP, as defined in Section 1a(18)(iv) of the Act, as amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(18)(iv)), and engaged in retail forex transactions. ACJ and Solid View failed to register as CPOs in violation of Section 2(c)(2)(C)(iii)(I)(cc), as amended by the CRA, 7 U.S.C. § 2(c)(2)(c)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i)(2011).

47. Commission Regulation 5.1(d)(2) defines an AP of a CPO as “any natural person associated with a commodity pool operator ... as a partner, officer, employee, consultant or

agent ... in any capacity which involves: (i) [t]he solicitation of funds, securities or property for a participation in a pooled investment vehicle.” 17 C.F.R. § 5.1(d)(2) (2011).

48. Section 2(c)(2)(C)(iii)(I)(cc), 7 U.S.C. §2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(ii), require that any person who acts as an AP of a CPO must be registered with the Commission as such. 17 C.F.R. § 5.3(a)(2)(ii) (2011).

49. During the relevant period, Collazo acted as an AP of CPOs as defined by Commission Regulation 5.1(d)(2), relating to off-exchange foreign currency transactions, because he was associated with CPOs in a capacity involving the solicitation of funds for participation in a pooled investment vehicle. During the relevant period, Collazo was not registered as an AP of ACJ or Solid View.

**VIOLATIONS OF THE COMMODITY EXCHANGE ACT
AND COMMISSION REGULATIONS**

V. COUNT ONE

**Violations of Sections 4b(a)(2)(A)-(C) of the Act, as Amended by the CRA, and
Commission Regulation 5.2(b)
(Fraudulent Solicitation, False Statements and Misappropriation)**

50. The allegations set forth in paragraphs 1 through 49 are realleged and incorporated herein by reference.

51. Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009), 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 for future delivery, or other agreement, contract, or transaction subject to paragraphs (1) and (2) of section 5a(g), 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) to cheat or defraud or attempt to cheat or defraud the 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; [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 contact for or, in the case of paragraph (2), with the other person.

Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, apply to the foreign currency transactions, agreements or contracts offered by Defendants. Section 2(c)(2)(C)(iv) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iv) (Supp. III 2009).

52. Effective October 18, 2010, Commission Regulation 5.2(b), 17 C.F.R. § 5.2(b), provides that in connection with any retail forex transaction it is unlawful

for any person, by use of the mails or by any means or instrumentality of interstate commerce, directly or indirectly, in or in connection with any retail forex transaction: (1) [t]o cheat or defraud or attempt to cheat or defraud any person; (2) [w]illfully to make or cause to be made to any person any false report or statement or cause to be entered for any person any false record; or (3) [w]illfully deceive or attempt to deceive any person by any means whatsoever.

53. As set forth above, since at least February 2010 through at least April 2011, in or in connection with foreign currency contracts, made, or to be made, for or on behalf of, or with, other persons, ACJ and Solid View through their agent Collazo, and Collazo, cheated or defrauded or attempted to cheat or defraud pool participants or prospective pool participants; willfully made or caused to be made false reports or statements to another person; willfully deceived or attempted to deceive pool participants or prospective pool participants by, among other things, knowingly: (i) fraudulently soliciting pool participants and prospective pool participants by falsely claiming profitable returns, minimizing and failing to fully disclose the risks of trading leveraged foreign currency, failing to disclose NFA bars of ACJ and Collazo, and failing to disclose their intended uses of pool participant funds; (ii) misrepresenting the profitability of pool trading accounts; (iii) distributing statements to ACJ/Solid View pool participants that contained false account values; and (iv) misappropriating pool funds, all in

violation of Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009), and Commission Regulation 5.2(b), 17 C.F.R. § 5.2(b) (2011).

54. ACJ and Solid View through their agent Collazo, and Collazo, engaged in the acts and practices described above knowingly or with reckless disregard for the truth.

55. Collazo controlled ACJ and Solid View, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, ACJ's and Solid View's acts constituting the violations alleged in this count. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006), Collazo is liable for ACJ's and Solid View's violations of Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009), and Commission Regulation 5.2(b), 17 C.F.R. § 5.2(b) (2011).

56. The foregoing acts, misrepresentations, omissions, and failures of Collazo occurred within the scope of his employment, office or agency with ACJ and Solid View. Therefore, ACJ and Solid View are liable for these acts, misrepresentations, omissions, and failures pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2006), and Regulation 1.2, 17 C.F.R. § 1.2 (2011).

57. Each act of fraudulent solicitation, misrepresentation or omission of material facts and making or causing to be made a false report or statement, and misappropriation, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009), and Commission Regulation 5.2(b), 17 C.F.R. § 5.2(b) (2011).

VI. COUNT TWO

**Violations of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, As Amended by the CRA, and
Commission Regulation 5.3(a)(2)(i)
(Failure to Register as a CPO)**

58. The allegations set forth in paragraphs 1 through 57 are realleged and incorporated herein by reference.

59. With limited exceptions not applicable here, pursuant to Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), an entity must be registered if it wants to operate or solicit funds, securities, or property for any pooled investment vehicle that is not an ECP in connection with forex agreements, contracts or transactions.

60. Effective October 18, 2010, Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i)(2011), requires any person or entity acting as a CPO as defined by Commission Regulation 5.1(d)(1) to be registered as such.

61. During the relevant period, Defendants ACJ and Solid View acted as CPOs as defined by Commission Regulation 5.1(d)(1), relating to off-exchange foreign currency transactions, because they operated or solicited funds for a pooled investment vehicle that is not an ECP, as defined in Section 1a(18)(iv) of the Act, as amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(18)(iv)), and engaged in retail forex transactions.

62. As of October 18, 2010, Defendants ACJ and Solid View failed to register with the Commission as CPOs in violation of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2011).

63. Collazo controlled, directly or indirectly, ACJ and Solid View and did not act in good faith or knowingly induced, directly or indirectly, the conduct of ACJ and Solid View alleged in this count. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006), Collazo is liable for ACJ's and Solid View's violations of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2011).

64. The foregoing acts, misrepresentations, omissions, and failures of Collazo occurred within the scope of his employment, office or agency with ACJ and Solid View. Therefore, ACJ and Solid View are liable for Collazo's acts, misrepresentations, omissions, and failures pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2006), and Regulation 1.2, 17 C.F.R. § 1.2 (2011).

65. Each instance that Defendants ACJ and Solid View acted as CPOs, as defined by Commission Regulation 5.1(d)(1), 17 C.F.R. § 5.1(d)(1) (2011), relating to off exchange foreign currency transactions, but failed to register with the Commission as a CPO, is alleged as a separate and distinct violation of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009)), and Commission Regulation 5.3(a)(2)(i), 17 C.F.R. § 5.3(a)(2)(i) (2011).

VII. COUNT THREE

Violations of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as Amended by the CRA, and Commission Regulation 5.3(a)(2)(ii) (Failure to Register as an AP of a CPO)

66. The allegations set forth in paragraphs 1 through 65 are realleged and incorporated herein by reference.

67. With limited exceptions not applicable here, pursuant to Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009)), an entity must be registered if it wants to operate or solicit funds, securities, or property for any pooled investment vehicle that is not an ECP in connection with forex agreements, contracts or transactions.

68. Commission Regulation 5.1(d)(2) defines an AP of a CPO as “any natural person associated with a commodity pool operator ... as a partner, officer, employee, consultant or agent ... in any capacity which involves: (i) [t]he solicitation of funds, securities or property for a participation in a pooled investment vehicle.” 17 C.F.R. § 5.1(d)(2) (2011).

69. Effective October 18, 2010, Commission Regulation 5.3(a)(2)(ii), requires any person who acts as an AP of a CPO to be registered with the Commission as such. 17 C.F.R. § 5.3(a)(2)(ii) (2011).

70. During the relevant period, Collazo acted as an AP of CPOs ACJ and Solid View, as defined by Commission Regulation 5.1(d)(2), relating to off-exchange foreign currency transactions, because he was a partner, officer, employee, consultant or agent of ACJ and Solid View in a capacity that involved the solicitation of funds for participation in a pooled investment vehicle.

71. As of October 18, 2010, Collazo failed to register with the Commission as an AP of a CPO in violation of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc)(Supp. III 2009), and Commission Regulation § 5.3(a)(2)(ii), 17 C.F.R. § 5.3(a)(2)(ii) (2011).

72. The foregoing failure of Collazo to register as an AP of a CPO occurred within the scope of his employment, office or agency with ACJ and Solid View. Therefore, ACJ and

Solid View are liable for Collazo's failures pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2006), and Commission Regulation 1.2, 17 C.F.R. § 1.2 (2011).

73. Each instance that Defendant Collazo acted as an AP of a CPO, as defined by Commission Regulation 5.1(d)(2), 17 C.F.R. § 5.1(d)(2), relating to off exchange foreign currency transactions, but failed to register with the Commission as an AP of a CPO, is alleged as a separate and distinct violation of Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulation 5.3(a)(2)(ii), 17 C.F.R. § 5.3(a)(2)(i) (2011).

VIII. RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court, as authorized by Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), and pursuant to its own equitable powers, enter:

- (a) An order finding that Defendants violated:
 - (i) Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009), and Commission Regulation 5.2(b), 17 C.F.R. § 5.2(b);
 - (ii) Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009), and Commission Regulations 5.3(a)(2)(i)-(ii);
- (b) A statutory restraining order and an order for preliminary injunction pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a) (2006), restraining Defendants and all persons or entities insofar as they are acting in the capacity of Defendants' 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 orders by personal service or otherwise, from directly or indirectly:

(i) Destroying, mutilating, concealing, altering, or disposing of any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records, or other property of Defendants, wherever located, including all such records concerning Defendants' business operations;

(ii) Refusing to permit authorized representatives of the Commission to inspect, when and as requested, any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records, or other property of Defendants, wherever located, including all such records concerning Defendants' business operations; and

(iii) Withdrawing, transferring, removing, dissipating, concealing, or disposing of, in any manner, any funds, assets, or other property, wherever situated, including, but not limited to, all funds, personal property, money, or securities held in safes or safety deposit boxes, and all funds on deposit in any financial institution, bank, or savings and loan account, whether domestic or foreign, held by, under the control of, or in the name of Defendants;

(c) Orders of preliminary and permanent injunction enjoining Defendants and all persons insofar as they are acting in the capacity of Defendants' agents, servants, employees, successors, assigns, and attorneys, and all persons insofar as they are acting in active concert or participation with Defendants, including any successor thereof, who receive actual notice of such order by personal service or otherwise, from engaging directly or indirectly:

(i) in conduct in violation of Sections 4b(a)(2)(A)-(C) of the Act, as amended by the CRA, 7 U.S.C. §§ 6b(a)(2)(A)-(C) (Supp. III 2009); Section 2(c)(2)(C)(iii)(I)(cc) of the Act, as amended by the CRA, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(cc) (Supp. III 2009); and Commission Regulations 5.3(a)(2)(i)-(ii), 17 C.F.R. §§ 5.3(a)(2)(i) (2011);

(ii) trading on or subject to the rules of any registered entity (as that term is defined in Section 1a(40) of the Act, as amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(40)).

(iii) 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, and/or foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, as amended by the CRA, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i) (Supp. III 2009)) (“forex contracts”) for their own personal account or for any account in which they have a direct or indirect interest;

(iv) having any commodity futures, options on commodity futures, commodity options, security futures products, and/or forex contracts traded on their behalf;

(v) 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, and/or forex contracts;

(vi) 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, and/or forex contracts;

(vii) 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);

(viii) acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2011), agent or any other officer or employee of any person (as the term “person” is defined in section 1a(38) of the Act, as amended by the CRA and the Dodd-Frank Act (to be codified at 7 U.S.C. § 1a(38)) 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);

d) An order directing Defendants, as well as any successors to any Defendant, to disgorge, pursuant to such procedure as the Court may order, all benefits including, but not limited to, salaries, commissions, loans, fees, revenues, and trading profits derived, directly or indirectly, from the acts or practices which constitute violations of the Act, as described herein, and pre- and post-judgment interest thereon from the date of such violations;

e) An order directing Defendants to make full restitution to every person or entity whose funds Defendants received or caused another person or entity to receive as a result of acts and practices that constituted violations of the Act, as described herein, and pre- and post-judgment interest thereon from the date of such violations;

f) An order directing 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 the participants whose funds were received by

them as a result of the acts and practices, which constitute violations of the Act, as described herein;

g) An order directing Defendants to pay a civil monetary penalty for each violation of the Act described herein, plus post-judgment interest, in the amount of the higher of: \$140,000 for each violation of the Act or triple the monetary gain to Defendants for each violation of the Act described herein, plus post-judgment interest;

h) An order appointing a receiver, if necessary, to secure assets held by, under the control of, or in the name of Defendants

i) An order requiring Defendants to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2006); and

j) Such other and further relief as the Court deems necessary and appropriate under the circumstances.

Dated: February 8, 2012

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on February 8, 2012, the attached document was served via hand delivery on Manuel Rodriguez-Banchs, Esq., who has been authorized to accept service on behalf of Defendants ACJ Capital, Inc., Solid View Capital LLC and Angel Fernando Collazo:

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