

UNITED STATES OF AMERICA  
Before the  
COMMODITY FUTURES TRADING COMMISSION

\_\_\_\_\_  
In the Matter of  
Pro Trading Course, LLC,  
Registrant.  
\_\_\_\_\_

CFTC DOCKET NO. SD 12-08

Original  
Pro Trading Course, LLC  
Pro Trading Course, LLC

2012 SEP 20 AM 11:17

RECEIVED  
CFTC

**NOTICE OF INTENT TO REVOKE THE REGISTRATION  
OF PRO TRADING COURSE, LLC**

**I.**

The U.S. Commodity Futures Trading Commission (“Commission”) has received information from its staff that tends to show, and the Commission’s Division of Enforcement (“Division”) alleges and is prepared to prove, that:

1. Pro Trading Course, LLC (“PTC”) is a Delaware limited liability company whose listed address with the Commission is at 141 West Jackson Blvd., Suite 3125, Chicago, Illinois 60604.
2. PTC has been registered with the Commission as a commodity trading advisor (“CTA”) since February 5, 2009, pursuant to Section 4m of the Commodity Exchange Act (the “Act”) as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Pub. L. No. 111-203, Title VII (the Wall Street Transparency and Accountability Act of 2010) (“Dodd-Frank Act”), §§ 701-774 (enacted July 16, 2010), 7 U.S.C. § 6m.
3. On December 7, 2011, the Commission filed a federal civil injunctive action against PTC and Richard C. Regan (“Regan”), its sole principal and control person. *See CFTC v.*

*Richard C. Regan and Pro Trading Course, LLC*, Case No. 11-CV-8679 (N.D. Ill. filed December 7, 2011). The CFTC's complaint alleged, *inter alia*, that from February 2009 through approximately September 2010 ("relevant period"), PTC, while acting as a CTA and through Regan and its employees, directly or indirectly employed a device, scheme, or artifice to defraud clients or prospective clients, or engaged in transactions, practices or a course of business which operated as a fraud or deceit upon such persons, in violation of Section 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B), and Regulation 4.41(a), 17 C.F.R § 4.41(a) (2012).

4. On May 29, 2012, the United States District Court for the Northern District of Illinois entered an Order of Default Judgment for Permanent Injunction and Other Ancillary Relief against PTC and Regan ("Default Order"). The Default Order made findings of fact and conclusions of law including, among others, that during the relevant period, PTC, while acting as a CTA and through Regan and its employees, directly or indirectly employed a device, scheme, or artifice to defraud clients or prospective clients, or engaged in transactions, practices or a course of business which operated as a fraud or deceit upon such persons. The devices, schemes, artifices, transactions, practices or courses of business included, but were not limited to: i) using false and misleading promotional material and sales solicitations which overstated the advancement opportunity and profit potential of the commodity futures training program PTC was selling, while failing to disclose that no PTC commodity futures trader ever advanced beyond Level 1 of the program or received monthly profit "payouts" approximating those depicted on its "Payout Charts," after completing PTC's training program; ii) using false and misleading promotional material and sales solicitations in selling the Virtual Trading Room ("VTR"), which represented that the trading Regan and his team conducted in VTR sessions was

actual commodity futures trading, while failing to disclose that Regan and his team conducted only simulated trading in their VTR sessions; and, iii) using false and misleading advertisements which represented that PTC was hiring commodity futures traders, while failing to disclose that PTC charged enrollment fees for its training program and never hired any applicant after completion of its training program. The Default Order found that by engaging in the foregoing conduct, PTC violated Section 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B) (2006), and Regulation 4.41(a), 17 C.F.R § 4.41(a) (2012).

5. Based on these findings, the Default Order, in relevant part, permanently restrains, enjoins and prohibits PTC from: i) acting as a CTA and using the mails or any means or instrumentality of interstate commerce, to directly or indirectly employ a device, scheme, or artifice to defraud any client or prospective client, or engage in transactions, practices or a course of business which operate as a fraud or deceit upon such persons, in violation of Section 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B); and ii) advertising in a manner which employs a device, scheme or artifice to defraud clients or prospective clients or involves transactions, practices or a course of business which operate as a fraud or deceit upon any such persons, in violation of Commission Regulation 4.41(a), 17 C.F.R. § 4.41(a) (2012).

6. Pursuant to Section 8a(2)(C) of the Act as amended by the Dodd-Frank Act, 7 U.S.C. § 12a(2)(C), the Commission may revoke the registration of any person who has been permanently enjoined by order of a court of competent jurisdiction from engaging in or continuing any activity involving fraud.

7. Pursuant to Section 8a(2)(E) of the Act as amended by the Dodd-Frank Act, 7 U.S.C. § 12a(2)(E), the Commission may revoke the registration of any person who has been

found in a proceeding brought by the Commission to have violated the Act by committing fraud within ten years preceding the filing of the application or any time thereafter.

8. The facts set forth above constitute a valid basis for the Commission to revoke PTC's registration as a CTA, pursuant to Section 8a(2)(C) and (E) of the Act, as amended by the Dodd-Frank Act, 7 U.S.C. § 12a(2)(C) and (E).

## II.

9. Pursuant to Commission Regulation ("Regulation") 3.60(a), 17 C.F.R. § 3.60(a) (2012), PTC is hereby notified that a public proceeding shall be conducted in accordance with the provisions of Regulation 3.60, 17 C.F.R. § 3.60 (2012), and Part 10 of the Regulations, 17 C.F.R. § 10.1 *et seq.*, on the following questions:

A. Whether PTC is subject to statutory disqualification from registration under Section 8a(2)(C) and/or (E) of the Act as set forth in Section I above;

B. If the answer to question A is affirmative, then whether the registration of PTC as a CTA should be revoked.

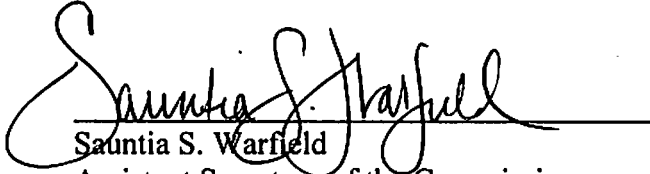
10. Such proceeding shall be held before an Administrative Law Judge or a Presiding Officer in accordance with Regulations 3.60 and 10.8, 17 C.F.R. §§ 3.60, 10.8 (2012), and all post-hearing procedures shall be conducted pursuant to Regulations 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j) (2012).

11. In accordance with the provisions of Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3) (2012), PTC is entitled to file a response challenging the evidentiary bases of the statutory disqualification or show cause why, notwithstanding the accuracy of the allegations, its registration should not be revoked. Such a response must be filed with the Proceedings Clerk,

Office of Proceedings, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and served upon Diane M. Romaniuk, Senior Trial Attorney, Division of Enforcement, Chicago Regional Office, 525 W. Monroe St., Chicago, IL 60661, within thirty (30) days after the date of service of this Notice upon PTC, in accordance with the provisions of Regulation 3.60(b), 17 C.F.R. § 3.60(b) (2012). If PTC fails to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true, and the Administrative Law Judge or the Presiding Officer may issue an Order of Default in accordance with the provisions of Regulation 3.60(g), 17 C.F.R. § 3.60(g) (2012).

### III.

12. The Proceedings Clerk shall serve this Notice of Intent to Revoke the Registrations of PTC by registered or certified mail pursuant to Regulation 3.50, 17 C.F.R. § 3.50 (2012).

  
Sauntia S. Warfield  
Assistant Secretary of the Commission  
Commodity Futures Trading Commission

Dated: September 20, 2012