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

**U. S. COMMODITY FUTURES
TRADING COMMISSION,**

Plaintiff,

vs.

**CHRISTOPHER VARLESI,
individually and doing business as
GOLD COAST FUTURES AND FOREX,**

Defendant.

Civil Action No: 12-cv-1658

Judge Zagel

STATUTORY RESTRAINING ORDER

Having read the Complaint for Injunctive and Other Equitable Relief and Motion for *Ex Parte* Statutory Restraining Order filed by Plaintiff Commodity Futures Trading Commission (“CFTC” or “Commission”); the Memorandum in Support of its Motions for Injunctive And Other Equitable Relief submitted in support of the CFTC’s Motion; the Declarations of commodity pool participants, and Commission Investigator Mary Elizabeth Spear,

THE COURT FINDS:

1. The Court has jurisdiction over the subject matter of this case. Section 6c of the Commodity Exchange Act (“Act”) 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”)), §§ 13101-13204, 122 Stat. 1651 (enacted June 18, 2008), and 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.*, authorizes this Court to enter a

statutory restraining order against Defendant Christopher Varlesi (“Varlesi”), individually and doing business as Gold Coast Futures and Forex.

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

3. It appears that there is good cause to believe that Defendant has engaged, is engaging in or are about to engage in violations of Sections 4b(a)(2)(i)-(iii), 7 U.S.C. § 6b(a)(2)(i)-(iii) (2006), with respect to acts committed before June 18, 2008; Sections 4b(a)(1)(A)-(C) and 4b(a)(2)(A)-(C) of the Act, as amended, to be codified at 7 U.S.C. §§ 6b(a)(1)(A)-(C) and 6b(a)(2)(A)-(C), with respect to acts committed on or after June 18, 2008; and Sections 4o(1) and 4m(1) of the Act, 7 U.S.C. §§ 6o(1), 6m(1) (2006).

4. It further appears that there is good cause to believe that immediate and irreparable harm to the Court’s ability to grant effective final relief to Defendant’s commodity pool customers in the form of monetary redress will occur from the sale, transfer, assignment, or other disposition by Defendant of his assets or destruction of records unless Defendant is immediately restrained and enjoined by order of this Court. Accordingly, there is good cause to issue this Order.

ORDER

DEFINITIONS

For the purposes of this Order, the following definitions apply:

5. “Assets” means any legal or equitable interest in, right to, or claim to, any real or personal property, including but not limited to chattels, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, mail or other deliveries, inventory, checks, notes, accounts including bank accounts and accounts at financial institutions, credits, receivables,

lines of credit, securities, contracts including spot and futures contracts, insurance policies, and all cash, wherever located.

6. “Document” is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

7. “Defendant” means Christopher Varlesi, individually and doing business as Gold Coast Futures and Forex, and any person insofar as he or she is acting in the capacity of an officer, agent, servant, employee or attorney of the Defendant, and any person who receives actual notice of this Order by personal service or otherwise, including United Parcel Service, Federal Express, electronic mail and facsimile, insofar as he or she is acting in concert or participation with the Defendant.

RELIEF GRANTED

STATUTORY RESTRAINING ORDER

I. ASSET FREEZE

IT IS ORDERED that Defendant is restrained and enjoined from directly or indirectly withdrawing, transferring, removing, dissipating, selling, alienating, liquidating, encumbering, pledging, leasing, loaning, assigning, concealing, converting, or otherwise disposing of any funds, assets or other property, wherever located, including funds, property or assets held outside the United States, except as ordered by the Court. The assets affected by this Paragraph

shall include both existing assets and assets acquired after the effective date of this Order, as well as accounts not specifically identified below.

IT IS FURTHER ORDERED that, pending further order of this Court, any bank, financial or brokerage institution, entity, or person that holds, controls, or maintains custody of any funds, assets or other property of Defendant, or has held, controlled, or maintained custody of any funds, assets or other property of Defendant, and who receives notice of this Order by any means, including facsimile, electronic mail, United Parcel Service and Federal Express, shall:

A. Prohibit Defendant and any other person from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling or otherwise disposing of any such assets except as directed by further order of the Court;

B. Deny Defendant and all other persons access to any safe deposit box that is:

1. titled in the name of or maintained by Defendant, either individually, jointly or in any other capacity, including safe deposit boxes tiled in the name of or maintained by nominees of Defendant; or

2. otherwise subject to the control of or access by Defendant;

C. Cooperate with all reasonable requests of the CFTC relating to implementation of this Order, including producing records related to Defendant's accounts and Defendant's businesses.

II. PROHIBITION OF DESTRUCTION OF BOOKS AND RECORDS

IT IS FURTHER ORDERED that Defendant and all persons or entities who receive notice of this Order by personal service or otherwise, including electronic mail, facsimile, United Parcel Service and Federal Express, are restrained and enjoined from directly or

indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in any manner, directly or indirectly, any documents that relate to the business operations or practices, or the business or personal finances, of Defendant.

III. ACCESS TO AND INSPECTION OF BOOKS AND RECORDS

IT IS FURTHER ORDERED that representatives of the CFTC be allowed immediately to inspect the books, records, and other documents of Defendant and his agents including, but not limited to, electronically stored data, tape recordings, and computer discs, wherever they may be situated and whether they are in the possession of Defendant or others, and to copy said documents, data and records, either on or off the premises where they may be situated.

IV. SERVICE OF ORDER AND ASSISTANCE OF U.S. MARSHALS SERVICE

IT IS FURTHER ORDERED that copies of this Order may be served by any means, including electronic mail, facsimile transmission, United Parcel Service and Federal Express, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of Defendant, or that may be subject to any provision of this Order. Mary Elizabeth Spear, and, all employees of the CFTC, are hereby specially appointed to serve process, including this Order and all other papers in this cause.

IT IS FURTHER ORDERED that the United States Marshals Service is directed to assist the CFTC with service of process, including the Summons and Complaint and all other papers in this case.

V. BOND NOT REQUIRED OF PLAINTIFF

IT IS FURTHER ORDERED THAT pursuant to Section 6c(b) of the Act, 7 U.S.C. § 13a-1(b), no bond need be posted by the Commission, which is an agency of the United States of America.

VI. SERVICE ON THE COMMISSION

IT IS FURTHER ORDERED that Defendant shall serve all pleadings, correspondence, notices required by this Order, and other materials on the CFTC by delivering a copy to Robert Howell, Trial Attorney, Division of Enforcement, Commodity Futures Trading Commission, 525 W. Monroe St., Suite 1100, Chicago, IL 60661.

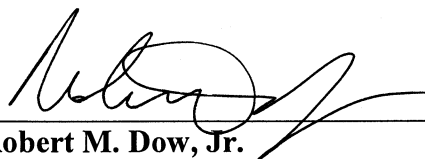
VII. COURT MAINTAINS JURISDICTION

IT IS FURTHER ORDERED that this Order shall remain in full force and effect until further order of this Court, upon application, notice and an opportunity to be heard, and that this Court retains jurisdiction of this matter for all purposes.

VII. FURTHER COURT HEARINGS

IT IS FURTHER ORDERED that this matter is set for a status hearing on March 15, 2012 at 10:15 a.m. before Judge Zagel. The motion for preliminary injunction is entered and continued to that date and time.

IT IS SO ORDERED.



Robert M. Dow, Jr.
U.S. District Judge
as Emergency Judge for Judge Zagel

March 8, 2012 at 1:00 pm
