

U.S. DISTRICT COURT

NOV - 6 2006

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

vs.

ALLIANCE DEVELOPMENT COMPANY,
WILLIAM SNYDER, and CRISTI WILSON,

Defendants.

Case No.: 3:06-cv-00512-LRH-RAM

CONSENT ORDER OF PRELIMINARY
INJUNCTION AND FOR OTHER
EQUITABLE RELIEF AGAINST
DEFENDANT WILLIAM SNYDER

Plaintiff Commodity Futures Trading Commission (Commission) has filed a Complaint for Permanent Injunction, Civil Monetary Penalties, and Other Equitable Relief and moved for a preliminary injunction. The Court has considered the pleadings, exhibits, and memorandum filed in support of the Commission's motion for preliminary injunction, and any opposition papers filed thereto. Defendant William Snyder (Snyder), without admitting or denying the allegations of the Complaint, has consented to the entry of this preliminary injunction. As it appears to the Court that there is good cause to believe that Snyder has engaged, is engaging in, or is about to engage in violations of the Commodity Exchange Act, as amended (Act), 7 U.S.C. §§ 1 *et seq.* (2002), and the Commission Regulations promulgated thereunder (Regulations), 17 C.F.R. § 1.1 *et seq.* (2006), and that this is a proper case for granting a preliminary injunction to preserve the status quo, protect public customers from further loss and damage, and enable the Commission to fulfill its statutory duties, the Court finds as follows:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I.

Jurisdiction and Venue

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

1. The Court has jurisdiction over Snyder and the subject matter of this case pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(a), which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such 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 thereunder.

2. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e), in that defendants are found, inhabit, or transact business in this district, and the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this district.

II.

Prohibition From Violations of the Act

THE PARTIES AGREE AND IT IS FURTHER ORDERED that:

Snyder, all persons insofar as they are acting in the capacity of agents, servants, employees, successors, assigns, or attorneys of Snyder, and all persons insofar as they are acting in active concert or participation with Snyder who receive actual notice of this Order by personal service or otherwise, shall be prohibited and restrained from directly or indirectly:

1 1. in connection with any order to make, or the making of, any contract of sale of
 2 any commodity for future delivery, made, or to be made, for or on behalf of any other persons,
 3 where such contract for future delivery was or could be used for (A) hedging any transaction in
 4 interstate commerce in such commodity or the products or byproducts thereof, or (B)
 5 determining the price basis of any transaction in interstate commerce in such commodity, or (C)
 6 delivering any such commodity sold, shipped, or received in interstate commerce for the
 7 fulfillment thereof;

- 8 (i) cheating or defrauding or attempting to cheat or defraud others;
- 9 (ii) willfully making or causing to be made to such other person any false report or
- 10 statement thereof; or
- 11 (iii) willfully deceiving or attempting to deceive other persons by any means

12 whatsoever in regard to any such order or contract or the disposition or execution of any such
 13 order or contract, or in regard to any act of agency performed with respect to such order or
 14 contract for such persons in violation of Sections 4b(a)(2)(i)-(iii) of the Act, 7 U.S.C.
 15 §§ 6b(a)(2)(i)-(iii);

16 2. making use of the mails or any means or instrumentality of interstate commerce to
 17 employ a device, scheme, or artifice to defraud commodity pool participants or prospective pool
 18 participants, or engaging in transactions, practices or courses of business which operate as a
 19 fraud or deceit upon pool participants or prospective pool participants, in violation of Section
 20 4a(1) of the Act, 7 U.S.C. § 6a(1);

21 3. advertising in a manner that employs a device, scheme, or artifice to defraud
 22 commodity pool participants or prospective pool participants, or engaging in transactions,
 23
 24
 25
 26

1 practices or courses of business which operate as a fraud or deceit upon pool participants or
2 prospective pool participants, in violation of Regulation 4.41(a), 17 C.F.R. § 4.41(a);

3 4. making use of the mails or any means or instrumentality of interstate commerce in
4 connection with a business as a commodity pool operator, unless first registered with the
5 Commission, in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1);

6 5. associating with a commodity pool operator as a partner, officer, employee,
7 consultant, or agent, or any person occupying a similar status or performing similar functions, in
8 any capacity that involves (1) the solicitation of funds, securities, or property for participation in
9 a commodity pool or (2) the supervision of any person or persons so engaged, unless such person
10 is registered with the Commission as an associated person of such commodity pool operator, or
11 permitting such a person to become or remain associated with the commodity pool operator in
12 any such capacity, in violation of Section 4k(2) of the Act, 7 U.S.C. § 6k(2);

14 6. operating a commodity pool that is not also a cognizable legal entity separate
15 from the pool operator; commingling the property of any commodity pool with that of any other
16 person; and receiving funds, securities, or other property from commodity pool participants not
17 in the name of the commodity pool in violation of Regulation 4.20, 17 C.F.R. § 4.20;

19 7. operating a commodity pool without delivering proper pool disclosure documents
20 to pool participants, and receiving funds from pool participants without receiving from pool
21 participants acknowledgement that they received the required pool disclosure document in
22 violation of Regulation 4.21, 17 C.F.R. § 4.21;

23 8. engaging in, controlling, or directing the trading for any commodity futures,
24 security futures, options on futures, or foreign currency options account for themselves or on
25 behalf of any other person or entity, whether by power of attorney or otherwise; and
26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

IV.

List of Entities and Individuals Associated with Defendants

THE PARTIES AGREE AND IT IS FURTHER ORDERED that:

Within five days of the date of this Order, Snyder shall provide the Commission a full and complete list of all individuals, groups, organizations, businesses, or agent(s) of such individuals, groups, organizations or businesses that solicited, accepted, or received funds, securities, or property on behalf of defendants to trade in or in connection with commodity pools, including, without limitation, the names, addresses, and telephone numbers of each individual, group, organization, business, or agent(s) of such individual, group, organization or business.

V.

Power to Appoint a Receiver

THE PARTIES AGREE AND IT IS FURTHER ORDERED that:

The Commission shall have the authority and discretion to appoint a Receiver.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

VI.

Force and Effect

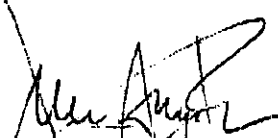
THE PARTIES AGREE AND IT IS FURTHER ORDERED that:

This Order shall remain in full force and effect until further order of this Court and that this Court retains jurisdiction of this matter for all purposes. The *ex parte* Statutory Restraining Order previously ordered by the Court shall remain in full force and effect until further order of this Court.

SO ORDERED, this 3rd day of Nov., 2006, at Reno, Nevada.



LARRY R. HICKS
UNITED STATES DISTRICT JUDGE



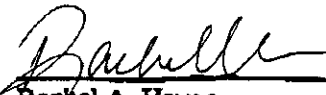
William Snyder
Date: October 26, 2006

Approved as to form:



Fred Atcheson
930 Evans Avenue
Reno, NV 89512
Tel.: (775) 332-5255
Fax: (775) 736-9658
fatcheson@federim.com

Attorney for William Snyder
Date: October 26, 2006



Rachel A. Hayes
Jo Mettenburg
Charles D. Marvine
Commodity Futures Trading Commission
Two Emanuel Cleaver II Blvd., Ste. 300
Kansas City, MO 64112
Tel.: (816) 960-7741 (Hayes)
Tel.: (816) 960-7744 (Mettenburg)
Tel.: (816) 960-7743 (Marvine)
Fax: (816) 960-7750
rhayes@cftc.gov
jmettenburg@cftc.gov
cmarvine@cftc.gov

Attorneys for Defendants
Date: October 26, 2006