

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
FT. LAUDERDALE DIVISION

UNITED STATES COMMODITY	)	
FUTURES TRADING COMMISSION,	)	
	)	Civil Action No. _____
Plaintiff,	)	
	)	
v.	)	
	)	COMPLAINT FOR PERMANENT
	)	INJUNCTION, CIVIL MONETARY
ANGUS JACKSON, INC., a Florida	)	PENALTIES, AND OTHER
corporation; MARTIN HAROLD BEDICK,	)	EQUITABLE RELIEF
an individual; MARTIN B. ROSENTHAL,	)	
an individual	)	
	)	
	)	
Defendants,	)	
	)	
	)	

Plaintiff, the United States Commodity Futures Trading Commission  
("Commission" or "CFTC"), by its attorneys, alleges as follows:

I. SUMMARY

1. From at least January 2002 to at least August 2010 ("relevant period"), Angus Jackson, Inc., ("Angus Jackson"), a registered introducing broker ("IB"), through its employee and principal, Martin Harold Bedick ("Bedick"), and Bedick directly, engaged in acts and practices that violated Section 9(a)(4) of the Commodity Exchange Act (the "Act"), 7 U.S.C. § 13(a)(4) (2006). Specifically, Bedick, while acting on behalf of Angus Jackson, willfully lied to and concealed material facts from the National Futures Association ("NFA") during the course of routine NFA audits of Angus Jackson

in 2005, 2008, and 2010 regarding the business relationship that Angus Jackson maintained with Martin B. Rosenthal (“Rosenthal”).

2. Further, from approximately January 2000 to at least December 2008, Rosenthal engaged in acts and practices that: aided and abetted Bedick’s violations pursuant to Section 13(a), 7 U.S.C. 13c(a)(2006); acted as an unregistered commodity trading advisor (“CTA”) in violation of Section 4m(1), 7 U.S.C. 6m(1)(2006); failed to obey a Commission Order, thereby automatically prohibiting him from trading on a registered entity, in violation of Sections 6(c) and 14(f) of the Act, 7 U.S.C. §§ 9, 15 and 18(f) (2006), and trading in violation of that prohibition, also in violation of Section 6(c).

3. Bedick committed the acts and omissions described herein within the course and scope of his employment at Angus Jackson. Therefore, Angus Jackson is liable under 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 (2008) as principal for its agent’s acts constituting violations of the Act.

4. Bedick is liable under Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006), as a controlling person of Angus Jackson for its violations of the Act because he did not act in good faith or knowingly induced, directly or indirectly, the acts constituting the violations.

5. Accordingly, pursuant to Section 6c of the Act, 7 U.S.C. §§ 13a-1 (2006), the Commission brings this action to enjoin Angus Jackson’s, Bedick’s and Rosenthal’s (collectively, “Defendants”) unlawful acts and practices and to compel their compliance with the Act, as amended by 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 (effective date July 16, 2011). In addition, the Commission seeks civil monetary penalties and remedial ancillary relief, including, but not limited to, trading and registration bans, disgorgement, pre- and post-judgment interest, and such other relief as the Court may deem necessary and appropriate.

6. Unless restrained and enjoined by this Court, Defendants are likely to continue to engage in the acts and practices alleged in this Complaint and similar acts and practices, as more fully described below.

## II. JURISDICTION AND VENUE

7. This Court has jurisdiction over this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), which provides that whenever it shall appear to the CFTC that any 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 the Regulations, the CFTC may bring an action in the proper district court of the United States against such person to enjoin such practice, or to enforce compliance with the Act and the Regulations.

8. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2006), because Defendants transacted business in the Southern District of Florida and certain of the transactions, acts, practices, and courses of business alleged herein occurred, are occurring, and/or are about to occur within this District.

### III. PARTIES

9. **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged with the administration and enforcement of the Act and the Regulations. The CFTC maintains its principal office at Three Lafayette Centre, 1155 21<sup>st</sup> Street, NW, Washington, D.C. 20581.

10. **Angus Jackson, Inc.** is a corporation organized under the laws of the State of Florida with a principal place of business in Fort Lauderdale, Florida. Angus Jackson has been registered as an IB and a member of the NFA since January 14, 1992 and as a notice broker since October 24, 2002. As an IB, among other things, Angus Jackson introduces customer accounts to futures commission merchants ("FCM") and makes trading recommendations to its customers. For its services, Angus Jackson receives fees and commissions.

11. **Martin Harold Bedick** resides in Boca Raton, Florida. He has been registered with the Commission as an associated person ("AP") of Angus Jackson since November 27, 1992. Bedick has been listed as a Principal of Angus Jackson since March 10, 1994 and is the Chief Financial Officer and Vice President of Angus Jackson.

12. **Martin B. Rosenthal** resides in Fort Lauderdale, Florida. He was previously registered with the Commission as an AP of Prudential Equity Group, LLC from May 19, 1982 to September 24, 1982; as an AP of Fahnestock International Inc. from March 20, 1984 to November 23, 1984; and was listed as a Principal of First Financial Asset Management N A Inc., a registered commodity pool operator ("CPO")

and CTA from at least August 16, 1984 to November 30, 1987. Rosenthal has not been registered in any capacity since at least 1988.

#### IV. OTHER RELEVANT ENTITY

13. **The National Futures Association** is a futures association registered with the Commission pursuant to Section 17 of the Act, 7 U.S.C. § 21 (2006). The NFA is a private corporation that serves as an industry self-regulatory organization. Its membership is composed of FCMs, CPOs, CTAs, IBs and other futures professionals registered with the CFTC. The NFA is responsible, under CFTC oversight, for certain aspects of the regulation of these futures entities and their associated persons. *See* Regulation 3.75, 17 C.F.R. § 3.75 (2011). Among other things, the NFA focuses on the qualifications and proficiency, financial condition, retail sales practices, and business conduct of its members.

#### V. FACTS

##### A. **Bedick Made False Statements and Concealed Material Facts from the NFA; Rosenthal Aided and Abetted These False Statements**

14. Rosenthal began trading his own personal commodity futures (“futures”) and options on futures (“options”) account through Angus Jackson in approximately 1995 or 1996. Starting in approximately 2000 or 2001, Rosenthal solicited friends, friends of friends, and various members of the general public to trade futures and options through Angus Jackson. Rosenthal was provided limited power of attorney to trade on behalf of his clients.

15. On or about January 2002, Bedick and Rosenthal discussed an arrangement by which Angus Jackson would compensate Rosenthal for commissions

generated by Rosenthal in connection with his clients' futures and options trading.

Bedick wanted to insure that Rosenthal's clients continued to trade futures and options through Angus Jackson.

16. In order for Rosenthal to be compensated and conduct business in this manner, the Act requires that he be registered.

17. Rosenthal, however, explained to Bedick on various occasions that he could not be registered with the Commission in any capacity because he (Rosenthal) had failed to pay an outstanding CFTC reparations award ("Reparations Award"), see Section V.B, *infra*.

18. Rosenthal was a Respondent in a CFTC reparations action ("Reparations Action"), CFTC Docket No. 87-R351. The Commission found in the Reparations Action that Rosenthal engaged in misrepresentation and fraud in violation of Section 40(1) of the Act, 7 U.S.C. § 60(1) and awarded the complainant a Reparations Award in the amount \$13,026.13, plus interest. Rosenthal was required to pay the Reparations Award by October 17, 1988; however, this payment was never made.

19. Despite Rosenthal's conversations with Bedick, explaining that he could not be registered in any capacity, Bedick permitted Rosenthal to trade clients' accounts – an activity that normally requires registration – and assured Rosenthal that he would arrange for Rosenthal to be paid. In January 2002, Angus Jackson began to pay Rosenthal directly for the commissions generated from the client accounts he traded.

20. Bedick arranged a detailed split of the money between Angus Jackson and Rosenthal for the commissions generated from trades Rosenthal made in client accounts.

From approximately January 2002 to December 2008, total commissions generated by the client accounts introduced and traded by Rosenthal equaled approximately \$1,553,000, of which Angus Jackson received approximately \$955,000 and Rosenthal received approximately \$598,000.

21. In or about 2004 to 2005, in an effort to avoid discovery by the NFA during a scheduled audit of Angus Jackson, Bedick concocted a scheme to conceal the payments to Rosenthal. In fact, on December 15, 2004, Bedick, contemplating a way to cover up the payments, stated in an email to Rosenthal that: “[n]ow, the odds are we are due for an NFA audit sometime in 2005. It’s been two years. There is no way I will be able to get away with paying someone who is not registered the amount I am sending you.”

22. Prior to the NFA’s 2005 audit, Angus Jackson began paying Rosenthal directly and through his company, Jarma Trading, Inc. (“Jarma”). Rosenthal agreed to create fake invoices, purportedly related to the purchase of computer services and software, for Angus Jackson to provide to NFA auditors as a way to conceal the payments to Rosenthal, should the company be audited by the NFA. Further, Bedick and Rosenthal agreed that the invoice amounts would be round numbers so as to appear more like consulting fees and not like payments based on commissions.

23. During the 2005 NFA audit, Bedick was asked by the NFA about a \$25,000 payment to Jarma from Angus Jackson. Bedick told the NFA that Jarma was owned and operated by Rosenthal and that the payment was for software development and a meeting – a one-time event to discuss Rosenthal’s system. These statements were

false. In fact, the payments to Jarma represented payments made by Angus Jackson to Rosenthal, which were funneled through Jarma, for the commissions generated from Rosenthal's trading.

24. In 2008, the NFA conducted another regularly scheduled audit of Angus Jackson. During this audit, Bedick again made false statements to the NFA regarding payments of \$13,000 and \$17,000 to Jarma from Angus Jackson. Bedick told the NFA that the payments were for services pertaining to the development of new software, trading systems, and options programs. These statements were false. In fact, the payments to Jarma represented payments made by Angus Jackson to Rosenthal, which were funneled through Jarma, for the commissions generated from Rosenthal's trading.

25. In August 2010, the NFA conducted another regularly scheduled audit of Angus Jackson.

26. Prior to the 2010 NFA audit, Rosenthal contacted the NFA and admitted being part of a scheme to conceal material facts from the NFA regarding Rosenthal's and Jarma's business relationship with Angus Jackson. Rosenthal admitted to the NFA that he had assisted Angus Jackson in the scheme to conceal and deceive NFA auditors regarding the payments he received for trading client accounts through Angus Jackson. Rosenthal admitted to creating and providing Angus Jackson with false invoices. Rosenthal stated that he knew Angus Jackson would show these false invoices to the NFA in order to hide the fact that he, though unregistered, was receiving compensation for trading client accounts through Angus Jackson.

27. On or about August 10, 2010, the NFA arrived at Angus Jackson's offices to conduct its audit. The NFA confronted Bedick with the information that Rosenthal provided regarding the purpose of the payments to Jarma. Initially, Bedick continued to lie that the payments to Jarma were for trading systems and software.

28. Subsequently during the August 2010 NFA audit, Bedick finally admitted that Jarma never developed or provided trading systems to Angus Jackson and that Jarma was merely a vehicle used to make payments to Rosenthal for trading client accounts through Angus Jackson. Further, Bedick admitted that he had made false statements to the NFA during the 2005 and 2008 audits.

**B. Rosenthal Failed to Comply with a Commission Order and is Prohibited from Trading**

29. On September 12, 1988, a CFTC Administrative Law Judge ("ALJ") found Rosenthal liable for misrepresentation and fraud in violation of Section 4o(1) of the Act, 7 U.S.C. § 6o(1) in the Reparations Action. The ALJ ordered Rosenthal to make restitution to the complainant of \$13,026.13, plus interest (the Reparations Award).

30. Pursuant to Regulation 12.314(d), 17 C.F.R. 12.314(d) (1988), the ALJ's decision became the final decision and order of the Commission thirty days after service on Rosenthal. Rosenthal was served on September 17, 1988, thus the Commission's order became final ("Commission Order") on or about October 17, 1988.

31. To date, Rosenthal has never paid the Reparations Award and is therefore in violation of the Commission Order.

32. Pursuant to Section 14(f) of the Act, 7 U.S.C. § 18 (1982), on or about October 30, 1988, Rosenthal was, and still is, prohibited from trading on all registered entities due to his failure to comply with the Commission Order.

33. Despite this prohibition, Rosenthal traded on behalf of clients on registered entities.

**C. Rosenthal Acted As An Unregistered Commodity Trading Advisor**

34. From approximately January 2000 to at least December 2008, Rosenthal acted in a capacity requiring registration as a CTA by 1) holding himself out as a CTA by soliciting clients to trade futures and options; 2) trading on behalf of clients; and 3) receiving financial compensation in return for trading client accounts.

35. Rosenthal was not registered in any capacity from January 2000 to December 2008.

36. By failing to comply with the Commission Order and then acting in a manner that required registration, Rosenthal intentionally circumvented the Commission Order. Had Rosenthal come into compliance with the Commission Order, he would have been eligible to seek registration as a CTA.

**C. Bedick Controls Angus Jackson**

37. At all material times, Angus Jackson was majority owned by Bedick. Bedick held himself out to the public as Angus Jackson's Chief Financial Officer and Vice President and solicited members of the general public to invest through Angus Jackson. Upon information and belief, Bedick managed Angus Jackson's day-to-day operations including, but not limited to, hiring traders and corresponding with clients,

paying bills and being a signatory on Angus Jackson's bank accounts. As such, Bedick is a controlling person of Angus Jackson.

38. By virtue of their actions, Angus Jackson and Bedick have engaged, are engaging, or are about to engage in acts and practices that violate Sections 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006). Bedick committed the acts and omissions described herein within the course and scope of his employment at Angus Jackson. Therefore, Angus Jackson is liable under 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 (2008), as principal for its agent's acts constituting violations of the Act. Bedick is liable as a control person of Angus Jackson pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006), because he did not act in good faith or knowingly induced, directly or indirectly, the acts constituting the violations.

39. By virtue of his actions, Rosenthal has engaged, is engaging, or is about to engage in acts and practices that violate Sections 9(a)(4), 4m(1), 6(c), and 14(f) of the Act, 7 U.S.C. §§ 13(a)(4), 6m(1), 9, 15 and 18(f) (2006).

## **VI. VIOLATIONS OF THE COMMODITY EXCHANGE ACT**

### **COUNT I**

#### **Concealing Material Facts and Making False Statements or Representations to the NFA (Angus Jackson, Bedick and Rosenthal) Violation of Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4)**

40. The allegations set forth in paragraphs 1 through 39 are realleged and incorporated herein by reference.

41. Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006), makes it unlawful for any person willfully to falsify, conceal, or cover up by any trick, scheme, or artifice a material fact, make any false, fictitious, or fraudulent statements or representations, or make or use any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry to a registered entity, board of trade, or futures association designated or registered under the Act acting in furtherance of its official duties under the Act.

42. NFA is a futures association registered with the Commission. In furtherance of its official duties under the Act, NFA requested information from Angus Jackson to determine whether Angus Jackson was operating within the scope of its registration.

43. From January 2002 to August 2010, and during NFA audits in 2005, 2008 and 2010, Bedick willfully concealed material facts and made false statements or misrepresentations to the NFA, including but not limited to, the payments to Rosenthal, directly and through Jarma, for commissions generated from trading client accounts in violation of Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006).

44. The acts, omissions and misrepresentations by Bedick were willful and material.

45. The foregoing acts, omissions and misrepresentations and willful concealment to NFA by Bedick occurred within the scope of his employment with Angus Jackson; therefore, Angus Jackson is liable for these acts 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 (2008).

46. Bedick controls (and controlled during the relevant period) Angus Jackson, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, Angus Jackson's conduct alleged in this Count. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2006), Bedick is liable for Angus Jackson's violations of Sections 9(a)(4) of the Act, 7 U.S.C. §§ 13(a)(4) (2006).

47. Rosenthal willfully aided and abetted Bedick's willful concealment or cover up of material facts, and the making of false statements or misrepresentations to the NFA through his role in creating false invoices from Jarma to Angus Jackson. Rosenthal, therefore, is liable for Bedick's Section 9(a)(4) violations, pursuant to Section 13(a) of the Act, 7 U.S.C. § 13c(a) (2006).

48. Each false, fictitious, or fraudulent statement, representation or omission made to the NFA during the audits of Angus Jackson, and each act of concealment, including but not limited to, those specifically alleged herein, is alleged as a separate and distinct violation of Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006).

49. Rosenthal is separately liable pursuant to Section 13(a) of the Act, 7 U.S.C. § 13c(a) (2006), for each separate and distinct occasion on which he willfully aided and abetted Bedick in his violations of Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006).

## **COUNT II**

**Failure to Register as a Commodity Trading Advisor  
(Rosenthal)  
Violations of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2006)**

50. The allegations set forth in paragraphs 1 through 39 are realleged and incorporated herein by reference.

51. Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2006), states that it is:

Unlawful for any commodity trading advisor...unless registered under this Act, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such commodity trading advisor...Provided, that this section shall not apply to any commodity trading advisor who, during the course of the preceding twelve months, has not furnished commodity trading advice to more than fifteen persons and who does not hold himself out generally to the public as a commodity trading advisor.

52. Section 1a(6)(A)(i) of the Act, 7 U.S.C. § 1a(6)(A)(i) (2006), defines a CTA, in relevant part, as any person who:

For compensation or profit, engages in the business of advising others, either directly or through publications, writings or electronic media, as to the value of or the advisability of trading in (1) any contract of sale of a commodity for future delivery made or to be made on or subject to the rules of a contract market or derivatives transaction execution facility; or (2) any commodity option authorized under section 6c of this title;

53. As set forth above, from approximately January 2000 to at least December 2008, through the use of the mails or any instrumentality of interstate commerce, Rosenthal acted as a CTA without being registered. Rosenthal held himself out as a CTA by soliciting members of the general public, trading their accounts on registered entities, and receiving compensation for his services, all in violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2006).

54. Each act, representation or omission or failure of Rosenthal, including, but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2006).

**COUNT III**

**Failure to Comply with a Commission Order  
(Rosenthal)**

**Violations of Sections 6(c) and 14(f) of the Act, 7 U.S.C. §§ 9, 15 and 18(f) (2006)**

55. The allegations set forth in paragraphs 1 through 39 are realleged and incorporated herein by reference.

56. Section 6(c) of the Act, 7 U.S.C. § 9, 15 (2006), states that:

If the Commission has reason to believe that any person . . . is violating or has violated any of the provisions of this Act or of the rules, regulations, or orders of the Commission thereunder, it may serve upon such person a complaint stating its charges in that respect . . .

57. Section 14(f) of the Act, 7 U.S.C. § 18(f) (2006), states that:

Unless a party against whom a reparation order has been issued shows to the satisfaction of the Commission within fifteen days from the expiration of the period allowed for compliance with such order that . . . payment of the full amount of the order (or an agreed settlement thereof) has been made, such party shall be prohibited automatically from trading on all registered entities and, if the party is registered with the Commission, such registration shall be suspended automatically . . . until such party shows to the satisfaction of the Commission that payment of such amount with interest thereon to date of payment has been made.

58. Pursuant to Regulation 12.314(d), 17 C.F.R. § 12.314(d) (1988), an initial decision in a formal proceeding becomes a final decision and order of the Commission thirty days after service. Rosenthal was served with the initial decision on September 17, 1988 and it became the Commission Order on or about October 17, 1988. Rosenthal has never paid the Reparations Award.

59. Rosenthal was prohibited from registering with the NFA for failing to pay the Reparations Award.

60. As set forth above, from approximately January 2000 to at least December 2008, Rosenthal traded on a registered entity on behalf of himself and his clients, despite the prohibition, in violation of Section 14(f) of the Act, 7 U.S.C. § 18(f) (2006)

61. Rosenthal's activities that constitute violations of Section 14(f) of the Act, 7 U.S.C. § 18(f) (2006) also violate Section 6(c), 7 U.S.C. § 9, 15 (2006), in that Rosenthal violated a Commission Order issued under the Act.

62. Each act, representation or omission or failure of Rosenthal, including, but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 6(c) and 14(f) of the Act, 7 U.S.C. §§ 9, 15 and 18(f) (2006).

#### **VII. RELIEF REQUESTED**

**WHEREFORE**, the CFTC 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 Angus Jackson, Bedick and Rosenthal (as an aider and abettor) violated Section 9(a)(4) of the Act, 7 U.S.C. § 13(a)(4) (2006), and that Rosenthal violated Sections 4m(1), 6(c) and 14(f) of the Act, 7 U.S.C. §§ 6m(1), 9, 15 and 18(f) (2006).

b) An order of permanent injunction prohibiting Angus Jackson, Bedick and Rosenthal, and any of their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with Angus Jackson, Bedick and Rosenthal, including any

successor thereof from engaging, directly or indirectly in conduct in violation of Section 9(a)(4), as amended by the Dodd-Frank Act, to be codified at 7 U.S.C. § 13(a)(4).

c) An order of permanent injunction prohibiting Rosenthal and any of his agents, servants, employees, assigns, attorneys, and persons in active concert or participation with Rosenthal, including any successor thereof from engaging, directly or indirectly in conduct in violation of 4m(1), 6(c) and 14(f) of the Act, as amended by the Dodd-Frank Act, to be codified at 7 U.S.C. §§ 6m(1), 9, 15 and 18(f).

d) An order of permanent injunction prohibiting Defendants and any of their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with them, including any successor thereof from engaging in, directly or indirectly:

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

(bb) entering into any transactions involving futures, options, commodity options (as that term is defined in Regulation 1.3(hh), 17 C.F.R. § 1.3(hh) (2011)), security futures products and/or foreign currency (“forex contracts”) (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i) (Supp. III 2009)), for their own personal or proprietary account or for any account in which they have a direct or indirect interest;

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

(dd) 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 futures, options, commodity options, security futures products, and/or forex contracts;

(ee) soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any futures, options, commodity options, security futures products, and/or forex contracts;

(ff) 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); and

(gg) 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 that term is defined in Section 1a of the Act, as amended by the CRA and the Dodd-Frank Act, to be codified 7 U.S.C. § 1a) 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).

e) 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

received 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;

f) An order directing each Defendant to pay a civil monetary penalty in the amount of the higher of (1) triple the monetary gain to Defendant for each violation of the Act or (2) \$130,000 for each violation of the Act from October 23, 2004 through October 22, 2008, and \$140,000 for each violation of the Act on or after October 23, 2008, plus post-judgment interest;

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

h) Such other and further relief as the Court deems proper.

Dated: March 12, 2012

Respectfully submitted,

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