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**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION AT MEMPHIS**

ROBERT R. D'ARZIO
CLERK, U.S. DIST. CT.
W.D. OF TN, MEMPHIS

COMMODITY FUTURES TRADING COMMISSION)	
)	Case No. 04-2181-D A
Plaintiff,)	
)	CONSENT ORDER
v.)	REGARDING PLAINTIFF'S
)	MOTION FOR CONTEMPT,
FxTRADE FINANCIAL, LLC, ET AL.,)	IMMEDIATE COMPLIANCE
)	WITH COURT ORDERS, AND
Defendants,)	SANCTIONS
)	
JOSEPH J. CECALA, JR.,)	
)	
Relief Defendant.)	
)	

Plaintiff U.S. Commodity Futures Trading Commission (Commission) has filed a Motion for Contempt, Immediate Compliance with Court Orders, and Sanctions Against Defendants FxTrade Financial, LLC (FxTrade); Jeffrey A. Mischler (Mischler); and Mary Jo Sibbitt (Sibbitt) and Participating Nondefendants TradeQuest Inc. (TradeQuest); Geneva Properties Inc. (Geneva); Rodney W. Jefferson (Jefferson); Catherine M. Mischler (Catherine Mischler); Ernst H. Behr (Behr); Gordon J. Vandeveld (Vandeveld); Reverie LLC (Reverie); Steven P. Sibbitt, Sr. (Steven Sibbitt); and Kelly B. Freeman (Docket Entry # 25). The Court has considered the Commission's motion, exhibits, and memoranda filed in support of the motion, all oppositions, memoranda, and exhibits filed in response thereto, and the arguments of counsel and the parties during the December 3, 2004 hearing held pursuant to the Court's Order Requiring Defendants to Appear and Show Cause. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Jefferson, Catherine Mischler, Behr, Vandeveld, Reverie, and Steven Sibbitt have consented to the entry of this Consent Order Regarding Plaintiff's

This document entered on the docket sheet in compliance with Rule 58 and/or 79(a) FRCP on _____

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Motion for Contempt, Immediate Compliance with Court Orders, and Sanctions. As it is within the power of this Court to enter this Consent Order, the Court orders the following:

I.

Violations of Court Orders

THE PARTIES AGREE AND IT IS HEREBY ORDERED that:

1. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Jefferson, Catherine Mischler, Behr, Reverie, and Steven Sibbitt violated the Court's Statutory Restraining Order dated March 17, 2004 (SRO) (Docket Entry # 7) and the Consent Order of Preliminary Injunction and for Other Equitable Relief (Consent Order) (Docket Entry # 22) and therefore are in civil contempt of court.
2. Specifically, Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Jefferson, Catherine Mischler, Reverie, and Steven Sibbitt transferred assets in violation of Part I of the SRO. Defendant Sibbitt and Participating Nondefendants Reverie and Steven Sibbitt have yet to return all assets transferred in violation of Part I of the SRO back to the accounts from which the assets were unlawfully removed.
3. Defendants FxTrade and Mischler and Participating Nondefendants TradeQuest, Catherine Mischler, and Jefferson transferred funds outside of the United States in violation of Part III of the SRO.
4. Defendants FxTrade, Mischler, and Sibbitt provided inaccurate and incomplete asset disclosure statements in violation of Part II of the SRO.

5. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Catherine Mischler, Jefferson, Reverie, and Steven Sibbitt "solicit[ed] new customers or otherwise solicit[ed], accept[ed] or receiv[ed] funds or other property from an existing or prospective participant in any investment relating to foreign currency futures contracts" in violation of Part II of the Consent Order.

6. Further, during the Commission's investigation of this contemptuous conduct, Participating Nondefendant Behr provided the Commission intentionally inaccurate information and thereby fostered the contemptuous conduct.

7. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Jefferson, Catherine Mischler, Behr, Reverie, and Steven Sibbitt violated Part V of the Consent Order through their respective violations of the SRO.

II.

Prohibition from Violations of the SRO and Consent Order

THE PARTIES FURTHER AGREE AND IT IS FURTHER ORDERED that:

8. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Jefferson, Catherine Mischler, Behr, Vandeveld, Reverie, and Steven Sibbitt shall immediately comply with the SRO and Consent Order.

9. Defendants FxTrade, Mischler, and Sibbitt and Participating Nondefendants TradeQuest, Catherine Mischler, Jefferson, Reverie, Steven Sibbitt, Behr, and Vandeveld shall not solicit new customers or otherwise solicit, accept, or receive funds or other property from an existing or prospective participant in any investment relating to foreign currency.

III.***Curing Financial Portion of Contempt***

THE PARTIES FURTHER AGREE AND IT IS FURTHER ORDERED that:

10. Defendants FxTrade and Mischler shall purge and have purged the financial portion of the contempt of FxTrade, Mischler, Sibbitt, TradeQuest, Jefferson, Catherine Mischler, Behr, Reverie, and Steven Sibbitt by depositing \$45,000 into the frozen TradeQuest bank account on January 27, 2005, which amount constitutes the remaining funds and/or assets transferred or dissipated in direct contravention of the SRO and Consent Order.

11. Defendant Sibbitt shall purge the financial portion of the contempt of Sibbitt, Reverie, and Steven Sibbitt by depositing \$1,021 into her or Reverie's frozen bank account(s) at Parkway Bank and Trust Company, which amount constitutes the remaining funds and/or assets transferred or dissipated in direct contravention of the SRO and Consent Order.

IV.***Documents Related to Geneva***

THE PARTIES FURTHER AGREE AND IT IS FURTHER ORDERED that:

12. Defendants FxTrade and Mischler have provided Plaintiff certain documents, but not all documents, related to the business activities of Geneva. Plaintiff has sought additional documents through discovery from Defendants FxTrade and Mischler related to the business activities of Geneva, but, as of yet, Defendants FxTrade and Mischler have refused to provide additional documents related to the business activities of Geneva. For purposes of this Order, Plaintiff and Defendants FxTrade and

Mischler agree that no further Geneva documents need be provided. Plaintiff, however, reserves the right to compel Defendants FxTrade and Mischler to produce additional documents related to Geneva through the discovery process.

V.

Further Sanctions

THE PARTIES FURTHER AGREE AND IT IS FURTHER ORDERED that:

13. Defendants FxTrade and Mischler shall reimburse Plaintiff for a portion of the costs and attorneys' fees incurred by Plaintiff in prosecuting the Motion for Contempt, Immediate Compliance with Court Orders, and Sanctions. Specifically, within thirty days of entry of this Order, Defendants FxTrade and Mischler shall pay to Plaintiff \$15,000 to cover such costs and attorneys' fees.

14. If Defendant Sibbitt does not comply with this Order within thirty days after it is entered, Sibbitt shall turn herself into the United States Marshal's office on that day, and she shall be taken into custody and remain incarcerated until she complies with this Order.

VI.

Additional Show Cause Hearing Unnecessary

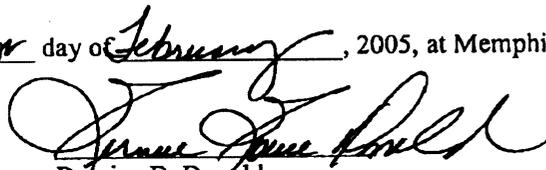
THE PARTIES FURTHER AGREE AND IT IS FURTHER ORDERED that:

15. The Court has set an additional show cause hearing with respect to Plaintiff's Motion for Contempt, Immediate Compliance with Court Orders, and Sanctions on Tuesday, February 1, 2005 at 1:00 p.m. to determine whether additional sanctions, including attorney's fees, are appropriate. This hearing is set before Judge

Bernice B. Donald in Courtroom 3, 9th Floor of the Federal Building, Memphis, Tennessee.

16. Because Plaintiff, Defendants, and Participating Nondefendants have reached agreement with respect to the issues raised in the December 3, 2004 show cause hearing and the remaining issues concerning Plaintiff's Motion for Contempt, Immediate Compliance with Court Orders, and Sanctions, the additional show cause hearing set for February 1, 2005 is unnecessary and hereby cancelled.

SO ORDERED, this 1st day of February, 2005, at Memphis, Tennessee.



Bernice B. Donald
UNITED STATES DISTRICT JUDGE

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P.02

FxTrade Financial, LLC
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Date: January __, 2005

Approved as to form

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Jeffrey Mischler
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by:
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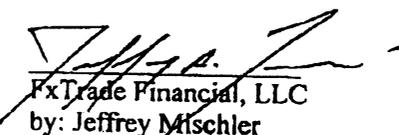
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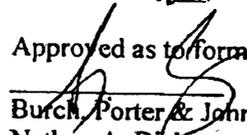
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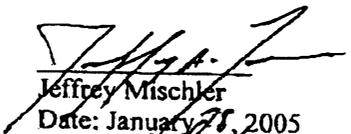
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FxTrade Financial, LLC
by: Jeffrey Mischler
Date: January 28, 2005

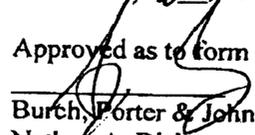
Approved as to form


Burch, Porter & Johnson, PLLC
Nathan A. Bicks
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Mary A. Hale

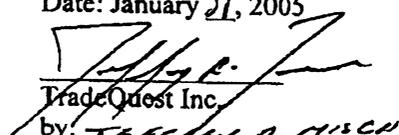
Attorneys for
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Date: January 31, 2005


Jeffrey Mischler
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Mary Jo Sibbitt
Date: January __, 2005

Reverie LLC
by: Mary Jo Sibbitt
Date: January __, 2005

Steven P. Sibbitt, Sr.
Date: January __, 2005

Rodney W. Jefferson
Date: January __, 2005

Ernst H. Behr
Date: January __, 2005

Gordon J. Vandeveld
Date: January __, 2005



Catherine M. Mischler
Date: January 28, 2005

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P.03

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Date: January __, 2005

Reverie LLC
by: Mary Jo Sibbitt
Date: January __, 2005

Steven P. Sibbitt, Sr.
Date: January __, 2005

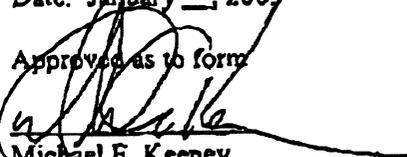
Rodney W. Jefferson
Date: January __, 2005

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p. 2

Mary Jo Sibbitt

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Date: January 28, 2005

Mary Jo Sibbitt

Reverie LLC
by: Mary Jo Sibbitt
Date: January 28, 2005

Steven P. Sibbitt

Steven P. Sibbitt, Sr.
Date: January __, 2005

Rodney W. Jefferson
Date: January __, 2005

Ernst H. Behr
Date: January __, 2005

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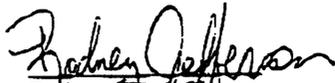
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Mary Jo Sibbitt
Date: January __, 2005

Reverie LLC
by: Mary Jo Sibbitt
Date: January __, 2005

Steven P. Sibbitt, Sr.
Date: January __, 2005


Rodney W. Jefferson
Date: January 28, 2005

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Date: January __, 2005

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Date: January __, 2005

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Mary Jo Sibbitt
Date: January __, 2005

Catherine M. Mischler
Date: January __, 2005

Reverie LLC
by: Mary Jo Sibbitt
Date: January __, 2005

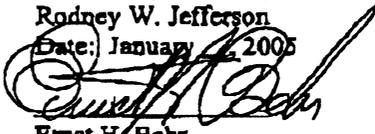
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Date: January __, 2005


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P.2

Mary Jo Sibbitt
Date: January __, 2005

Catherine M. Mischler
Date: January __, 2005

Reverie LLC
by: Mary Jo Sibbitt
Date: January __, 2005

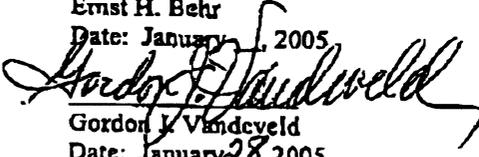
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Gordon K. Vandeveld
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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing document was served upon the following by first class mail on January 31, 2005:

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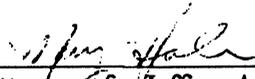
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