

PROCEDURAL HISTORY

The United States Commodity Futures Trading Commission (hereinafter "Commission") filed a four-count Complaint against Respondent Patrick P. Ligammari (hereinafter "Ligammari") on February 11, 2002. In the Complaint, the Division of Enforcement (hereinafter "Division") alleges that Ligammari executed non-bona fide silver exchange for physicals (hereinafter "EFPs") transactions to facilitate the transfer of approximately \$375,000 between two foreign accounts under common ownership in violation of Section 4c(a)(2)(A)(i) of the Commodity Exchange Act (hereinafter "Act) and Commission Regulation 1.38 (hereinafter "Regulation"). The Complaint further alleges that, Ligammari's actions violated a previous Commission order issued April 17, 1990, ordering Ligammari to cease and desist from further violations of Section 4c(a) of the Act. Accordingly, the Complaint also charges Ligammari with violating the Commission's order in contravention of Section 6(c) of the Act. Finally, the Complaint alleges that Ligammari caused non-*bona fide* silver futures prices to be reported in violation of Section 4c(a)(2)(B) of the Act.

On May 8, 2002, Ligammari filed an Answer denying any wrongdoing in connection with the EFP transactions and requesting that the Division's Complaint be dismissed with prejudice. Ligammari's request was denied. The Division submitted its pre-hearing memorandum on December 2, 2002 and Respondent submitted his pre-hearing memorandum on December 10, 2002, after receiving an additional 10-day extension of time. This case was tried on March 24 and 25, 2003, in New York, New York. The parties have submitted post-hearing briefs, including recommended findings of fact and conclusions of law. This matter is now ready for decision.

CONTROLLING LAW

Section 4c(a)(1)(2)(A)(i) of the Act – “It shall be unlawful for any person to offer to enter into, or confirm the execution of a transaction that is commonly known as a ‘wash sale.’”¹

Section 4c(a)(1)(2)(B) of the Act – “It shall be unlawful for any person to offer to enter into, or confirm the execution of a transaction if such transaction is used to cause any price to be reported or registered, or recorded that is not a true and bona fide price.”²

Section 6(c) of the Act – The Commission may serve a complaint upon any person the Commission has reason to believe has violated any of the provisions of the Act or of the rules, regulations or orders of the Commission. The Commission may also issue orders to secure compliance with the provisions of the Act and Regulations.³

Regulation 1.38 – “All purchases and sales of any commodity for future delivery must be executed openly and competitively by open outcry or posting of bids and offers or by other equally open and competitive methods, except for noncompetitive transactions in accordance with written rules of the contract market.”⁴

FINDINGS OF FACT

The findings set forth below are based upon exhibits admitted into the record and the reliable testimony of witnesses. This court found the testimony of Elizabeth Hastings, expert witness for the Division, to be honest, unbiased and reliable.⁵ The testimony of Nicolas Galati, Director of Market Surveillance at the New York Mercantile Exchange, was also equally honest, unbiased and reliable.⁶ In marked contrast, the court found the testimony of Respondent Ligammari to be self-serving and unreliable.

¹ 7 U.S.C. §6c.

² *Id.*

³ 7 U.S.C. §9.

⁴ 17 C.F.R. §1.38

⁵ The findings of fact are based in part on the testimony of expert witness, Elizabeth Hastings, who was a senior futures trading investigator at the CFTC during the time the events giving rise to the instant case occurred (Tr. at 68:22-69:2 & 69:16-70:12).

⁶ The findings of fact are also based on the testimony of expert witness, Nicolas Galati, and the “Galati Report.” Galati investigated Ligammari’s trading activities and was a co-author of the “Galati Report” which details the findings of the NYMEX investigation (Tr. at 5:16-22; 7:10-13 & 8:16-22). Commission Rule of Practice 10.67(a) provides that “relevant, material and reliable evidence shall be admitted. Irrelevant, immaterial, unreliable, and unduly repetitious evidence shall be excluded.” 17 C.F.R. §10.67(a). *See also In re Stotler*, [1986-1987 Transfer

Background

1. Respondent Ligammari has worked in the commodity futures industry since 1957 (Tr. at 114:23). Ligammari started out as a commodity clerk for Reynolds Securities, working at the order desk and later setting up operations on the floor (Tr. at 115:2-17). He stayed at Reynolds for 19 years (Tr. at 115:16-17). Ligammari then worked as an international operations manager and later as an assistant to the president at Acli International (Tr. at 115:5-10). Ligammari was registered as an Associated Person (hereinafter "AP") of Balfour Maclaine Futures, Inc. (hereinafter "Balfour") from 1988 through 1990 (DOE Ex. 10 & National Futures Association registration record). Finally, Ligammari worked as an Account Executive (hereinafter "AE") and branch manager at the New York office of REFCO, previously Lincco Futures Group, LLC (Tr. at 116:9-15).

2. In April of 1997 Yoshihiko Narimatsu (hereinafter "Narimatsu"), one of Ligammari's customers, opened a house omnibus account for C&P Index Corp. (hereinafter "C&P Corp.") at LFG, where Ligammari was working as an account executive (Tr. at 117:15-19). C&P Index Corp. is located in Tokyo, Japan (Ligammari Admissions at ¶6; Tr. at 16:23-17:2). Narimatsu was identified in the account opening documents and Commission Form 102 as the President of C&P Index Corp. (Tr. at 17:4-6; 17:17-25; DOE Exhibit 1 at 00937-938,940,965,983). Commission Form 40 also stated that Narimatsu was the sole person authorized to trade the account (Tr. at 18:2-16; DOE Exhibit 1 at 00937, 940, 982). The account opening documents additionally indicated that Nariumatsu owned a 10 percent or greater interest in the C&P Corp. house omnibus account (Tr. at 19:13-20:20:2; DOE Exhibit 1 at 00989).

Binder] Comm. Fut. L. Rep. (CCH) ¶23,298 at 32,813 (Sept. 30, 1986) ("Factfinders in administrative proceedings may consider relevant and material hearsay.") (citing *Johnson v. U.S.*, 628 F.2d 187, 190 (D.C. Cir. 1980).

3. Ligammari opened a second account, at Narimatsu's request, for C&P (H.K.) Company (hereinafter "HK Company) in February 1998 (Tr. at 18:23-19:4). The HK Company is an incorporated sole proprietorship located in Hong Kong (Tr. at 18:25-19:9 & DOE Ex. 1 at 987-988). Narimatsu was identified in the account opening documents as the President of HK Company and the sole person authorized to trade the HK Company account (Tr. at 19:6-12; DOE Ex. 1 at 989-991).

4. Ligammari was the account executive for both the C&P Corp. and the HK Company accounts (Tr. at 20:21-23; 177:10-13; 24-25 & 178:2-3). Ligammari testified that he was aware that Narimatsu was the President of both C&P Corp. and HK Company when he opened the accounts for Narimatsu (Tr. at 179:11-14). Ligammari also admitted that he was aware that all trade orders for both accounts came from Narimatsu (Tr. at 179:15-17).

5. The C&P Corp. and HK Company accounts were both the under common ownership and control of Narimatsu (Tr. at 20:7-20; 79:6-12).

6. Although Ligammari contested the Division's allegations against him, he offered no convincing, nor credible evidence to support his claims of innocence. While Ligammari admitted to taking equal and opposite trades for C&P Corp. and HK Company (Tr. at 194:23-195:5; 195:10-15), he unpersuasively maintained that they were not wash sales.

Trading Pattern

7. Between March 6 and 9, 1998, a total of \$100,000 was deposited in the C&P Corp. account and \$25,000 was deposited in the HK Company account (Tr. at 80:22-81:17). Both previously had a zero balance and no open positions (Tr. at 80:22-81:7).

8. Around this time, Ligammari asked a clerk, who was working for an independent floor broker, to cross trades between two accounts so that he could transfer funds from one account to

the other (Galati Report, DOE Ex. 1, p. 4; Tr. at 13:23-14:3; 15:2-5). Ligammari identified these two accounts to the clerk as C&P Index Corp. and HK Company by number (Tr. at 15:6-16). The clerk refused to cross the trades. (Tr. at Galati Report, DOE, Ex. 1, p. 4). Thus, Ligammari decided to move the funds between the two accounts through the use of Exchange for Physicals (hereinafter "EFP")⁷ (*Id.*).

9. It is not required that the futures leg of an EFP be executed by open outcry (Tr. at 98:11-15). The two counterparties of the trade determine the price of the futures leg of the EFP (Tr. at 98:16-22).

10. On March 10, 1998, the day the first trades were executed for both accounts, the HK Company purchased five lots of the May July 1998 silver futures spread, while the C&P Corp. account sold exactly five May July 1998 silver futures contracts (Tr. at 81:18-24).

11. On March 11, 1998, the positions in each account were increased by another eight lots, creating a position of thirteen contracts of a spread (Tr. at 82:6-8). Ligammari subsequently offset these open futures positions by executing an EFP transaction between the two accounts, resulting in a profit to the HK Company account and a loss to the C&P Corp. account (Tr. at 82:9-18).

12. On April 21, 1998, the C&P Corp. account sold 30 May 98 silver contracts, while the HK Company account bought the same at prices ranging from \$631.00 to \$635.50. (Tr. at 33:4-5; DOE Ex. 9-A & Ex. 1 at 01015, 01021). The orders for both accounts came in at around the same time and each in a series of two offsetting orders (Tr. at 33:4-24; DOE Ex. 9A & Ex. 1 at

⁷ An EFP is a transaction in which the buyer of a cash commodity transfers to the seller a corresponding amount of long futures contracts, or receives from the seller a corresponding amount of short futures at a price difference mutually agreed upon. Consequently, the opposite hedges in futures of both parties are closed out simultaneously. In the case of a contingent EFP, such as the ones described in this instance, the trades do not result in an actual transfer of ownership of the physical commodity.

01015, 01021). The first order to sell 10 contracts by HK Company and to buy 10 contracts by C&P Corp. were each time stamped at 2:08 p.m. (DOE Ex. 1 at 01015 & 01021). Then a C&P Corp. order to buy 10 contracts was received minutes later at 2:11 p.m., and a coinciding HK Company order to sell 10 contracts was received at 2:12 p.m. (*Id.*). Finally, a C&P Corp. order to buy 10 contracts was received at 2:15 p.m. and a HK Company order to sell 10 contracts came in a minute later at 2:16 p.m. (*Id.*).

13. At 2:20 p.m. the orders for 30 May 98 silver contracts were executed as EFPs in both accounts at \$615.50 (*Id.*). HK Company's purchase of the contracts resulted in a profit of \$27,250 while C&P Corp.'s selling of the contracts resulted in a loss of \$29,000 (Tr. at 33:11-24; DOE Ex. 1 at 01015 & 01021). The physical component of the EFP of each account statement was represented as a purchase and sale of 150,000 ounces of silver bullion (DOE Ex. 1 at 01015, 01021 & Ex. 9-A).

14. This trading pattern, whereby the cash obligation tied to the EFPs was contingent upon and simultaneously offset by equal and opposite silver futures positions, continued in both accounts until May 5, 1998 (*Id.*).

15. By May 5, 1998, Ligammari had executed fourteen EFPs for the C&P Corp. and HK Company accounts using this trading method. (DOE Ex. 1 at 01011-22; Ex. 13 at 00486-502 & Ex. 12 at 00510-26). The EFP transactions consistently resulted in profits for the HK Company account and losses to the C&P Corp. account (Tr. at 79:21-80:4; 28:2-5). Ligammari admitted during testimony that he knew his trading on behalf of the two companies resulted in equal and opposite positions (Tr. at 194:23-195:5 & 195:10-15).

16. After trading in the HK Company account ended on May 5, 1998, approximately \$375,000 had been transferred from C&P Corp. to HK Company (DOE Ex. 1 at 01011-22; Ex.

13 at 00486-502 & Ex. 12 at 00510-26). The funds remained in the HK Company account until September 4, 1998, when it was withdrawn via wire transfer (Tr. at 84:2-7 & DOE Ex. 4 at 00293).

17. The EFPs did not result in an actual transfer of physical silver between C&P Corp. and the HK Company because the physical component of the EFP was offset by equal and opposite futures positions (Tr. at 35:4-11 & DOE Ex. 1 at 00938). Such a transaction is only *bona fide* on COMEX when executed after trading hours (Tr. at 35:12-16).⁸ However, the time stamps show that Ligammari executed all but one of the EFPs during regular trading hours (Tr. at 35:25-36:3; 38:1-8).

18. Ligammari testified that, as a general practice, whenever he received a futures or EFP order while in the office he would immediately write it down and time stamp it (Tr. at 179:18-180:7 & 201:10-12).

19. On all but one of EFPs executed on behalf of both C&P Corp. and HK Company after March 17, 1998, the physical side of the EFP was not executed until the day after the EFP itself was time stamped (Tr. at 185:19-187:13 & DOE Ex. 1 at 01014 & 10120). Because the EFPs were time stamped after 1:50 p.m., near the end of the NYMEX trading day, they reached London outside business hours due to the five-hour time difference (DOE Ex. 1 at 01011-22). Thus, the orders were not filled by the London desk until the next day.

20. The one EFP that was executed the same day it was posted on the trading floor was the one Ligammari time stamped on April 16, 1998 at 8:12 a.m. during business hours in London (DOE Ex. 1 at 01014).

⁸ The hours for silver trading is from 8:25 a.m. to 2:25 p.m. Tr. at 35:20-22.

21. The futures leg of the EFPs were priced after the establishment of the futures positions during trading hours in order to yield consistent profits to the HK Company account and losses to the C&P Corp. account (DOE Ex. 1 at 01011, 14-17, 21-22).

22. Although Ligammari's conduct, described in the findings above, did not directly result in monetary damages to any customer, including Narimatsu's accounts, they were of a serious nature and warrant the sanctions set forth below.

DISCUSSION

Introduction

The events described in the findings set forth above do not suggest a series of mere coincidences, but rather they establish by clear and convincing evidence the deliberate acts taken by Ligammari in order to move funds from one account to another. One can only surmise as to Narimatsu's motive for shifting funds from C&P Corp. to HK Company. Regardless of the motives, the movement of funds between two commonly owned and controlled accounts through the execution of wash sales is a violation of the Act and Regulations.

Wash Sales

Under § 4c(a)(1)(2)(A)(i) of the Act it is "unlawful for any person to offer to enter into, or confirm the execution of a transaction that is commonly known as a 'wash sale.'"⁹ An underlying element of the wash sale is the intent to avoid taking a bona fide position in the market.¹⁰ Ligammari contends that he did not possess the requisite intent to execute wash sales and maintains that he believed he was executing legitimate trades. With over 40 years of experience in the futures industry, it is hard to believe that Ligammari could have missed the simultaneous orders to buy and sell the same silver futures contracts at the same price for both

⁹ 7 U.S.C. §6c.

¹⁰ *In the matter of Mitsubishi Corp.*, 1997 WL 345634 (CFTC).

accounts, the consistent losses to the C&P Corp. account and the equivalent gains to the HK Company account. Such a series of transactions would have undoubtedly raised the eyebrow of any half-awake account executive possessing even less experience and expertise in the futures industry than Ligammari.

Ligammari's actions go beyond that of induced ignorance. Ligammari testified that he knew the C&P Corp. and HK Company accounts were under common ownership and control. The evidence also establishes that, at the behest of Narimatsu, he deliberately transmitted simultaneous orders for the same quantity of futures contracts at the same price for both accounts and placed orders with the LFG London desk to execute EFPs to offset the futures positions. Thus, the evidence establishes that Ligammari executed wash sales for Narimatsu in violation of § 4c(a)(1)(2)(A)(i) of the Act.

Reporting Non-Bona Fide Prices

Under normal market conditions, competitive trading results in bona fide prices of commodities. Section 4c(a)(B) makes it unlawful to "cause any price to be reported or registered, or recorded that is not a true and bona fide price."¹¹ In executing equal and opposite EFPs for the C&P Corp. and HK Company accounts, Ligammari caused non-bona fide prices to be reported, registered and recorded in violation of §4c(a)(2)(B) of the Act.

Noncompetitive Trading

Under Commission Regulation 1.38 all purchases and sales of commodity futures contracts must be executed openly and competitively by open outcry, with the exception of non-competitive transactions executed in accordance with written rules of the contract market.¹² The EFPs at issue are permitted non-competitive transactions under Regulation 1.38 and they are

¹¹ 7 U.S.C. §6c.

¹² 17 C.F.R. §1.38

subject to COMEX Rule 4.36. COMEX Rule 4.36 requires that “the accounts involved have different beneficial ownership or be under separate control.”¹³ The account opening documents of C&P Corp. and HK Company show that Narimatsu is the President of both companies. Additionally, Ligammari testified that during the time of the trading in question, he knew both accounts were under the common ownership and control of Narimatsu.

COMEX rules also state that contingent EFPs may not be executed during normal trading hours.¹⁴ The time stamps on order tickets of the EFPs at issue show that all but one was executed during regular trading hours. Ligammari did not offer any evidence to support his claims that the time stamps were not indicative of when the EFPs were executed and that they were in fact executed outside trading hours. Ligammari also acknowledged during his testimony that no such evidence exists (Tr. at 180:3-181:2).

Ligammari violated exchange rules by causing orders to be entered for EFPs between two commonly owned and controlled accounts, and by causing contingent EFPs to be executed during trading hours. Accordingly, Ligammari violated Regulation 1.38 by executing EFPs that were not in compliance with exchange rules.

Violation of a Commission Order

The case at hand is not the first instance where Ligammari came under suspicion of engaging in wash sales. As discussed above, in April 17, 1990, the Commission found that Ligammari had engaged in wash sales in violation of §4c(a)(A) of the Act and ordered that he cease and desist from further violating §4c(a)(A) of the Act. Section 6(c) of the Act gives the Commission the authority to issue orders to secure compliance with the Act and Regulations.¹⁵

¹³ See Comex Division Rule 4.36.

¹⁴ *Id.*

¹⁵ 7 U.S.C. §9.

Ligammari has demonstrated a total disregard for the Commission's order by engaging in the very activity he was ordered to cease and desist from. By executing wash sales on behalf of C&P Corp. and HK Company in order to move funds from one account to the other in violation of §4c(a) of the Act, Ligammari has consequently violated §6(c).

CONCLUSIONS OF LAW

1. Ligammari violated § 4c(a)(1)(2)(A)(i) of the Act in that he executed wash sales to facilitate the transfer of funds between two foreign accounts under common ownership and control.
2. Ligammari violated §4c(a)(2)(B) of the Act in that he caused non-bona fide prices to be reported, registered and recorded.
3. Ligammari violated Commission Regulation 1.38 in that he executed EFPs that were not in compliance with exchange rules.
4. Ligammari violated §6(c) of the Act in that he violated the Commission's order to cease and desist from further violations of §4c(a) of the Act.

SANCTIONS

Cease & Desist Order

The Division requested that a cease and desist order be entered against Ligammari. Section 6(d) of the Act provides that, a respondent who violates any of the provisions of the Act or Commission regulations may be directed to cease and desist from engaging in any further violations.¹⁶ The Commission has consistently held that the imposition of a cease and desist order is appropriate where the wrongful conduct was repeated and is likely to be repeated in the

¹⁶ 7 U.S.C. 13(b).

future.¹⁷ The likelihood of repetition is considered likely when there has been past misconduct, as opposed to a first time offense, and rehabilitation has not been demonstrated.¹⁸ As previously noted, in 1990 the Commission found that Ligammari violated §4c(a) of the Act. Ligammari's subsequent repeated violations of the same section of the Act warrants the imposition of a cease and desist order. Accordingly, Ligammari is ordered to cease and desist from further violating §4c(a) of the Act.

Trading Suspension

The Division requested a one-year trading suspension against Ligammari. Section 6(c) provides that the Commission may impose a trading ban on a respondent who has violated any provisions of the Act or Regulations.¹⁹ "Trading prohibitions are appropriate when a nexus connects a respondent's violations to the integrity of the futures market."²⁰ A threat to the integrity of the futures market is established if the "conduct erodes 'public perception, protection, and confidence in [the] markets.'"²¹ Violations of §4c(a) are serious because they "undermine the integrity of the market confidence in the market mechanism that underlies price discovery."²²

Ligammari's repeated violations of the Act and Regulations pose a threat to the integrity of the futures market. By repeatedly executing wash sales and causing non-bona fide prices to be reported, Ligammari demonstrated a blatant disregard for regulations designed to protect the

¹⁷ *In the Matter of First Financial Trading, Inc.*, [2000-2002 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶29,089 at 53,690 (CFTC Jul. 8, 2002); *In re Gordon*, [1992-1994 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶25,667 at 40,181 (CFTC Feb. 25, 1993); *In re Fritts*, [1994-1996 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶26,255 at 42,128 (CFTC Nov. 2, 1994); *GNP Commodities Inc.*, [1990-1992 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶25,360 at 39,223 (CFTC Aug. 11, 1992).

¹⁸ *In re Dill-Gage*, [1984-1986 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶22,574 at 30,482 (CFTC June 20, 1984).

¹⁹ 7 U.S.C. §9.

²⁰ *First Financial* at 53,694 citing *In re Incomco*, [1990-1992 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶25,198 at 38,537 (CFTC Dec. 30, 1991).

²¹ *Id.* at 53,694 citing *In the Matter of Miller*, [1994-1996 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶26,440 at 42,914 (CFTC June 16, 1995).

²² *In re Piasio*, [1999-2000 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶28,276 at 50,691 (CFTC Sept. 29, 2000).

futures market and public interest, and to facilitate price discovery. Such violations, if left unpunished, would undoubtedly erode the public's confidence in the markets. Given the fact that Ligammari previously violated §4c(a), a trading ban of one year is appropriate.

Civil Monetary Penalty

Section 6(c) of the Act allows for the assessment of a civil monetary penalty against any respondent who violates the Act or Regulations.²³ Section 6(c) also provides the penalty may not be more than the higher of \$100,000 or triple the monetary gain to such person for such violation.²⁴ Additionally, §6(d) of the Act provides for the assessment of a civil monetary penalty against a respondent who violates a cease and desist order.²⁵ Under §6(d) the amount of the penalty also may not exceed \$100,000 or triple the monetary gain to the respondent.

Civil monetary penalties are imposed to deter the offender from repeating the unlawful acts, and to deter others from engaging in similar activity. Thus, the penalty should be sufficiently high to deter potential violators by making illegal activity unprofitable.²⁶ Section 6(e)(1) of the Act states that in determining the amount of monetary penalty the appropriateness of the penalty to the gravity of the violation must be weighed.²⁷ Ligammari's violations of §4c(a) and Regulation 1.38 were intentional, as was demonstrated by his awareness that he was executing equal and opposite futures and EFP orders for Narimatsu. Additionally, Ligammari's

²³ 7 U.S.C. §9a. The Seventh Circuit Court recently applied this rule on a per count basis. Though the court acknowledged that a narrow reading of §6(c) of the Act would make the maximum penalty \$100,000 per violation, the court ruled that a per count approach was more compatible with a respondent's reasonable expectations. ("A reasonable person in Slusser's position would have assumed that his maximum exposure was \$600,000 and financed his defense accordingly." The Division originally brought a 6-count case against the respondent.) *Slusser v. CFTC*, 210 F.3d 783, 786 (7th Cir. 2000).

²⁴ *Id.*

²⁵ 7 U.S.C. §13a-1(d).

²⁶ *In re GNP Commodities, Inc.* [1990-1992 Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶25,360 at 39,222 (CFTC Aug. 11, 1992).

²⁷ 7 U.S.C. §9a.

proven disregard for the Commission's previous order further justifies the imposition of a high civil monetary penalty.

Accordingly, Ligammari shall pay a civil monetary penalty of \$100,000 for violating §4c(a) of the Act and Regulation 1.38 and a civil monetary penalty of \$100,000 for violating the Commission's cease and desist order of 1990 in contravention of §6(c).

ORDER

Ligammari is ordered to **CEASE AND DESIST** from violations of §4c(a) of the Act and Regulation 1.38.

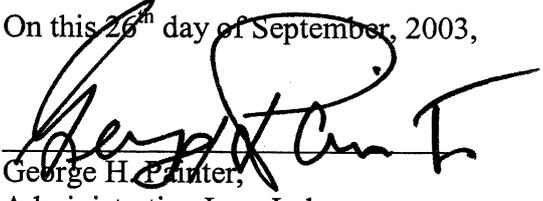
Ligammari is **PROHIBITED**, directly or indirectly, from **TRADING** on or subject to the rules of any contract market, either for his own account or for the account of any persons, interest or equity for a period of one (1) year, and all contract markets are **DIRECTED TO REFUSE** Ligammari any trading privileges for a period of one (1) year.

Ligammari is ordered to **PAY** a civil monetary penalty of \$200,000.

The sanctions set forth above shall become effective the date this decision becomes final.

IT IS SO ORDERED.

On this 26th day of September, 2003,


George H. Painter,
Administrative Law Judge

Leah Vu, Law Clerk