



funds for personal use. Accordingly, the Commission charged Respondents with violating Sections 4b(a)(i)-(iii)<sup>1</sup> and 4g(a)<sup>2</sup> of the Act and Regulations 1.31<sup>3</sup> and 1.35.<sup>4</sup>

On March 7, 2003, the district court issued a Consent Order of Permanent Injunction and other Equitable Relief against Respondents. The district court deemed the facts alleged in the Complaint to be true and ordered Respondents to permanently cease and desist from further violations of Sections 4b(a)(i)(ii)(iii) of the Act and Regulations 1.31 and 1.35. The district court also permanently enjoined Respondents from trading commodity futures, security futures or options accounts and from applying for registration with the Commission. The district court held Respondents jointly and severally liable for restitution to investors in the amount of \$6,274,986.84 plus pre-judgment interest from February 8, 2002 to the date of the Consent Order. Finally, the district court ordered Respondent Snively to pay a civil monetary penalty of \$360,000 upon the fulfillment of his restitution obligation to investors.

On September 3, 2003 the Division of Enforcement (hereinafter "Division") filed a Notice of Intent to Suspend, Revoke or Restrict Respondent Snively's Registration as an Associated Person. On the same day the Commission's Office of Proceedings also properly served a copy of the Notice by sending it registered mail to Respondent Snively's last known address, as submitted on his application for registration on file with the National Futures Association. The Notice was signed for by "P. Snively," apparently a member of Respondent's household. More than twenty days have elapsed since service of the Division's Notice and Respondent Snively has failed to file a response.

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<sup>1</sup> 7 U.S.C. §§6b(a)(i)-(iii).

<sup>2</sup> 7 U.S.C. §6g(a).

<sup>3</sup> 17 C.F.R. §1.31.

<sup>4</sup> 17 C.F.R. §1.35.

On December 17, 2003 the Division submitted a Motion for Entry of a Default Order against Respondent Snively with proposed findings of fact, conclusions of law and sanctions. The record supports the findings of fact proposed by the Division and they are adopted and incorporated herein by reference only. The Court shall also take judicial notice of the district court's final consent order.

The Division's proposed findings of fact establish conclusively that Respondent Snively violated Sections 4b(a)(i) and (iii) of the Act, as charged in Count One of the complaint, in that he cheated or defrauded, or attempted to cheat or defraud at least 60 investors, and in that he willfully deceived or attempted to deceive those investors regarding their trading accounts, their trading activity and the execution of their orders. As noted in the adopted findings of fact, Respondent Snively engaged in an internet-based commodity futures trading scheme through which he solicited and received over \$2.9 million from investors. However, Respondent Snively conducted no trading on behalf of investors and instead misappropriated investor funds for personal use. Respondent Snively also violated Section 4b(a)(ii) of the Act in that he willfully made or caused to be made false reports or statements by preparing and making available to investors false trading account statements. Additionally, Respondent Snively violated Section 4g(a) of the Act and Regulations 1.31 and 1.35 in that he denied the Commission access to CCI's books and records.

**ORDER**

Respondent Snively violated Sections 4b(a)(i)(ii)(iii), and 4g(a) of the Commodity Exchange Act, and Commission regulations 1.31 and 1.35, as charged in the complaint. Pursuant to Section 8(a)(2)(C),<sup>5</sup> Respondent Snively is statutorily disqualified to serve in a

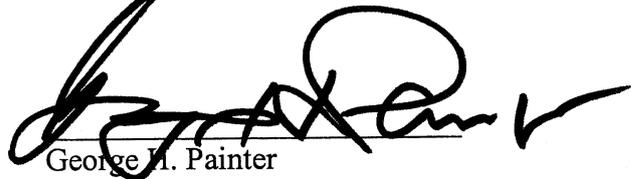
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<sup>5</sup> 7 U.S.C. §12a(2)(C).

registered capacity and his registration as an Associated Person is hereby revoked, effective the date this decision becomes final.

**IT IS SO ORDERED.**

13<sup>th</sup>  
Issued on this day of January 2004,



George H. Painter  
Administrative Law Judge

Leah Vu, Law Clerk