

MA

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

_____	)	
UNITED STATES COMMODITY	)	<b>CIVIL ACTION NO: 12-cv-04043</b>
FUTURES TRADING COMMISSION,	)	
	)	
Plaintiff,	)	<b>Judge: Hon. Thomas M. Durkin</b>
	)	
v.	)	<b>Magistrate Judge: Hon. Maria Valdez</b>
	)	
Bradley Scott Schiller,	)	
	)	
Defendant.	)	
_____	)	

**CONSENT ORDER FOR PERMANENT INJUNCTION, CIVIL  
MONETARY PENALTY AND OTHER EQUITABLE RELIEF AGAINST DEFENDANT  
BRADLEY SCOTT SCHILLER**

**I. INTRODUCTION**

On May 24, 2012, Plaintiff Commodity Futures Trading Commission (“Commission” or “CFTC”) filed a Complaint against Defendant Bradley Scott Schiller (“Schiller” or “Defendant”) seeking injunctive and other equitable relief, as well as the imposition of civil penalties, for violations of the Commodity Exchange Act (“Act”), 7 U.S.C. §§ 1 *et seq.* (2006 and Supp. 2009), 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 (enacted July 21, 2010), to be codified at 7 U.S.C. §§ 1 *et seq.*, and the Commission’s Regulations (“Regulations”) promulgated thereunder, 17 C.F.R. § 1.1 *et seq.* (2012).

## II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Schiller without a trial on the merits or any further judicial proceedings, Schiller:

1. Consents to the entry of this Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendant Schiller ("Consent Order");
2. Affirms that he has read and agreed to this Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has been made by the CFTC or any member, officer, agent or representative thereof, or by any other person, to induce consent to this Consent Order;
3. Acknowledges service of the summons and Complaint;
4. Admits the jurisdiction of this Court over him and the subject matter of this action pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1;
5. Admits the jurisdiction of the CFTC over the conduct and transactions at issue in this action pursuant to the Act, 7 U.S.C. §§ 1, *et seq.*;
6. Admits that venue properly lies with this Court pursuant to Section 6c(e) of the Act, as amended, 7 U.S.C. § 13a-1(e);
7. Waives:
  - a. any and all claims that he may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2006) and 28 U.S.C. § 2412 (2006), and/or the rules promulgated by the CFTC in conformity therewith, Part 148 of the Regulations, 17 C.F.R. §§ 148.1 *et seq.* (2012), relating to, or arising from, this action;
  - b. any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, §§ 201-253, 110 Stat.

847, 857-868 (1996), as amended by Pub. L. No. 110-28, § 8302, 121 Stat. 112, 204-205 (2007), relating to, or arising from, this action;

c. any claim of Double Jeopardy based upon the institution of this action or the entry in this action of any order imposing a civil monetary penalty or any other relief, including this Consent Order; and

d. any and all rights of appeal from this action;

8. Consents to the continued jurisdiction of this Court over him for the purpose of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if Schiller now or in the future resides outside the jurisdiction of this Court;

9. Agrees that he will not oppose enforcement of this Consent Order by alleging that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and waives any objection based thereon;

10. Agrees that neither he nor any of his agents or employees under his authority or control shall take any action or make any public statement denying, directly or indirectly, any allegation in the Complaint or the Findings of Fact or Conclusions of Law in this Consent Order, or creating or tending to create the impression that the Complaint and/or this Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect his:

(a) testimonial obligations; or (b) right to take legal positions in other proceedings to which the CFTC is not a party. Schiller shall undertake all steps necessary to ensure that all of his agents and/or employees under his authority or control understand and comply with this agreement;

11. By consenting to the entry of this Consent Order, neither admits nor denies the allegations of the Complaint or the Findings of Fact and Conclusions of Law in this Consent



Order, except as to jurisdiction and venue, which he admits. Further, Schiller agrees and intends that the allegations contained in the Complaint and all of the Findings of Fact and Conclusions of Law contained in this Consent Order shall be taken as true and correct and be given preclusive effect, without further proof, in the course of: (a) any current or subsequent bankruptcy proceeding filed by, on behalf of, or against Schiller; (b) any proceeding pursuant to Section 8a of the Act, as amended, 7 U.S.C. § 12a, and/or Part 3 of the Regulations, 17 C.F.R. §§ 3.1 *et seq.* (2012); and/or (c) any proceeding to enforce the terms of this Consent Order;

12. Agrees to provide immediate notice to this Court and the CFTC by certified mail, in the manner required by paragraph 60 of Part VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against him, whether inside or outside the United States; and

13. Agrees that no provision of this Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against Schiller in any other proceeding.

### **III. FINDINGS AND CONCLUSIONS**

The Court, being fully advised in the premises, finds that there is good cause for the entry of this Consent Order and that there is no just reason for delay. The Court therefore directs the entry of the following Findings of Fact, Conclusions of Law, permanent injunction and equitable relief pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, as set forth herein.

#### **THE PARTIES AGREE AND THE COURT HEREBY FINDS:**

##### **A. Findings of Fact**

##### **1. The Parties To This Consent Order**

14. Plaintiff Commodity Futures Trading Commission is an independent federal regulatory agency that is charged by Congress with administering and enforcing the Act, as

amended, 7 U.S.C. §§ 1 *et seq.*, and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2012).

15. Defendant **Bradley Scott Schiller** is thirty-seven years old and resides in Chicago, Illinois. Schiller was registered with the CFTC as a floor broker from February 1996 to December 2003.

## 2. Schiller's Solicitation

16. From at least as early as January 2008, Schiller solicited and accepted at least \$7.8 million from at least six investors to trade managed commodity futures accounts for or on their behalf and either share the profits or provide a fixed rate of return.

17. Schiller signed promissory notes with at least three investors whereby Schiller promised to pay the investors a fixed rate of return of 13% per annum, one promissory note whereby Schiller promised to pay the investors a fixed rate of return of 20% per annum, and one promissory note where one investor was promised a fixed rate of return of 13% per annum for a term of two years.

18. On at least four occasions, Schiller or the investor created a limited liability company ("LLC") in connection with the investor agreement. Then, Schiller told investors that he opened trading accounts in the name of the LLC and deposited the investor's funds in that account. In fact, Schiller opened only one of the trading accounts as represented.

19. In July 2009, Schiller opened a trading account in the name of an LLC pursuant to an agreement with an investor. On August 7, 2009, Schiller deposited \$500,000 into that account. The account experienced net trading losses of more than \$43,000 during the next two weeks. On August 20, 2009, Schiller withdrew \$435,000, leaving a balance of approximately \$21,000, and ceased trading the account. By October 15, 2009, Schiller consumed these funds in cash withdrawals or to pay trading fees assessed to the account.

20. Other than the one LLC account mentioned above, Schiller only opened trading accounts in his name and the names of his family members. In June 2011, Schiller opened a trading account in his wife's name and obtained a power of attorney over that account allowing him to direct the trading of the account.

21. In soliciting investors, Schiller claimed to be a profitable commodity futures trader who made consistently large profits.

22. The investors relied on Schiller's representations when deciding whether to initially invest, and when deciding whether to transfer additional funds to Schiller.

23. For example, in approximately April or early May 2011, Schiller told at least one prospective investor that he successfully, and profitably, traded commodity futures for himself and others. In a face to face meeting, Schiller showed the prospective investor bank statements depicting large balances in his account that Schiller said was the result of his commodity futures trading and two Internal Revenue Service Form 1099-Bs reflecting aggregate trading profits of over \$911,000 for the 2009 calendar year and \$1.6 million for the 2010 calendar year. Schiller also provided this prospective investor with trading account statements that depicted profitable futures trading and balances in excess of \$2 million in Schiller's own personal trading account, as well as profitable trading in a trading account in the name of an LLC managed by Schiller. As a result, the investor transferred \$125,000 to Schiller to trade commodity futures contracts.

24. In reality, in May 2011, Schiller maintained only one personal trading account, and it had a month end balance of negative \$915. He managed no accounts in the name of the LLC.

25. As exemplified above in paragraph 23, in order to further his fraud and entice investors to deposit funds with Schiller to trade commodity futures contracts, Schiller distributed



commodity futures trading statements in Schiller's own name and in the name of an LLC managed by Schiller showing profitable trading and large equity balances in excess of \$2 million.

26. These statements were fictitious. In reality, there were no such trading accounts in the name of the LLC and no such balances. Schiller's personal accounts never had an aggregate balance over \$980,000, which occurred in November 2008, after large deposits were transferred into an FCM account. Schiller's trading account experienced net trading losses of over \$800,000 from January 2008 to November 2008.

27. During the relevant time, Schiller's trading resulted in net losses of approximately \$1.6 million. Throughout the investment, Schiller reported profitable trading to the investors and failed to disclose trading losses.

28. Schiller knew he was not a profitable commodity futures trader and failed to inform investors of his trading record. On May 18, 2011, Schiller sent an email to an attorney for an investor that admitted that he had no funds to pay the investor as promised and explained that he could not keep his trading losses "covered up."

29. On information and belief, Schiller has repaid two investors at least \$3.25 million using funds obtained from subsequent investors. At least four investors are still owed at least \$4.55 million.

### **3. Schiller's Misappropriation**

30. Schiller misrepresented how investor's funds would be used. Since January 2008, despite representing that the total amount of investor funds would be deposited into commodity futures trading accounts, Schiller deposited only approximately \$3.7 million of the approximately \$7.8 million received from investors into commodity futures trading accounts at three separate FCMs, leaving \$4.1 million not deposited.

31. During the relevant time, Schiller's commodity futures trading resulted in net trading losses of approximately \$1.6 million. Schiller withdrew approximately \$2.1 million from the trading accounts.

32. Of the \$6.2 million Schiller did not lose trading, Schiller used approximately \$3.25 million to repay two early investors and the rest to pay Schiller's personal debts, including personal loans, mortgage payments, luxury car payments and credit card payments. At least four investors did not know Schiller was using their funds to repay earlier investors or for his personal expenses, and did not approve any such payments.

#### 4. False Account Statements

33. In order to hide the fraud, Schiller provided investors via email or in-person, often monthly, with commodity futures trading account statements showing profitable commodity futures trading and large equity balances up to over \$8 million in accounts in his own name and in the name of an LLC. These statements were fictitious. In reality, no such balances existed in Schiller's accounts and the one LLC account identified in paragraph 15 never had a balance greater than \$579,000, which occurred on or about August 11, 2009.

34. For example, in June 2010, Schiller distributed trading account statements for three individual trading accounts in his own name and one account in the name of an LLC to an investor via email. The statements showed that Schiller experienced profitable trading in one individual account with a balance of over \$650,000, two individual accounts maintained balances of \$1.5 million each, and the LLC account with a balance of \$2.5 million. In reality, Schiller maintained one trading account in his own name that was unprofitable in June 2010, and had a month end balance of approximately \$1,400.

35. On February 9, 2012, Schiller emailed another investor trading account statements representing the daily trading and equity balances for four separate trading accounts, including one



joint account in the investor's name, for February 8, 2012 with balances ranging from approximately \$250,000 to \$2.325 million. In reality, the only funded trading account that Schiller controlled on February 8, 2012 was an account in the name of his wife. The ending equity balance of that account on February 8, 2012 was approximately \$105.

36. Schiller engaged in the acts described above while acting as a commodity trading advisor in that he was in the business of advising others as to the value of or advisability of trading in any contract of sale of a commodity for future delivery made or to be made on or subject to the rules of any contract market in exchange for either sharing or keeping the profits in Schiller's trading accounts.

37. Schiller engaged in the acts and practices described above knowingly or with reckless disregard for the truth.

## **B. Conclusions of Law**

### **1. Jurisdiction and Venue**

38. This Court has jurisdiction over this action pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, 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 any rule, regulation, or order promulgated thereunder, the CFTC may bring an action in the proper district court of the United States against such person to enjoin such act or practice, or to enforce compliance with the Act, or any rule, regulation or order thereunder.

39. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, as amended, 7 U.S.C. § 13a-1(e), because Schiller resides in this jurisdiction and the acts and practices in violation of the Act occurred within this District.

**2. Fraud in Connection with Commodity Futures Contracts for Acts  
Occurring Prior to June 18, 2008**

40. By the conduct described in paragraphs 14 through 37 above, with respect to acts occurring before June 18, 2008, Schiller cheated and defrauded, or attempted to cheat and defraud, and willfully deceived, or attempted to deceive, his investors by, among other things, (i) knowingly or recklessly making false statements and omissions while soliciting members of the public to allow him to direct the trading in a commodity futures trading account; (ii) making, causing to be made, and distributing account statements to investors who entrusted their funds with Schiller that contained false information of exceptional profits, large account equity balances, and accounts in the names of LLCs of which the investors were members, which information Schiller knew to be false or which was provided to investors in reckless disregard of the truth; and (iii) misappropriating investor funds in violation of Section 4b(a)(2)(i) and (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i), (iii) (2006).

**3. Fraud in Connection with Commodity Futures Contracts for Acts  
occurring on or after June 18, 2008**

41. By the conduct described in paragraphs 14 through 37 above, with respect to acts occurring after June 18, 2008, Schiller cheated and defrauded, or attempted to cheat and defraud, and willfully deceived, or attempted to deceive, his investors by, among other things (i) knowingly or recklessly making false statements and omissions while soliciting members of the public to allow him to direct the trading in a commodity futures trading account; (ii) making, causing to be made, and distributing account statements to investors who entrusted their funds with Schiller that contained false information of exceptional profits, large account equity balances, and accounts in the names of LLCs of which the investors were members, which information Schiller knew to be false or which was provided to investors in reckless disregard of

the truth; and (iii) misappropriating investor funds in violation Sections 4b(a)(1)(A)-(C) of the Act, to be codified at 7 U.S.C. §§ 6b(a)(1)(A)-(C).

#### **4. Commodity Trading Advisor Fraud**

42. By the conduct described in paragraphs 14 through 37 above, during the relevant time, while acting as a CTA, Schiller, through the means or instrumentalities of interstate commerce, employed a device, scheme or artifice to defraud his CTA investors and engaged in a transaction, practice or course of business that operated as a fraud or deceit upon his CTA investors and prospective investors in violation of Section 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B). This included, but was not limited to, (1) failing to disclose that he was not a profitable commodity futures trader; (2) omitting the fact that he did not open a trading account in the name of the investor's LLC but rather individual trading accounts to which the investors had no access; (3) creating and distributing false account statements to investors and prospective investors touting equity balances in trading accounts in Schiller's name and in the name of the LLC ranging from \$500,000 to over \$8 million; and (4) misappropriating investor funds for his personal use.

#### **5. Fraud by Manipulative or Deceptive Devices or Contrivances For Acts Occurring on or after August 15, 2011**

43. By the conduct described in paragraphs 14 through 37 above, with respect to acts occurring on or after August 15, 2011, Schiller used or employed manipulative or deceptive devices or contrivances in connection with his solicitation and acceptance of investor funds in connection with contracts of sale of commodities in interstate commerce including, but not limited to, (1) failing to disclose that he was not a profitable commodity futures trader; (2) omitting the fact that he did not open a trading account in the name of the investor's LLC but instead opened and traded individual trading accounts to which the investors had no access;



(3) creating and distributing false account statements to investors and prospective investors touting equity balances in trading accounts in Schiller's name and in the name of the LLC ranging from \$500,000 to over \$8 million; and (4) misappropriating investor funds for his personal use, in violation of Section 6(c)(1) of the Act, as amended, to be codified at 7 U.S.C. § 9, and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2012).

44. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Schiller will continue to engage in the acts and practices alleged in the Complaint and in similar acts and practices in violation of the Act and Regulations.

#### **IV. PERMANENT INJUNCTION**

##### **IT IS HEREBY ORDERED THAT:**

45. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1, Schiller is permanently restrained, enjoined and prohibited from directly or indirectly:

- a. Cheating or defrauding, or attempting to cheat or defraud, other persons in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery that is made, or to be made, for or on behalf of, or with, any other person in violation of Sections 4b(a)(1)(A)-(C) of the Act, as amended, to be codified at 7 U.S.C. § 6b(a)(1)(A)-(C);
- b. Engaging in any transaction, practice or course of business that operates as a fraud or deceit upon any investor and prospective investors, by the use of the mails or any means or instrumentality of interstate commerce, in violation of Sections and 4o(1)(A) and (B) of the Act, 7 U.S.C. § 6o(1)(A) and (B); and
- c. Using or employing manipulative or deceptive devices or contrivances in connection defraud in connection with contracts of sale of commodities in

interstate commerce in violation of Section 6(c)(1) of the Act, as amended, to be codified at 7 U.S.C. § 9, and Regulation 180.1(a), 17 C.F.R. § 180.1(a) (2012).

46. Schiller is also permanently restrained, enjoined and prohibited from directly or indirectly:

- a. Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a of the Act, as amended, 7 U.S.C. § 1a);
- b. Entering into any transactions involving commodity futures, options on commodity futures, commodity options (as that term is defined in Regulation 1.3 (hh), 17 C.F.R. § 1.3(hh) (2012)) (“commodity options”), security futures products, swaps (as that term is defined in Section 1a(47) of the Act, as amended, and as further defined by Commission Regulation 1.3(xxx), 17 C.F.R. § 1.3(xxx) (2012)), and/or foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i) of the Act, as amended, 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i)) (“forex contracts”) for his own personal account or for any account in which he has a direct or indirect interest;
  - a. Having any commodity futures, options on commodity futures, commodity options, security futures products, swaps, and/or forex contracts traded on his behalf;
  - b. Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, including, in particular any account in the name of his spouse, Blair Schiller, in any account involving commodity futures, options on commodity futures, commodity options, security futures products, swaps, and/or forex contracts;

- c. Soliciting, receiving or accepting any funds from any person for the purpose of purchasing or selling any commodity futures, options on commodity futures, commodity options, security futures products, swaps, and/or forex contracts;
- d. Applying for registration or claiming exemption from registration with the CFTC in any capacity, and engaging in any activity requiring such registration or exemption from registration with the CFTC, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012); and/or
- e. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2012)), agent or any other officer or employee of any person (as that term is defined in Section 1a of the Act, as amended, 7 U.S.C. § 1a) registered, exempted from registration or required to be registered with the CFTC except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012).

## **V. RESTITUTION AND CIVIL MONETARY PENALTY**

### **A. Restitution**

47. Schiller shall pay restitution in the amount of four million five hundred sixty-five thousand dollars (\$4,565,000) ("Restitution Obligation"), plus post-judgment interest within ten (10) days of the date of the entry of this Consent Order. Post-judgment interest shall accrue on the Restitution Obligation beginning on the date of entry of this Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Consent Order pursuant to 28 U.S.C. § 1961.

48. To effect payment of the Restitution Obligation and the distribution of any restitution payments to Schiller's investors, the Court appoints the National Futures Association ("NFA") as Monitor ("Monitor"). The Monitor shall collect restitution payments from Schiller and make distributions as set forth below. Because the Monitor is acting as an officer of this



Court in performing these services, the NFA shall not be liable for any action or inaction arising from NFA's appointment as Monitor, other than actions involving fraud.

49. Schiller shall make Restitution Obligation payments under this Consent Order to the Monitor in the name "BRADLEY SCHILLER RESTITUTION FUND" and shall send such Restitution Obligation payments by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier's, or bank money order, to the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606 under cover letter that identifies Schiller by name and the name and docket number of this proceeding. Schiller shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

50. The Monitor shall oversee the Restitution Obligation and shall have the discretion to determine the manner of distribution of such funds in an equitable fashion to Defendant's investors identified by the CFTC or may defer distribution until such time as the Monitor deems appropriate. In the event that the amount of Restitution Obligation payments to the Monitor are of a *de minimis* nature such that the Monitor determines that the administrative cost of making a distribution to eligible investors is impractical, the Monitor may, in its discretion, treat such restitution payments as civil monetary penalty payments, which the Monitor shall forward to the CFTC following the instructions for civil monetary penalty payments set forth in Part V. B. below.

51. Schiller shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Schiller's investors to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of

any Restitution Obligation payments. Schiller shall execute any documents necessary to release funds that he has in any repository, bank, investment or other financial institution, wherever located, in order to make partial or total payment toward the Restitution Obligation.

52. The Monitor shall provide the CFTC at the beginning of each calendar year with a report detailing the disbursement of funds to Schiller's investors during the previous year. The Monitor shall transmit this report under a cover letter that identifies the name and docket number of this proceeding to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

53. The amounts payable to each Investor shall not limit the ability of any Investor from proving that a greater amount is owed from Schiller or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any Investor that exist under state or common law.

54. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each Investor of Schiller who suffered a loss is explicitly made an intended third-party beneficiary of this Consent Order and may seek to enforce obedience of this Consent Order to obtain satisfaction of any portion of the restitution that has not been paid by Schiller to ensure continued compliance with any provision of this Consent Order and to hold Schiller in contempt for any violations of any provision of this Consent Order.

55. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Schiller's Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth above.

**B. Civil Monetary Penalty**

56. Schiller shall pay a civil monetary penalty in the amount of three million dollars (\$3,000,000) ("CMP Obligation"), plus post-judgment interest, within ten (10) days of the date of the entry of this Consent Order. Post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Consent Order pursuant to 28 U.S.C. § 1961 (2006).

57. Schiller shall pay his CMP Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

Commodity Futures Trading Commission  
Division of Enforcement  
ATTN: Accounts Receivables – AMZ 340  
E-mail Box: 9-AMC-AMZ-AR-CFTC  
DOT/FAA/MMAC  
6500 S. MacArthur Blvd.  
Oklahoma City, OK 73169  
Telephone: (405) 954-5644

If payment by electronic funds transfer is chosen, Schiller shall contact Linda Zurhorst or her successor at the address above to receive payment instructions and shall fully comply with those instructions. Schiller shall accompany payment of the CMP Obligation with a cover letter that identifies Schiller and the name and docket number of this proceeding. Schiller shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.



**C. Provisions Related to Monetary Sanctions**

58. **Partial Satisfaction:** Any acceptance by the CFTC or the Monitor of partial payment of Schiller's Restitution Obligation or CMP Obligation shall not be deemed a waiver of his obligation to make further payments pursuant to this Consent Order, or a waiver of the CFTC's right to seek to compel payment of any remaining balance.

**D. Cooperation**

59. Schiller shall cooperate fully and expeditiously with the CFTC, including the CFTC's Division of Enforcement, and any other governmental agency in this action, and in any investigation, civil litigation, or administrative matter related to the subject matter of this action or any current or future CFTC investigation related thereto.

**VI. MISCELLANEOUS PROVISIONS**

60. **Notice:** All notices required to be given by any provision in this Consent Order shall be sent certified mail, return receipt requested, as follows:

**Notice to CFTC:**

Rosemary Hollinger  
Associate Director, Division of Enforcement  
U.S. Commodity Futures Trading Commission  
525 W. Monroe St., Suite 1100  
Chicago, IL 60661

**Notice to Defendant:**

Bradley Schiller  
c/o Jeffrey Schulman  
Counsel for Defendant  
Wolin & Rosen Ltd.  
55 West Monroe St., Suite 3600  
Chicago, IL 60603

All such notices to the CFTC shall reference the name and docket number of this action.

**61. Change of Address/Phone:** Until such time as Schiller satisfies in full his Restitution Obligation and CMP Obligation as set forth in this Consent Order, Schiller shall provide written notice to the CFTC by certified mail of any change to his telephone number and mailing address within ten (10) calendar days of the change.

**62. Entire Agreement and Amendments:** This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify this Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

**63. Invalidation:** If any provision of this Consent Order or if the application of any provision or circumstance is held invalid, then the remainder of this Consent Order and the application of the provision to any other person or circumstance shall not be affected by the holding.

**64. Waiver:** The failure of any party to this Consent Order or of any Investor at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the party or Investor at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

**65. Continuing Jurisdiction of this Court:** This Court shall retain jurisdiction of this action to ensure compliance with this Consent Order and for all other purposes related to this action, including any motion by Schiller to modify or for relief from the terms of this Consent Order.

66. **Injunctive and Equitable Relief Provisions:** The injunctive and equitable relief provisions of this Consent Order shall be binding upon Schiller, upon any person under his authority or control, and upon any person who receives actual notice of this Consent Order, by personal service, e-mail, facsimile or otherwise insofar as he or she is acting in active concert or participation with Schiller.

67. **Counterparts and Facsimile Execution:** This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (by facsimile, e-mail, or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to this Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

68. Schiller understands that the terms of the Consent Order are enforceable through contempt proceedings, and that, in any such proceedings, he may not challenge the validity of this Consent Order.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this *Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendant Bradley Scott Schiller.*

IT IS SO ORDERED on this 30 day of

July, 2013



The Honorable Thomas M. Durkin  
United States District Judge for the  
Northern District of Illinois



CONSENTED TO AND APPROVED BY:

  
Bradley Scott Schiller, Defendant

Date: 5/2/13

Approved as to form:

  
Jeffrey Schilman  
Counsel for Defendant  
Wolin & Rosen Ltd.  
55 West Monroe St., Suite 3600  
Chicago, IL 60603

Date: 5/2/13



Jennifer S. Diamond  
Senior Trial Attorney  
Illinois ARDC No. 6278482  
Attorneys for Plaintiff  
Commodity Futures Trading Commission

525 West Monroe Street, Suite 1100  
Chicago, Illinois 60661  
(312) 596-0549 (Diamond)  
(312) 596-0700 (office number)  
(312) 596-0714 (facsimile)

Dated 7/16/2013