

UNITED STATES OF AMERICA
Before the
U.S. COMMODITY FUTURES TRADING COMMISSION

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Office of Proceedings
Proceedings Clerk

11:12 am, Nov 25, 2014

In the Matter of:)
)
)

Altamont Global Partners LLC)
and John G. Wilkins,)

Registrants.)
_____)

CFTC Docket No. SD 15-01

**NOTICE OF INTENT TO REVOKE THE REGISTRATIONS OF
ALTAMONT GLOBAL PARTNERS LLC AND JOHN G. WILKINS**

I.

The United States Commodity Futures Trading Commission (“Commission”) has received information from its staff that tends to show, and the Commission’s Division of Enforcement (“Division”) alleges and is prepared to prove, that:

1. Altamont Global Partners LLC (“AGP”) is a Florida limited liability company whose listed address with the Commission is 195 Wekiva Springs Road, Suite 350, Longwood, Florida 32779.

2. AGP has been registered with the Commission as a Commodity Pool Operator (“CPO”) since November 17, 2009 pursuant to Section 4m(1) of the Commodity Exchange Act (the “Act”), 7 U.S.C. § 6m(1) (2012) and as a forex firm since November 30, 2010.

3. John G. Wilkins (“Wilkins”) is a Florida resident who has been registered an Associated Person (“AP”) of AGP since November 17, 2009 pursuant to Section 4k(3) of the Act, 7 U.S.C. § 6k(3) (2012). Wilkins is a principal, managing member, and approximate one-third owner of AGP.

4. On July 16, 2012, the Commission filed a civil injunctive action against AGP and Wilkins. See *CFTC v. Altamont Global Partners LLC, John G. Wilkins, Philip Leon, and Paul Rangel*, Case No. 6:12-cv-1095-Orl-31TBS (M.D. Fla.). The Commission's complaint alleged, *inter alia*, that AGP and Wilkins engaged in multiple acts of misappropriation of commodity pool funds and the issuance of materially false account statements to pool participants, all in violation of certain anti-fraud provisions of the Act.

5. On January 31, 2014, U.S. Magistrate Judge Thomas B. Smith issued a Report and Recommendation recommending that the Court grant the Commission's then-pending motion for entry of default judgment against AGP and Wilkins. The Report and Recommendation contained findings of fact and conclusions of law which confirmed, as alleged in the complaint that AGP and Wilkins committed fraud in violation of Sections 4b(a)(1), (2)(A)-(C) and 4o(1) of the Act, 7 U.S.C. §§ 6b(a)(1), (2)(A)-(C) & 6o(1) (2012), and Regulation 5.2(b)(1)-(3), 17 C.F.R. § 5.2(b)(1)-(3) (2014), by misappropriating commodity pool funds and by delivering false account statements to pool participants. The Court entered an Order on February 19, 2014 that fully confirmed and adopted the Recommendation and Report. On July 8, 2014, the Court entered a Second Amended Final Default Judgment with Permanent Injunction ("Default Judgment Order") that, in relevant part, permanently restrains AGP and Wilkins from:

- a. directly or indirectly committing fraud in violation of Section 4b of the Act, 7 U.S.C. § 6b; Section 4o(1) of the Act, 7 U.S.C. § 6o(1); and Regulation 5.2(b)(1)-(3), 17 C.F.R. § 5.2(b)(1)-(3);
- b. 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)(2014); and

c. acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2014)), agent, or any other officer or employee of any person (as that term is defined in Section 1a of the Act, 7 U.S.C. § 1a (2012)) 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).

6. On January 28, 2014, a federal district court adjudged Wilkins guilty of a felony in a related criminal action. *See United States v. John G. Wilkins*, Case No. 6:13-cr-181-Orl-22DAB (M.D. Fla.). Wilkins's conviction was based on his conduct as an owner and AP of AGP and it involved transactions or advice concerning contracts of sale of a commodity for future delivery, as well as fraud and misappropriation of commodity pool funds.

7. Pursuant to Section 8(a)(2)(C) of the Act, 7 U.S.C. § 12(a)(2)(C) (2012), the Commission may revoke the registration of any person who has been permanently enjoined by order of a court of competent jurisdiction from certain enumerated activities, including but not limited to (i) acting as a futures commission merchant, introducing broker, floor broker, floor trader, commodity trading advisor, CPO, or an AP of any registrant under the Act, or (ii) engaging in or continuing any activity involving fraud or any transaction in or advice concerning contracts of sale of a commodity for future delivery or concerning matters subject to Commission regulation under Section 4c or 19 of the Act, 7 U.S.C. §§ 6c or 23 (2012).

8. Pursuant to Section 8a(2)(D) of the Act, 7 U.S.C. § 12(a)(2)(D), the Commission may revoke the registration of any person who has been convicted within ten years preceding the filing of the application for registration or at any time thereafter of any felony that, among other

things, (i) involves any transactions or advice concerning any contract of sale of a commodity for future delivery; (ii) arises out of the conduct of the business of, among others, a CPO or an AP of a CPO, or (iii) involves embezzlement, theft, extortion, fraud, fraudulent conversion, misappropriation of funds, forgery, counterfeiting, false pretenses, bribery or gambling.

9. Pursuant to Section 8a(2)(E) of the Act, 7 U.S.C. § 12(a)(2)(E), the Commission may revoke the registration of any person who has been found, in a proceeding brought by the Commission, to have violated the Act by committing fraud or misappropriation of funds within ten years preceding the filing of the registration application or any time thereafter.

10. Pursuant to Section 8a(2)(H), 7 U.S.C. § 12(a)(2)(H), of the Act, the Commission may revoke the registration of any person if revocation of the registration of any principal of such person is warranted pursuant to Section 8a(2) of the Act. Section 8a(2)(H) of the Act further provides that “principal,” as used in Section 8a(2) of the Act, includes a general partner of a partnership or a person who owns more than 10% of the voting shares of a corporation. Additionally, pursuant to Regulation 3.1(a)(1), 17 C.F.R. § 3.1(a)(1) (2014), if an entity is organized as a limited liability company, “principal” includes any director, president, chief executive officer, manager, managing member or members vested with the management authority for the entity, any person in charge of a principal business unit, division or function subject to regulation by the Commission, and any person occupying a similar status or performing similar functions, having the power, directly or indirectly, through agreement or otherwise, to exercise a controlling influence over the entity’s activities that are subject to regulation by the Commission.

11. The facts set forth above constitute a valid basis for the Commission to revoke AGP’s registration as a CPO and Wilkins’s registration as an AP of AGP.

II.

12. Pursuant to Regulation 3.60(a), 17 C.F.R. § 3.60(a) (2014), AGP and Wilkins are hereby notified that a public proceeding shall be conducted on the following questions:

- a. Whether AGP is subject to statutory disqualification from registration under Section 8a(2)(C),(E), and (H) of the Act as set forth in Section I above.
- b. Whether Wilkins is subject to statutory disqualification from registration under Section 8a(2)(C),(D), and (E) of the Act as set forth in Section I above; and
- c. If the answer to the above question is affirmative, whether the registrations of AGP as a CPO and Wilkins as an AP of AGP should be revoked.

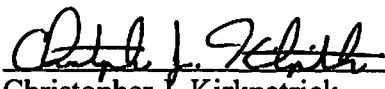
13. Such proceeding shall be held before a Presiding Officer in accordance with Regulations 3.60 and 10.8, 17 C.F.R. §§ 3.60 & 10.8 (2014), and all post-hearing procedures shall be conducted pursuant to Regulation 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j).

14. In accordance with the provisions of Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3), AGP and Wilkins are entitled to file a response challenging the evidentiary bases of the statutory disqualification or to show cause why, notwithstanding the accuracy of the allegations, their registrations should not be revoked. Such response must be filed with the Proceedings Clerk, Office of Proceedings, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and served upon Rachel Hayes, Senior Trial Attorney, Division of Enforcement, 4900 Main Street, Suite 500, Kansas City, Missouri 64112, within thirty (30) days after the date of service of this Notice upon AGP and Wilkins, in accordance with the provisions of Regulation 3.60(b), 17 C.F.R. § 3.60(b). If either Wilkins or AGP fails to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true with respect to the non-responding registrant(s), and the

presiding officer may issue an Order of Default in accordance with the provisions of Regulation 3.60(g), 17 C.F.R. § 3.60(g).

III.

15. The Proceedings Clerk shall serve this Notice of Intent to Revoke the Registrations of Altamont Global Partners LLC and John G. Wilkins in accordance with Regulation 3.50, 17 C.F.R. § 3.50 (2103), or by any other means permitted under the Act or Regulations thereunder.


Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: November 25, 2014