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**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA**

U.S. COMMODITY FUTURES TRADING)	
COMMISSION,)	Case No. _____
)	
Plaintiff,)	
)	COMPLAINT FOR INJUNCTIVE
v.)	AND OTHER EQUITABLE RELIEF,
)	RESTITUTION, AND CIVIL
MY GLOBAL LEVERAGE, LLC and)	MONETARY PENALTIES UNDER
TONEY BLONDO EGGLESTON,)	THE COMMODITY EXCHANGE
)	ACT
Defendants.)	
)	

Plaintiff, U.S. Commodity Futures Trading Commission (“Commission”), by its attorneys, alleges as follows:

I. SUMMARY

1. From July 16, 2011, and continuing through at least November 2012 (the “Relevant Period”), My Global Leverage, LLC (“MGL”), by and through the actions of its employees and agents, including, but not limited to Toney Blondo Eggleston (“Eggleston”) (“Defendants”), offered to enter into, and conducted an office or business in the United States, for

the purpose of soliciting or accepting orders for the purchase or sale of precious metals from retail customers on a leveraged or financed basis. These transactions constituted illegal, off-exchange retail commodity transactions. By this conduct, Defendants have engaged, are engaging, or are about to engage in conduct in violation of Section 4(a) of the Commodity Exchange Act (“Act”), 7 U.S.C. § 6(a) (2012).

2. Eggleston controlled MGL throughout the Relevant Period and failed to act in good faith or knowingly induced MGL’s violations alleged herein. Therefore, Eggleston is also liable for MGL’s violations as a control person of MGL, pursuant to 7 U.S.C. § 13c(b) (2012).

3. At all relevant times, the acts and omissions of Eggleston and other MGL representatives were committed within the scope of their employment, agency, or office with MGL. Therefore, pursuant to 7 U.S.C. § 2(a)(1)(B) (2012) and 17 C.F.R. § 1.2 (2014), MGL is liable as a principal for the actions and omissions of Eggleston and any other employee or agent of MGL in violation of the Act.

4. Accordingly, pursuant to 7 U.S.C. § 13a-1 (2012), the Commission brings this action to enjoin Defendants’ unlawful acts and practices, compel their compliance with the Act, and further enjoin them from engaging in any commodity-related activity.

5. In addition, the Commission seeks civil monetary penalties, restitution, and remedial ancillary relief, including, but not limited to, trading and registration bans, disgorgement, rescission, pre- and post-judgment interest, and such other relief as the Court may deem necessary and appropriate.

6. Unless restrained and enjoined by this Court, Defendants likely will continue engaging in the acts and practices alleged in this Complaint and similar acts and practices, as

more fully described below.

II. JURISDICTION AND VENUE

7. 7 U.S.C. § 13a-1 authorizes the Commission to seek injunctive relief against any person whenever it shall appear to the Commission that such person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of the Act or of any rule, regulation, or order thereunder.

8. Pursuant to 7 U.S.C. §§ 2(c)(2)(D) and 13a-1 (2012), the Commission has jurisdiction over the conduct and transactions at issue in this case.

9. Pursuant to 7 U.S.C. § 13a-1(e), venue properly lies with this Court because Defendants transacted business in this District, and certain transactions, acts, and practices alleged in this Complaint occurred, or are occurring, within this District.

III. THE PARTIES

A. Plaintiff

10. Plaintiff **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency charged by Congress with the administration and enforcement of the Act, 7 U.S.C. §§ 1 *et seq.* (2012), and the Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2014).

B. Defendants

11. Defendant **My Global Leverage, LLC** is a Nevada limited liability company formed in December 2009. MGL's license to do business in Nevada lapsed at the end of 2012. Its principal place of business was in Las Vegas. MGL has never registered with the Commission in any capacity.

12. During the Relevant Period, Defendant **Toney Blondo Eggleston** was the managing member, owner, operator, and controlling person of MGL, managing its day-to-day operations. From 1999 to September 2012, Eggleston was registered with the Commission as an Associated Person (“AP”) at several firms that were registered as Introducing Brokers, Commodity Trading Advisors and Commodity Pool Operators.

IV. RELATED ENTITY

13. MGL introduced customers to **Hunter Wise Commodities, LLC**, a precious metals dealer that confirmed the execution of customer precious metals transactions (“Hunter Wise”).

14. Hunter Wise was organized as a California limited liability company in July 2007 and was registered to do business in Nevada. It maintained business addresses in Las Vegas, Nevada and Irvine, California. On its website, Hunter Wise held itself out as “a physical commodity trading company, wholesaler, market maker, back-office support provider, and finance company.” Hunter Wise purported to offer, enter into, and confirm the execution of retail commodity transactions involving gold, silver, platinum, palladium, and copper throughout the United States using a network of telemarketing solicitors such as MGL that Hunter Wise referred to as “dealers.”

15. On February 19, 2014, the United States District Court for the Southern District of Florida, granted the Commission’s motion for summary judgment finding that Hunter Wise and other defendants violated 7 U.S.C. § 6(a). *CFTC v. Hunter Wise Commodities, LLC*, 1 F. Supp. 3d 1311, 1320-22 (S.D. Fla. 2014).

V. STATUTORY BACKGROUND

16. 7 U.S.C. § 2(c)(2)(D) gives the Commission jurisdiction over “any agreement, contract, or transaction in any commodity” that is entered into with, or offered to, a non-eligible contract participant (“ECP”) “on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis” (“retail commodity transactions”) with respect to conduct occurring on or after July 16, 2011, subject to certain exceptions not applicable here. 7 U.S.C. § 2(c)(2)(D) makes 7 U.S.C. § 6(a) applicable to retail commodity transactions “as if” such transactions are contracts for the sale of a commodity for future delivery.

17. The Act defines an ECP, in relevant part, as an individual who has amounts invested on a discretionary basis, the aggregate of which exceeds \$10 million, or \$5 million if the individual enters into the transaction to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual. 7 U.S.C. § 1a(18)(A)(xi) (2012).

18. 7 U.S.C. § 6(a), in relevant part, makes it unlawful for any person to offer to enter into, execute, confirm the execution of, or conduct any office or business anywhere in the United States for the purpose of soliciting, accepting any order for, or otherwise dealing in any transaction in, or in connection with, a contract for the purchase or sale of a commodity for future delivery unless the transaction is conducted on or subject to the rules of a board of trade that has been designated or registered by the Commission as a contract market.

VI. FACTS

19. From July 16, 2011, and continuing through at least November 2012, Defendants

offered to enter into, executed, and confirmed the execution of financed precious metals transactions with persons who were not ECPs. Defendants solicited individuals to invest in financed precious metals transactions through Hunter Wise.

20. During the Relevant Period, MGL employed Eggleston and other individuals to, among other things, solicit retail customers to engage in financed precious metals transactions which constitute off-exchange retail commodity transactions.

21. Eggleston and MGL's other employees conducted solicitations by telephone. When soliciting customers for financed precious metals transactions, Eggleston represented that to purchase a certain quantity of metal, the customers needed to deposit a percentage of the total metal value, and that customers would receive a loan for the remaining amount. MGL's website stated that customers typically paid an initial minimum deposit of 20 to 25 percent of their metals purchases. Hunter Wise provided the financing for the remaining balance of the purchases. However, MGL did not disclose to at least some customers that Hunter Wise was involved in their financed precious metals transactions.

22. After a customer invested, MGL contacted Hunter Wise to effectuate the transaction. MGL collected the funds needed for the transaction from the customer and sent the customer's funds to Hunter Wise. Hunter Wise provided back office support services to MGL and provided access to the details of the transaction to the customer *via* MGL's website.

23. MGL charged customers commissions and fees for purchasing the metal and interest on loans to buy metal. Hunter Wise provided MGL's share of the commissions and fees to MGL after it received a customer's funds from MGL.

24. MGL's customers did not take delivery of precious metals. Rather, most of

MGL's customers were speculating on the price direction of precious metals.

25. During the Relevant Period, MGL introduced approximately 12 customers to Hunter Wise and transferred at least \$786,000 to Hunter Wise for the financing of precious metals. During the Relevant Period, MGL received from Hunter Wise commissions and fees totaling at least \$257,680 for the retail financed precious metals transactions executed through Hunter Wise.

26. MGL and Hunter Wise never bought, sold, loaned, stored, or transferred any physical metals for these financed precious metals transactions. Likewise, MGL and Hunter Wise never delivered any precious metals to any customers with respect to these financed metals transactions.

27. At all times during the Relevant Period, the financed metals transactions that MGL entered into with its customers were not made or conducted on, or subject to, the rules of any board of trade, exchange or contract market.

28. At all times during the Relevant Period, Eggleston was the managing member and owner of MGL. Eggleston exercised control over the day-to-day operations of MGL. Eggleston was a signatory on MGL's bank accounts and entered into agreements on behalf of MGL.

VII. VIOLATIONS OF THE COMMODITY EXCHANGE ACT

COUNT ONE

VIOLATIONS OF 7 U.S.C. § 6(a): ILLEGAL OFF-EXCHANGE TRADING

29. Paragraphs 1 through 28 of this Complaint are realleged and incorporated herein by reference.

30. During the Relevant Period, the retail commodity transactions described in this

Complaint were offered and entered into by Defendants (a) on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis, (b) with persons who were not ECPs or eligible commercial entities as defined by the Act, and (c) not made or conducted on, or subject to, the rules of any board of trade, exchange or contract market.

31. The precious metals discussed in this Complaint are commodities as defined by 7 U.S.C. § 1a(9) (2012).

32. As set forth above, from July 16, 2011, until at least November 2012, Defendants MGL and Eggleston violated 7 U.S.C. § 6(a) by offering to enter into, entering into, executing, confirming the execution of, or conducting an office or business in the United States for the purpose of soliciting or accepting orders for, or otherwise dealing in, transactions in, or in connection with, retail commodity transactions.

33. Each offer to enter into, entrance into, execution, confirmation, solicitation, or acceptance of an order for a retail commodity transaction made during the Relevant Period is alleged in this Complaint as a separate and distinct violation of 7 U.S.C. § 6(a).

34. Eggleston directly or indirectly controlled MGL and did not act in good faith or knowingly induced, directly or indirectly, the acts constituting MGL's violations of 7 U.S.C. § 6(a) alleged in this Complaint. Therefore, pursuant to 7 U.S.C. § 13c(b), Eggleston is liable for each of MGL's violations of 7 U.S.C. § 6(a) as a controlling person of MGL.

35. The acts and omissions of Eggleston and the other employees of MGL described in this Complaint were done within the scope of their employment with MGL. Therefore, pursuant to 7 U.S.C § 2(a)(1)(B) and 17 C.F.R. § 1.2 (2014), MGL is liable as a principal for

each act, omission, or failure of Eggleston and MGL's other employees constituting violations of 7 U.S.C. § 6(a).

VIII. RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that this Court, as authorized by 7 U.S.C. § 13a-1, and pursuant to its inherent equitable powers, enter:

- A. An order finding that Defendants violated 7 U.S.C. § 6(a);
- B. An order of permanent injunction permanently restraining, enjoining and prohibiting Defendants, and any other person or entity associated with them, from engaging in conduct in violation of 7 U.S.C. § 6(a);
- C. An order of permanent injunction prohibiting Defendants and any of their successors from, directly or indirectly:
 - 1) Trading on or subject to the rules of any registered entity (as that term is defined in 7 U.S.C. § 1a(40) (2012));
 - 2) Entering into any transactions involving "commodity interests" (as that term is defined in Regulation 1.3(yy), 17 C.F.R. § 1.3(yy) (2014)), for their own personal accounts or for any account in which they have a direct or indirect interest;
 - 3) Having any commodity interests traded or executed on their behalf;
 - 4) Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity interests;
 - 5) Soliciting, receiving, or accepting any funds from any person for the

- purpose of purchasing or selling any commodity interests;
- 6) 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 17 C.F.R. § 4.14(a)(9) (2014);
 - 7) Acting as a principal (as that term is defined in 17 C.F.R. § 3.1(a) (2014)), agent, or any other officer or employee of any person registered, exempted from registration, or required to be registered with the Commission, except as provided for in 17 C.F.R. § 4.14(a)(9);
- D. An order requiring that Defendants, as well as any of their successors, disgorge to any officer appointed or directed by the Court all benefits received from the acts or practices that constitute violations of the Act as described herein, including, but not limited to, salaries, commissions, loans, fees, revenues and trading profits derived, directly or indirectly, plus pre-judgment interest thereon from the date of such violations, plus post-judgment interest;
- E. An order requiring Defendants to make full restitution to every person or entity whose funds Defendants received or caused another person or entity to receive as a result of acts and practices that constituted violations of the Act, as described herein, and pre- and post-judgment interest thereon from the date of such violations;
- F. An order directing Defendants and any of their successors, to rescind, pursuant to such procedures as the Court may order, all contracts and agreements, whether

implied or express, entered into between them and any of the customers whose funds were received by them as a result of the acts and practices, which constituted violations of the Act as described herein;

- G. An order requiring Defendants to pay civil monetary penalties under the Act, to be assessed by the Court, in amounts of not more than the greater of (1) triple their monetary gain for each violation of the Act, or (2) \$140,000 for each violation committed on or after October 23, 2008;
- H. An order requiring Defendants to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2012); and
- I. An order providing such other and further relief as this Court may deem necessary and appropriate under the circumstances.

Dated: April 23, 2015

Respectfully submitted,

/s/ Glenn I. Chernigoff

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