

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES COMMODITY
FUTURES TRADING COMMISSION,

Plaintiff,

v.

LINCOLNSHIRE TRADING
PARTNERS, LLC, and SCOTT
GEISINGER,

Defendants.

No. CV 12-7417 PA (VBKx)
JUDGMENT AND PERMANENT
INJUNCTION

In accordance with this Court’s January 10, 2013 Minute Order granting the Motion for Default Judgment filed by plaintiff United States Commodity Futures Trading Commission (“CFTC” or “Commission”) against defendants Lincolnshire Trading Partners, LLC (“Lincolnshire”) and Scott Geisinger (“Geisinger”) (collectively “Defendants”), it is hereby ORDERED, ADJUDGED, AND DECREED that:

Lincolnshire Trading Partners, LLC shall pay a civil monetary penalty in the amount of one hundred forty thousand dollars (\$140,000), plus post-judgment interest, and Scott Geisinger shall also pay a civil monetary penalty of one hundred forty thousand dollars (\$140,000) plus post-judgment interest (collectively, “CMP Obligation”). Post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Judgment and Permanent Injunction and shall be determined by using the Treasury Bill rate prevailing

1 on the date of entry of this Judgment and Permanent Injunction pursuant to 28 U.S.C. § 1961
2 (2006).

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

7 Commodity Futures Trading Commission
8 Division of Enforcement
9 ATTN: Accounts Receivables - AMZ 340
10 E-mail Box: 9-AMC-AMZ-AR-CFTC
11 DOT/FAA/MMAC
12 6500 S. MacArthur Blvd.
13 Oklahoma City, OK 73169
14 Telephone: (405) 954-5644

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

22 It is further ORDERED, ADJUDGED, AND DECREED that Defendants are
23 permanently restrained, enjoined, and prohibited from directly or indirectly:

24 A. Engaging in any conduct in violation of Section 2(c)(2)(C)(iii)(I)(bb) of the
25 Commodity Exchange Act (the "Act"), 7 U.S.C. § 2(c)(2)(C)(iii)(I)(bb) (2006
26 & Supp. V 2011) and Regulation 5.3(a)(3)(i), 17 C.F.R. § 5.3(a)(3)(i) (2012),
27 including, but not limited to, exercising discretionary trading authority or
28

1 obtaining written authorization to exercise written trading authority over any
2 account for or on behalf of persons that are not Eligible Contract Participants
3 (“ECPs”) in connection with leveraged foreign exchange (“forex”)
4 transactions while not being registered as a commodity trading advisor
5 (“CTA”) with the Commission; and

6 B. Engaging in any conduct in violation of Section 2(c)(2)(C)(iii)(I)(bb) of the
7 Act, 7 U.S.C. § 2(c)(2)(C)(iii)(I)(bb) (2006 & Supp. V 2011) and Regulation
8 5.3(a)(3)(ii), 17 C.F.R. § 5.3(a)(3)(ii) (2012), including, but not limited to,
9 acting individually or as an agent of a CTA in soliciting clients or prospective
10 clients to open discretionary accounts in retail, leveraged forex transactions, or
11 supervising other persons so engaged, without being registered with the
12 Commission as an associated person (“AP”) of a CTA.

13 C. Trading on or subject to the rules of any registered entity (as that term is
14 defined in Section 1a of the Act, 7 U.S.C. § 1a (2006 & Supp. V 2011)) in
15 violation of the Act;

16 D. Entering into any transactions involving commodity futures, options on
17 commodity futures, commodity options (as that term is defined in Regulation
18 1.3(hh), 17 C.F.R. § 1.3(hh) (2012) (“commodity options”), swaps (as that
19 term is defined in Section 1a(47) of the Act, as amended, and as further
20 defined in Regulation 1.3(xxx), 17 C.F.R. 1.3(xxx)), security futures products,
21 and/or foreign currency (as described in Sections 2(c)(2)(B) and 2(c)(2)(C)(i)
22 of the Act , 7 U.S.C. §§ 2(c)(2)(B) and 2(c)(2)(C)(i) (2006 & Supp. V 2011),
23 (“forex contracts”)), for their own personal accounts or for any account in
24 which they have a direct or indirect interest in violation of the Act;

25 E. Having any commodity futures, options on commodity futures, commodity
26 options, swaps, security futures products, and/or forex contracts traded on their
27 behalf in violation of the Act;

28

- 1 F. Controlling or directing the trading for or on behalf of any other person or
2 entity, whether by power of attorney or otherwise, in any account involving
3 commodity futures, options on commodity futures, swaps, commodity options,
4 security futures products, and/or forex contracts in violation of the Act;
- 5 G. Soliciting, receiving, or accepting any funds from any person for the purpose
6 of purchasing or selling any commodity futures, options on commodity
7 futures, commodity options, swaps, security futures products, and/or forex
8 contracts in violation of the Act;
- 9 H. Applying for registration or claiming exemption from registration with the
10 Commission in any capacity, and engaging in any activity requiring such
11 registration or exemption from registration with the Commission, except as
12 provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012); and/or
- 13 I. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. §
14 3.1(a) (2012)), agent, or any other officer or employee of any person (as that
15 term is defined in Section 1a of the Act, as amended, 7 U.S.C. § 1a) registered,
16 exempted from registration or required to be registered with the Commission
17 except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012).

18 IT IS further ORDERED, ADJUDGED, AND DECREED that:

19 The Defendants and any successors thereof, shall rescind, all contracts and
20 agreements, whether implied or express, entered into between them and any of the clients
21 they solicited or accepted orders from as a result of the acts and practices which constitute
22 violations of the Act, as described herein.

23 All notices required to be given by any provision in this Order shall be sent certified
24 mail, return receipt requested, as follows:

25 Notice to Commission:

26 Director of the Division of Enforcement

27 Commodity Futures Trading Commission

28

1 Three Lafayette Centre
2 1155 21st Street NW
3 Washington, D.C. 20581

4 All such notices to the Commission shall reference the name and docket number of this
5 action.

6 Change of Address/Phone: Until such time as Defendants satisfy in full their civil
7 monetary penalty obligations as set forth in this Order, Defendants shall provide written
8 notice to the Commission by certified mail of any change to their telephone number and
9 mailing address within ten (10) calendar days of the change.

10 IT IS SO ORDERED.

11

12 DATED: January 10, 2013

13

14

15

16

17

18

19

20

21

22

23


24

25

26

27

28



Percy Anderson
UNITED STATES DISTRICT JUDGE