

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

\_\_\_\_\_ )  
 )  
UNITED STATES COMMODITY )  
FUTURES TRADING COMMISSION, ) **CIVIL ACTION NO:**  
 )  
 )  
Plaintiff, ) **Hon. \_\_\_\_\_**  
 )  
v. ) **JURY TRIAL DEMANDED**  
 )  
THOMAS C. LINDSTROM, )  
 )  
 )  
Defendant. )  
\_\_\_\_\_ )

**COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF AND  
CIVIL MONETARY PENALTIES UNDER THE COMMODITY EXCHANGE ACT**

The United States Commodity Futures Trading Commission (“Commission” or “CFTC”),  
by and through its attorneys, hereby alleges as follows:

**SUMMARY**

1. Between at least January 1, 2014 and January 27, 2015 (the “relevant period”), Defendant Thomas C. Lindstrom (“Lindstrom”), a long-time trader of options on 10-year U.S. Treasury note futures (“T-Note Options”) offered on the Chicago Board of Trade (“CBOT”), perpetrated a scheme to falsely inflate the value and profitability of his options position, and lied about the quantity of options and the risk associated with his position, in order to defraud his employer, proprietary trading firm Rock Capital Markets, LLC (“Rock Capital”), into paying Lindstrom \$285,000 in draws to which he was not entitled. Rock Capital lost over \$13.9 million as a result of Lindstrom’s fraudulent scheme and was forced to cease operating after twenty-three years in business.

2. Lindstrom exploited a pricing convention set by exchange rule in effect during the relevant period, pursuant to which deep out-of-the-money T-Note Options settled each day at the standard minimum tick value, \$15.625, and were only marked to market when they expired. Through spread transactions, Lindstrom purchased hundreds of thousands of deep out-of-the-money options, paying effectively less than a tick for each, over the course of several contract months. Most of these options were so far out-of-the-money that they were virtually worthless and assured to expire with no value. While these options had little or no value, due to the exchange's pricing convention each was booked at a minimum of \$15.625 prior to expiration, thereby creating the appearance of millions of dollars of phony profits in Lindstrom's trading account. From one contract expiration to the next, as the options expired worthless and his account's phony profits were wiped out, Lindstrom purchased more and more out-of-the-money options to cover the realized losses his account had incurred and create more phony profits in his account. Ultimately, Lindstrom accumulated a position of more than 950,000 deep out-of-the-money T-Note Options.

3. Lindstrom hid his scheme from and defrauded Rock Capital by lying about the size of his position and the risk it posed to the firm by sending Rock Capital's manager and principal owner ("Rock Capital's Principal") screenshots purporting to show Lindstrom's options position, but which, in fact, omitted the thousands of deep out-of-the-money options that he actually held. Lindstrom exceeded the \$500,000 margin limit assigned to him by Rock Capital by millions of dollars, and evaded risk limits on his account by placing orders through an executing broker.

4. Lindstrom's agreement with Rock Capital entitled him to 80 percent of the annual net profits of his trading. Although Lindstrom's trading generated millions in losses for Rock

Capital, Lindstrom used the phony profits he generated in his account to request and receive \$285,000 in draws from the firm during the relevant period. Lindstrom's fraud was uncovered just days before he was to receive an additional payment of more than \$500,000.

5. When Lindstrom's scheme was uncovered on January 27, 2015, Lindstrom's account had a net liquidation value ("NLV") that was inflated by more than \$15 million. In fact, Lindstrom's fraud resulted in losses in excess of \$13.9 million and caused the collapse of Rock Capital.

6. By engaging in this conduct and the conduct further described herein, Lindstrom engaged, is engaging, or is about to engage in acts and practices that violated Section 4c(b) of the Commodity Exchange Act (the "Act"), 7 U.S.C. § 6c(b) (2012), and Commission Regulation 33.10, 17 C.F.R. § 33.10 (2015), promulgated thereunder.

7. Accordingly, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), the Commission brings this action to enjoin Lindstrom's unlawful acts and practices and to compel his compliance with the Act. In addition, the Commission seeks civil monetary penalties and remedial ancillary relief, including, but not limited to, trading and registration bans, disgorgement, restitution, pre- and post-judgment interest, and such other relief as the Court may deem necessary and appropriate.

### **JURISDICTION AND VENUE**

8. This Court has jurisdiction over this action pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a) (2012), which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such person has engaged, is engaging, or is about to engage in any act or practice that violates any provision of the Act or any rule, regulation, or order promulgated thereunder.

9. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. §13a-1(e) (2012), because Lindstrom transacted business in this District, and certain of the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this District, among other places.

#### **PARTIES AND RELEVANT ENTITIES**

10. Plaintiff **U.S. Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged by Congress with the responsibility for enforcing the provisions of the Act, 7 U.S.C. §§ 1 *et seq.* (2012), and the Commission Regulations promulgated thereunder, 17 C.F.R. §§ 1.1 *et seq.* (2015).

11. Defendant **Thomas C. Lindstrom** (“Lindstrom”) is a 48-year-old resident of Winnetka, Illinois. Lindstrom is registered with the Commission as a floor broker. He has been a member of the CBOT since 1993, and began trading with Rock Capital’s predecessor entity around that time.

12. Non-party **Rock Capital Markets, LLC** is an Illinois limited liability company which, prior to its collapse in early 2015, was a small professional trading group that had approximately 20 traders, including Lindstrom, trading in three areas: meats, grains, and interest rates. Rock Capital’s Principal contributed most or all of the capital for Rock Capital’s trading accounts.

13. Non-party **Chicago Board of Trade** is the common name for the Board of Trade of the City of Chicago, Inc. The CBOT is a registered entity pursuant to Section 1a(29) of the Act and a designated contract market for trading T-Note Options contracts pursuant to Section 5 of the Act. The CBOT became a wholly-owned subsidiary of the CME Group, Inc. on July 12, 2007. Following the merger, the CME Group undertook a project to harmonize, to the extent possible, the rules of the Chicago Mercantile Exchange, Inc. (“CME”) and the CBOT. The

revisions to the CBOT rulebook were self-certified with the Commission on October 25, 2007, and became effective November 29, 2007.

### **BACKGROUND AND KEY CONCEPTS**

#### **A. Key Concepts And Terms**

14. A “futures contract” or “future” is an agreement to purchase or sell a commodity for delivery in the future: (1) at a price that is determined at the initiation of the contract; (2) that obligates each party to the contract to fulfill the contract at the specified price; (3) that is used to assume or shift price risk; and (4) that may be satisfied by delivery or offset.

15. An “option” is a contract that gives the buyer the right, but not the obligation, to buy or sell a specified quantity of a commodity, futures contract, or other instrument at a specific price (called the “strike price”) within a specified period of time, regardless of the market price of that instrument.

16. A “call option” is an option contract that gives the buyer the right but not the obligation to *purchase* a specified quantity of a particular commodity or other asset or to enter into a long futures position at a specified price on or prior to a specified expiration date. Conversely, a “put option” gives the buyer the right but not the obligation to *sell* a specified quantity of a particular commodity or other asset or to enter into a short futures position at a given price on or prior to a specified expiration date.

17. The term “in-the-money” is used to describe an option contract that has a positive value if exercised. For example, a call option with a strike price of \$1,100 on gold trading at \$1,150 is in-the-money 50 dollars.

18. The term “out-of-the-money” is used to describe an option that has no intrinsic value. For example, a call with a strike price of \$400 on gold trading at \$390 is out-of-the-money 10 dollars. Options contracts that remain “out-of-the-money” through the expiration date

cannot be exercised and therefore expire worthless. Options that have a strike price that is far from the current price at which the underlying commodity is trading are referred to as being “deep out-of-the-money.”

19. Certain options that are deep out-of-the-money are referred to as “cabinet options” or “cabinet priced options.” Specifically, the CME Group defines as cabinet option trades as those “executed in a deep out-of-the-money option at a premium value less than the standard minimum tick.”

20. A 10-year treasury note is a debt obligation issued by the United States government that matures in 10 years. A 10-year Treasury note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

21. The CBOT is a designated contract market for the purchase and sale of futures contracts where the underlying commodity is a specified number of U.S. Treasury notes. The contract size of each 10-year Treasury note futures contract is one U.S. Treasury note having a face value at maturity of \$100,000.

22. The CBOT also offers call and put options on 10-year U.S. Treasury note futures (as noted, “T-Note Options”), where each option contract gives the market participant the right, but not the obligation, to buy or sell one 10-year U.S. Treasury note futures contract of a specified delivery month. The minimum price fluctuation (called a “tick”) for T-Note Options traded at CBOT is one sixty-fourth of one percentage point of \$100,000, which is equal to \$15.625.

23. Trading in futures and options in U.S. Treasury notes allows market participants to manage risk associated with interest rates, and to speculate on price volatility.

24. The “settlement price” is the daily price at which the derivatives exchange clears all trades and settles all accounts between market participants.

25. “Margin” is the amount of money or collateral that a person who trades commodity futures contracts or options is required to post with his broker or clearing firm in order to initiate or maintain a position. Margin is also sometimes referred to as the “performance bond.”

26. A “clearing firm” or “clearing organization” is an entity through which futures, options, and other derivative transactions are cleared and settled. It is also charged with assuring the proper conduct of each contract’s delivery procedures and the adequate financing of trading.

**B. CBOT’s Pricing Rule For Cabinet Price Settlements**

27. Under a CBOT settlement pricing rule in effect during the relevant period, deep out-of-the-money cabinet options on Ten Year Treasury note futures settled each day at one tick, *i.e.*, one sixty-fourth of an index point, worth \$15.625. CBOT’s end of day settlement prices are used for portfolio valuation by trading firms and the clearing firms that generate statements for the trading firms.

28. Thus, under this settlement pricing rule, a trader could purchase a deep out-of-the-money option for a fraction of one tick, and yet the value of the option would be recorded in his trading account statements at one tick (worth \$15.625) until expiration.

29. The deep out-of-the-money options were only “marked to market” at expiration. Accordingly, the value of a deep out-of-the-money option would be recorded as “\$0” on a trader’s statement only after the option expired worthless.

30. The CME Group released an Advisory Notice on February 9, 2016, *Cabinet Price Settlements for CBOT Interest-Rate Options Start February 29, 2016* (Advisory No. 16-069)

changing the settlement convention for cabinet options to incorporate new procedures that “permit the minimum daily settlement value to be a ‘fixed cabinet’ price of one dollar.”

**C. Lindstrom’s Arrangement With Rock Capital**

31. Prior to his termination in January 2015, Lindstrom had been associated with Rock Capital or its predecessor entity as a clerk or trader since approximately 1993. Lindstrom has traded options on 10-year U.S. Treasury note futures since 2004 or earlier, both on the CBOT trading floor and electronically.

32. Lindstrom’s agreement with Rock Capital was that Rock Capital would contribute the risk capital to finance Lindstrom’s trading, and in exchange Lindstrom and Rock Capital would share the net profits of Lindstrom’s trading, allocating 80% to Lindstrom and 20% to Rock Capital. Also part of Lindstrom’s agreement was that Lindstrom was generally not to assume trading positions exceeding \$500,000 in margin.

33. During the relevant period, Lindstrom exclusively traded T-Note Options in a separately denominated Rock Capital sub-account.

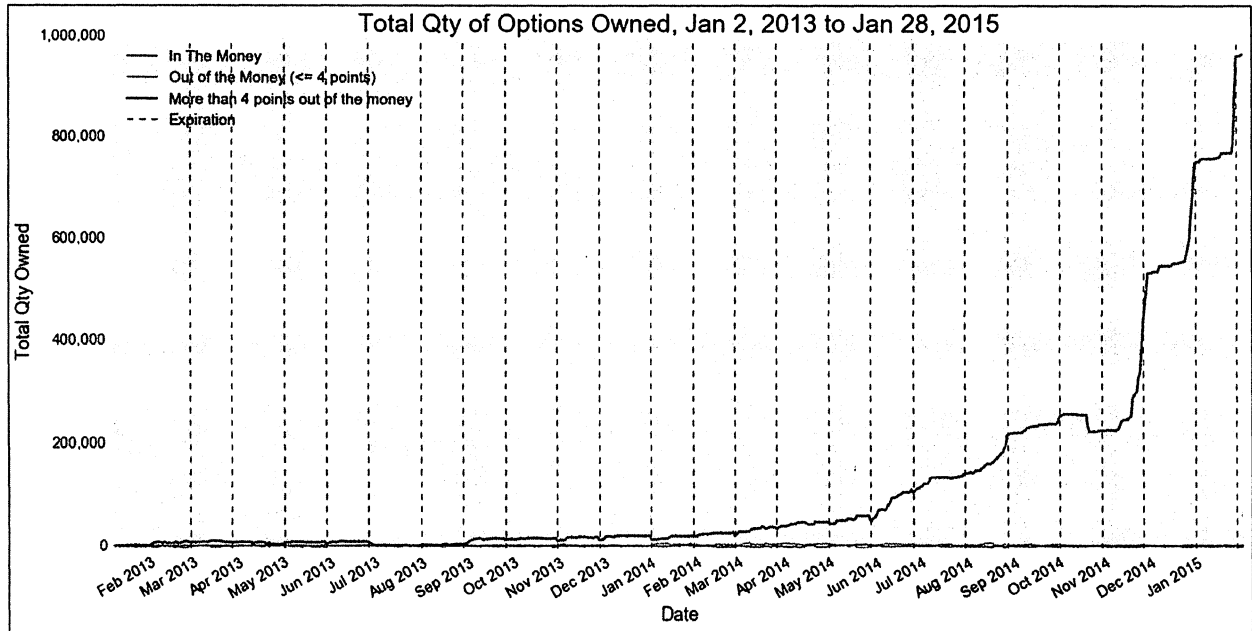
**THE FRAUD**

**A. Lindstrom’s Trading Activity Generated False Account Profits**

34. Starting in January 2014 or earlier, Lindstrom began purchasing deep out-of-the-money T-Note options as components of spread trades at prices effectively below the minimum tick value. Nearly all of the options in Lindstrom’s position were deep out-of-the-money, were purchased for an effective price less than the standard minimum tick value of \$15.625, and settled at one tick due to the CBOT’s settlement pricing rule.

35. As shown in Figure 1 below, nearly all of those options were more than 4 points (256 ticks) out-of-the-money. Many were as far as 35 points (2,240 ticks), or even further, from the strike price.



**Figure 1**

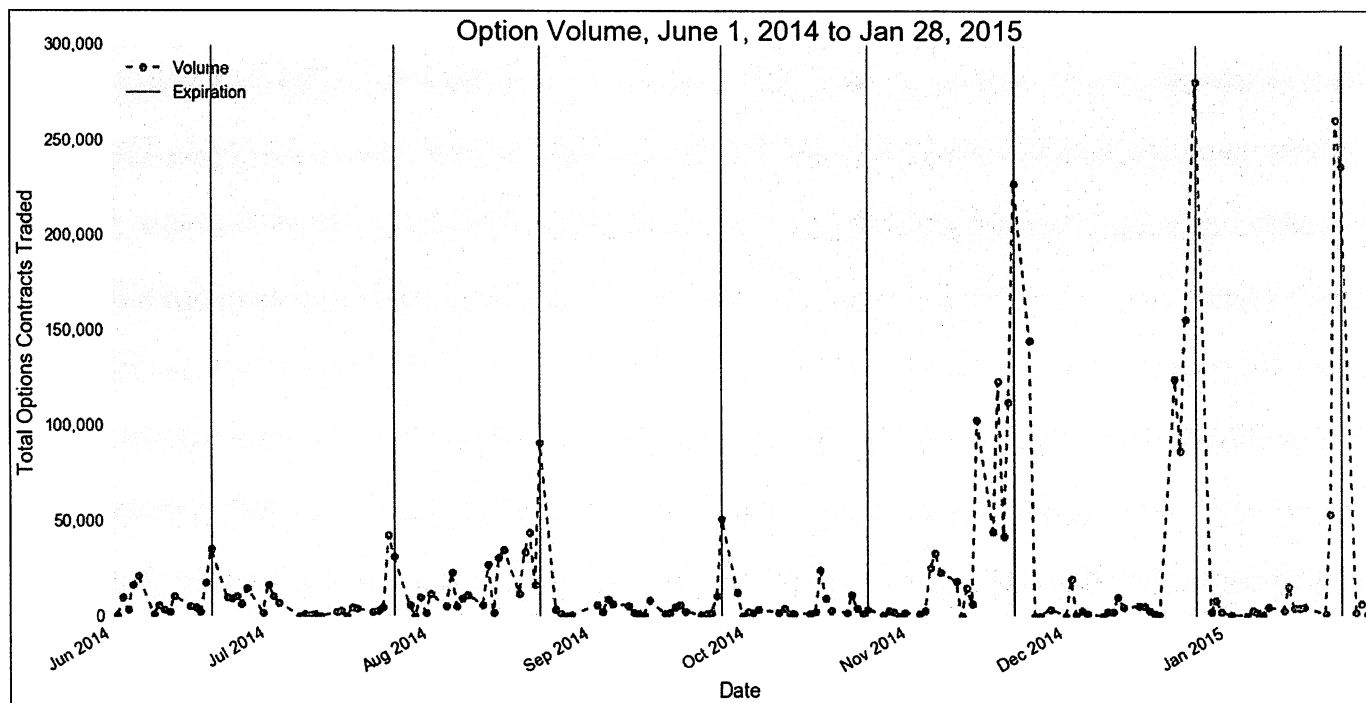
36. The net effect of purchasing the deep out-of-the-money options was to create millions of dollars of phony profits in Lindstrom's account, which represented the difference between the settle price (\$15.625/option) and the much lower price Lindstrom paid for each option.

37. There was no economic justification for purchasing the deep out-of-the-money options, and Lindstrom's trading did not represent a *bona fide* trading strategy. Rather, Lindstrom's intent in purchasing the deep out-of-the-money options was to create the phony profits in his account.

38. Most of Lindstrom's trading activity occurred just before and on the monthly expiration dates, when the options then expired without value. As shown in Figure 1 and Figure 2, the size of Lindstrom's position grew exponentially as he was required to purchase more and more options in order to offset the losses incurred at each expiration and to maintain levels of phony profits in his account. For example, 82,418 of Lindstrom's option contracts expired

worthless at the December 26, 2014 expiration. In order to cover for the loss associated with that expiration, Lindstrom increased his long options position by 275,635 deep out-of-the-money options (which all settled at one tick) in the four trading days leading up to and including the expiration (12/22/2014 to 12/26/2014).

**Figure 2**  
**Lindstrom's Option Volume and Contract Expirations**



39. By January 27, 2015 when his trading activity was discovered, Lindstrom had built a huge position of more than 950,000 deep out-of-the-money options and held 99.9% or 100% of the open interest in at least ten T-Note option contracts. By that point, Lindstrom's account displayed a net liquidation value ("NLV") more than \$15 million greater than reality.

40. During the relevant period, Lindstrom exceeded the \$500,000 margin limit set for him by Rock Capital by millions of dollars.

41. Lindstrom executed some of the trades himself on Globex, the CME Group's electronic trading system for trading futures and options on futures. However, risk limits prevented Lindstrom from trading more than a specified number of options contracts. In order to evade these risk controls, Lindstrom executed a large number of the deep out-of-the-money option trades through an external broker, who entered the trades on Lindstrom's behalf. Lindstrom caused the external broker to be paid approximately \$550,000 in commissions for executing the trades on Lindstrom's behalf; costs that would have been avoided had Lindstrom placed the trades himself.

**B. Lindstrom's Fraudulent Draw Requests**

42. Lindstrom intentionally inflated his account's NLV by his trading in cabinet options as described above in order to trick, deceive, or mislead Rock Capital into paying him draws to which he was not entitled.

43. During the relevant period, Lindstrom requested and received \$285,000 in draw payments from Rock Capital. Lindstrom requested draws from Rock Capital's Principal either by phone or text message. Because Lindstrom was only entitled to 80% of the net profits of his trading, each draw request implicitly contained the misrepresentation that his account had a sufficient NLV to support the request, when in fact it did not. In fact, Lindstrom knew when he received draws that his account had a negative NLV and that the NLV reported on his account statements were contrived to be temporarily inflated.

44. Further, upon requesting the draws, Lindstrom failed to disclose that he held a huge position in deep out-of-the-money options that was not accurately valued on his trading statements, failed to disclose that he had exceeded the \$500,000 margin limit set for him by Rock Capital, and failed to disclose the risk that his options position posed to the firm.

45. Lindstrom knew that in late January 2015, Rock Capital was slated to pay any remaining draws owed to traders for their 2014 trading performance. On December 31, 2014, Lindstrom's account reflected an NLV of more than \$1.3 million. (That NLV was falsely inflated to hide millions in losses and to create the appearance of \$1.3 million in trading profits that did not exist.) After deducting expenses, other amounts owed to Rock Capital, and the \$285,000 he had already been paid in 2014, Lindstrom stood to receive more than \$500,000 from his 80% share of those phony 2014 profits. Rock Capital's Principal learned of Lindstrom's fraud just days before Rock Capital was to pay that amount to Lindstrom.

**C. Lindstrom's Misrepresentations About His Trading**

46. In addition to the misrepresentations and omissions that Lindstrom made each time he requested and received a draw payment from Rock Capital, Lindstrom made other explicit misrepresentations to Rock Capital's Principal in order to defraud Rock Capital.

47. Lindstrom and other traders at Rock Capital used an options software program called Pro-Opticus to enter trades and keep track of their options positions.

48. On or about June 13, 2014, Rock Capital's Principal called Lindstrom and asked him to send a screenshot of the risk analyzer screen from Lindstrom's Pro-Opticus account so that Rock Capital's Principal could see what options positions Lindstrom held. In response, Lindstrom told Rock Capital's Principal that he did not know how to send a screenshot from Pro-Opticus, and told Rock Capital's Principal he would work on a way to send him the information. However, the real reason that Lindstrom delayed in sending a screenshot from his Pro-Opticus account was that on June 13, 2014, Lindstrom's account reflected thousands of deep out-of-the-money options, and if Lindstrom had disclosed those options to Rock Capital's Principal, Lindstrom's fraud would have been revealed.

49. Accordingly, later that day on June 13, 2014, Lindstrom entered multiple fictitious “fudge trades” in the Pro-Opticus software. “Fudge trades” were not actual trades entered in the market but rather were offsetting entries in Pro-Opticus that had the effect of making it appear that the deep out-of-the-money options had been removed from Lindstrom’s Pro-Opticus position. That afternoon, Lindstrom took photographs of his doctored position with his iPhone and texted them to Rock Capital’s Principal, representing that the photographs showed his position. The photographs were false because the position they disclosed omitted thousands of deep out-of-the-money options that Lindstrom actually owned on that date.

50. On June 16, 2014, Lindstrom sent another set of fraudulent photographs to Rock Capital’s Principal that misrepresented his position by omitting thousands of his deep out-of-the-money options.

51. Later in the fall, Lindstrom lied again to cover up a mistake that nearly caused his scheme to unravel. On Friday November 21, 2014, an expiration day, Lindstrom miscalculated the number of options he needed to purchase in order to cover the loss that was booked when some options expired worthless. As a result, a \$475,000 loss appeared on his statement.

52. The next day, Saturday November 22, 2014, Lindstrom texted Rock Capital’s Principal and Rock Capital’s office manager the following: “*Hey guys just a heads up, my account not right today. Had calls vs puts, on if course a trade that I checked. Around \$475,000 to the bad. Will be fixed Monday. Have good weekend!*” Lindstrom’s statement that the \$475,000 loss was a trade entry error (called an “out-trade”) that he would correct and not the result of an ongoing fraud that he was perpetrating was an affirmative misrepresentation.

53. On Monday November 24, 2014, Lindstrom increased the size of his net position by approximately 100,000 deep out-of-the-money options, which created the appearance in Lindstrom's account statements that the loss had vanished.

**D. Collapse Of Rock Capital**

54. On January 27, 2015, a representative of CME Group called Rock Capital's Principal to inquire about the large option positions held by Rock Capital. Rock Capital's Principal initially denied owning the positions. However, after CME Group confirmed that Rock Capital held the positions, Rock Capital's Principal investigated further and learned of Lindstrom's trading. Rock Capital immediately suspended Lindstrom's trading privileges, and terminated him from the firm.

55. When Lindstrom's scheme was uncovered on January 27, 2015, Lindstrom's account reflected a net liquidation value more than \$15 million greater than reality. Lindstrom's fraudulent trading during the relevant period resulted in losses in excess of \$13.9 million and caused the collapse of Rock Capital.

**VIOLATIONS OF THE COMMODITY EXCHANGE ACT AND REGULATIONS**

**COUNT I**

**OPTIONS FRAUD**

**VIOLATIONS OF SECTION 4c(b) OF THE ACT AND REGULATION 33.10**

56. The allegations set forth in paragraphs 1 through 55 are re-alleged and incorporated herein by reference.

57. Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), provides: "No person shall offer to enter into, enter into or confirm the execution of, any transaction involving any commodity regulated under this Act which is of the character of, or is commonly known to the trade as, an "option", "privilege", "indemnity", "bid", "offer", "put", "call", "advance guaranty", or "decline

guaranty”, contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe.”

58. Regulation 33.10, 17 C.F.R. § 33.10 (2015), promulgated thereunder, provides:

“It shall be unlawful for any person directly or indirectly—

(a) to cheat or defraud or attempt to cheat or defraud any other person;

(b) To make or cause to be made to any other person any false report or statement thereof or cause to be entered for any person any false record thereof;

(c) To deceive or attempt to deceive any other person by any means whatsoever in or in connection with an offer to enter into, the entry into, the confirmation of the execution of, or the maintenance of, any commodity option transaction.”

59. Lindstrom knowingly or recklessly, in connection with commodity options transactions, cheated or defrauded or attempted to defraud other persons including, Rock Capital and/or Rock Capital’s Principal.

60. Lindstrom knowingly or recklessly, in connection with commodity options transactions, made or caused to be made false reports or statements to other persons, including to Rock Capital and/or Rock Capital’s Principal, or caused to be entered for other persons false records thereof.

61. Lindstrom knowingly or recklessly, in connection with commodity options transactions, deceived or attempted to deceive other persons, including Rock Capital and/or Rock Capital’s Principal, by perpetrating a scheme to falsely inflate the value and profitability of his options position, making false and misleading statements and omissions concerning his options positions, and requesting and accepting draw payments to which he was not entitled.

62. By this conduct, Lindstrom violated Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Regulation 33.10, 17 C.F.R. § 33.10 (2015).

63. Each cheat or attempted cheat, fraud or attempted fraud, or material false or misleading report, statement or omission by Lindstrom, including but not limited to those specifically alleged herein, is a separate and distinct violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Regulation 33.10, 17 C.F.R. § 33.10 (2015).

**RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court, as authorized by Section 6c of the Act, 7 U.S.C. § 13a-1 (2012), and pursuant to the Court's own equitable powers, enter:

a) An order finding that Lindstrom violated Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Commission Regulation 33.10, 17 C.F.R. § 33.10 (2015).

b) An order of permanent injunction prohibiting Lindstrom and any of his agents, servants, employees, successors, assigns, attorneys, and persons in active concert or participation with him, from directly or indirectly:

- (i) engaging in conduct in violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2012), and Commission Regulation 33.10, 17 C.F.R. § 33.10 (2015);
- (ii) trading on or subject to the rules of any registered entity (as that term is defined in Section 1a of the Act, 7 U.S.C. § 1a (2012));
- (iii) entering into any transactions involving "commodity interests" (as that term is defined in Commission Regulation 1.3(yy), 17 C.F.R. § 1.3(yy) (2015)), for Lindstrom's own accounts or for any account in which he as a direct or indirect interest;
- (iv) having any commodity interests traded on Lindstrom's behalf;



- (v) 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;
  - (vi) soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
  - (vii) 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) (2015);
  - (viii) acting as a principal (as that term is defined in Commission Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2015)), 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 Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2015);
- c) An order requiring Lindstrom and any third party transferee and/or successors thereof, to disgorge to any officer appointed or directed by the Court all benefits received including, but not limited to, draw payments, salaries, commissions, loans, fees, revenues and trading profits derived, directly or indirectly, from acts or practices which constitute violations of the Act as described herein, including pre-judgment and post-judgment interest;
- d) An order requiring Lindstrom to make restitution to Rock Capital for the losses proximately caused by Lindstrom's violations of the provisions of the Act as described herein, including pre-judgment interest;

e) An order directing Lindstrom to pay a civil monetary penalty for each violation of the Act described herein, plus post-judgment interest, in the amount of the higher of: (1) \$152,243 for each violation of 4c(b) of the Act and Regulation 33.10, or (2) triple the monetary gain to Lindstrom for each violation of the Act and the Regulations, plus post-judgment interest;

f) An order requiring Lindstrom to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2) (2006); and

g) Such other and further relief as the Court deems proper.

Dated: September 29, 2016

Respectfully submitted,

/s/ Michael D. Frisch

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