

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

_____) CFTC DOCKET NO. SD 10-01
In the Matter of)
)
One World Capital Group, LLC,)
)
)
Registrant.)
_____)

OPINION AND ORDER ACCEPTING OFFER OF SETTLEMENT
OF ONE WORLD CAPITAL GROUP, LLC

I.

On this date, the Commission filed a Notice of Intent to Revoke Registrations ("Notice") against registrant One World Capital Group, LLC ("One World" or "Registrant"). The Notice alleges One World's registrations as a Futures Commission Merchant ("FCM") and Commodity Trading Advisor ("CTA") are subject to revocation under Section 8a(2)(C) of the Commodity Exchange Act ("Act"), as amended, 7 U.S.C. § 12a(2)(C) (2006). To resolve this matter, One World has submitted an Offer of Settlement ("Offer") that the Commission has determined to accept.

II.

One World acknowledges service and receipt of the Notice, and this Opinion and Order ("Order"). Prior to the taking of any testimony, and prior to any adjudication on the merits, One World consents to the entry of this Order and to the use of the findings in this Order only in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party.

III.

The Commission finds the following:

A. Respondent

One World Capital Group, LLC is a New York Limited Liability Company formed on August 31, 2005. Its principal place of business is in Winnetka, Illinois 60093. One World has been registered with the Commission as a FCM since December 6, 2005, and as a CTA since May 17, 2007. One World is also a Forex Dealer Member ("FDM") of the NFA. As a registered FCM and NFA FDM, One World has solicited and accepted retail customer funds for the purpose of acting as a counterparty, or offering to act as the counterparty, to foreign currency ("forex") transactions.

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B. Facts

One World and its managing member and president, John “Jack” Edward Walsh (“Walsh”), were charged in a Commission civil injunctive action charging them with inability to demonstrate compliance with capitalization requirements and with failure to maintain required books and records in violation of Sections 4f(a) and 4f(b) of the Act, 7 U.S.C. §§ 6f(a) and 6f (b) (2002), and Commission Regulations 1.17(a)(4) and 1.18, 17 C.F.R. §§ 1.17(a)(4) and 1.18 (2007). The complaint alleges that, since at least November 28, 2007, One World has been unable to demonstrate that it has maintained at least \$1 million in adjusted net capital, the then current minimum requirement needed for FCMs that are FDMs. As of December 10, 2007, the complaint charges, One World failed to demonstrate that it had any net assets. While One World appeared to possess \$554,000 of funds held in customer accounts, since at least November 2, 2007, the NFA has been receiving complaints from customers alleging that they are unable to get their funds back from One World. The complaint alleges that the amount claimed outstanding by customers exceeds \$4 million. The complaint also alleges that Walsh conceded an inability to identify all of One World’s customer liabilities.

On [DATE] the court entered a Consent Order for Permanent Injunction and Other Ancillary Relief against One World and Walsh (“Consent Order”), which settled the Commission’s civil injunctive enforcement action. Among the sanctions imposed by the Consent Order against One World and Walsh were: permanent injunctions from further violation of Sections 4f(a) and 4f(b) of the Act and Commission Regulations 1.17(a)(4) and 1.18; and \$260,000 civil monetary penalties against each defendant. The Consent Order also includes a broad permanent injunctive provision that prohibits One World and Walsh from engaging in any activity related to trading in any commodity interest, as that term is defined in Section 1a(4) of the Act, 7 U.S.C. § 1a(4). Significantly, this broad provision prohibits One World from engaging in any activity requiring registration or exemption from registration with the Commission or otherwise engaging in any business activities related to commodity interest trading.

C. Legal Discussion

One World’s registrations are subject to statutory disqualification under the Act. Section 8a(2)(C) of the Act, in relevant part, authorizes the Commission to revoke the registration of any person “if such person is permanently ... enjoined by order... of any court of competent jurisdiction, including an order entered pursuant to an agreement of settlement to which the Commission... is a party, from ... acting as a futures commission merchant,....[or] commodity trading advisor...” 7 U.S.C. § 12a(2)(D). Because the Consent Order has the effect of permanently enjoining One World from acting as a FCM and CTA, the Consent Order forms a solid basis under Section 8a(2)(C) of the Act for statutory disqualification of One World from registration as a FCM and CTA.

IV.

OFFER OF SETTLEMENT

One World has submitted an Offer in which One World acknowledges service of the Notice; admits the jurisdiction of the Commission with respect to the matters set forth in the Notice; waives a hearing, all post-hearing procedures, judicial review by any court, any all objections to the participation by any member of the Commission's staff in the Commission's consideration of the Offer, any and all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2006) and 28 U.S.C. § 2412 (2006), and/or Part 148 of the Commission Regulations, 17 C.F.R. §§ 148.1-30 (2009), relating to, or arising from, this action, any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act, Pub. L. No. 104-121, §§ 231-232, 110 Stat. 862-63 (1996), as amended by Pub. L. No. 110-28, 121 Stat. 112 (2007), relating to or arising from this action, and any claim of double jeopardy based on the institution of this proceeding or the entry in this proceeding of any order for relief. In addition, One World stipulates that the record basis on which this Order is entered consists of the Notice and the findings to which One World consented in the Offer, which are incorporated in this Order.¹

V.

FINDING

Based upon the foregoing, the Commission finds that One World's registrations as a FCM and CTA shall be revoked pursuant to Section 8a(2)(C) of the Act, 7 U.S.C. § 12a(2)(C) (2006).

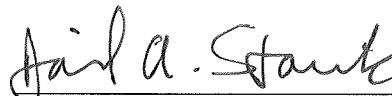
VI.

Accordingly, IT IS HEREBY ORDERED THAT:

One World's registrations as a FCM and CTA are hereby revoked.

The provisions of this Order shall be effective immediately. A copy of this Order shall be served on One World at the address set forth in the Notice, on all contract markets, and on the National Futures Association.

By the Commission:



David A. Stawick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: March 4, 2010

¹ In its Offer, One World agrees to the use of the findings in this Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party.