

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

COMMODITY FUTURES TRADING  
COMMISSION,

Plaintiff,

v.

NOTUS LLC d/b/a ROFX, et al.,

Defendants.

Case No. 1:22-cv-20291-DPG

**SUPPLEMENTAL CONSENT ORDER ASSESSING RESTITUTION AND A CIVIL  
MONETARY PENALTY AGAINST DEFENDANT TIMOTHY F. STUBBS**

**I. INTRODUCTION**

On August 31, 2022, Plaintiff Commodity Futures Trading Commission (“Commission” or “CFTC”) filed an Amended Complaint against Timothy F. Stubbs (“Stubbs” or “Defendant”), Jase Davis (“Davis”), Borys Konovalenko (“Konovalenko”), Anna Shymko (“Shymko”), Alla Skala (“Skala”) (hereinafter, “Facilitating Defendants”), individually and as the controlling persons of the interrelated companies Notus LLC d/b/a ROFX (“Notus”), Easy Com LLC d/b/a ROFX (“Easy Com”), Global E-Advantages LLC a/k/a Kickmagic LLC d/b/a ROFX (“GEA”), Grovee LLC d/b/a ROFX (“Grovee”), and Shopostar LLC d/b/a ROFX (“Shopostar”) (hereinafter, “Corporate Defendants”), for violations of the Commodity Exchange Act (the “Act”) and CFTC Regulations, 7 U.S.C. §§ 6b(a)(2)(A), (C), 6d(a)(1), 9(1) and 17 C.F.R. §§ 5.2(b)(1), (3), and 180.1(a) (2023). The Court entered an Order of Preliminary Injunction against Stubbs on September 22, 2023 (“Stubbs PI Order,” ECF No. 124). The Stubbs PI Order froze assets under Stubbs’ control, prohibited further violations of the Act and CFTC

Regulations, permitted CFTC access to all of Stubbs' books and records, and prohibited the destruction of documents.

On December 19, 2023, the Court entered a Consent Order of Permanent Injunction and Other Statutory and Equitable Relief against Stubbs ("Consent Order"), making findings of fact, permanently enjoining Stubbs from further violations of the Act as charged, permanently enjoining Stubbs from acting in any capacity that requires registration with the CFTC, and ordering Stubbs to pay restitution and a civil monetary penalty, among other relief. Consent Order, ECF No. 130. The Consent Order further provides that the Court shall determine the amounts of restitution, disgorgement, and civil monetary penalty and the procedures for payment and distribution of these monetary sanctions by further order upon: motion of the Parties submitting to the Court a proposed supplemental consent order setting out their agreement on the amounts of restitution, disgorgement, and civil monetary penalty to be paid by Stubbs in this matter; subsequent motion by the CFTC; and/or hearing before this Court. The Parties, having reached an agreement as to the amounts of restitution, disgorgement, and civil monetary penalty to be paid by Stubbs, have submitted this Supplemental Consent Order Assessing Restitution and a Civil Monetary Penalty Against Stubbs ("Supplemental Consent Order").

## **II. CONSENTS AND AGREEMENTS**

To resolve the sole remaining issues of restitution and civil monetary penalty (as provided in the Consent Order), without any further judicial proceedings, Stubbs:

1. Consents to the entry of this Supplemental Consent Order Assessing Restitution and a Civil Monetary Penalty Against Stubbs.
2. Affirms that he has read and agreed to this Supplemental Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has

been made by the CFTC or any member, officer, agent or representative thereof, or by any other person, to induce consent to this Supplemental Consent Order.

3. Acknowledges service of the summons and Amended Complaint.
4. Admits the jurisdiction of this Court over him and the subject matter of this action pursuant to 7 U.S.C. § 13a-1.
5. Admits the jurisdiction of the CFTC over the conduct and transactions at issue in this action pursuant to the Act.
6. Admits that venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(e).
7. Waives:
  - a. Any and all claims that he may possess under the Equal Access to Justice Act (“EAJA”), 5 U.S.C. § 504 and 28 U.S.C. § 2412, and/or the rules promulgated by the CFTC in conformity therewith, Part 148 of the Regulations, 17 C.F.R. § 148.1 (2023), relating to, or arising from, this action.
  - b. Any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act, Pub. L. 104-121, Subtitle B, Section 223, 110 Stat. 847, 857-74 (codified as amended at 28 U.S.C. § 2412 and in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this action.
  - c. Any claim of Double Jeopardy based upon the institution of this action, or the entry in this action of any order imposing a civil monetary penalty or any other relief, including this Consent Order; and
  - d. Any and all rights of appeal from this action.
8. Acknowledges that the Commission is the prevailing party in this action for purposes of the waiver of any and all rights under the Equal Access to Justice Act specified in subpart a of paragraph 7 above.
9. Consents to the continued jurisdiction of this Court over him for the purpose of enforcing the terms and conditions of the Consent Order and Supplemental Consent Order and

for any other purpose relevant to this action even if Stubbs now or in the future resides outside the jurisdiction of this Court.

10. Agrees that he will not oppose enforcement of this Supplemental Consent Order by alleging that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and waives any objection based thereon.

11. Agrees that neither he nor any of his agents or employees acting under his authority or control shall take any action or make any public statement denying, directly or indirectly, any allegation in the Amended Complaint or the Findings of Fact or Conclusions of Law in this Supplemental Consent Order, or creating, or tending to create, the impression that the Amended Complaint, the Consent Order, and/or this Supplemental Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect Defendant's: (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the CFTC is not a party. Stubbs shall comply with this agreement, and shall undertake all steps necessary to ensure that all of his agents or employees acting under his authority or control understand and comply with this agreement.

12. Consents to the entry of this Supplemental Consent Order without admitting or denying the allegations of the Amended Complaint or the Findings of Fact and Conclusions of Law in the Consent Order and/or in this Supplemental Consent Order, except as to jurisdiction and venue, which he admits.

13. Consents to the use of findings and conclusions in the Consent Order and this Supplemental Consent Order in this proceeding, and in any other proceeding brought by the CFTC or to which the CFTC is a party or claimant, and agrees that they shall be taken as true and correct and be given preclusive effect therein, without further proof.

14. Agrees to provide immediate notice to this Court and the CFTC by certified mail, in the manner required by paragraph 31 of Section V of the Supplemental Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against him, whether inside or outside the United States.

15. Agrees that no provision of this Supplemental Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against Stubbs in any other proceeding. The Court, being fully advised in the premises, finds there is good cause for entry of this Supplemental Consent Order and that there is no just reason for delay. The Court therefore directs the entry of ancillary equitable relief pursuant to 7 U.S.C. § 13a-1, as set forth herein.

### **III. FINDINGS AND CONCLUSIONS**

16. The Findings of Fact and Conclusions of Law contained in the Consent Order are incorporated by reference and given preclusive effect as provided in the Consent Order.

### **IV. RESTITUTION AND CIVIL MONETARY PENALTY**

**IT IS HEREBY ORDERED** that Stubbs shall comply fully with the following terms, conditions, and obligations relating to the payment of restitution and civil monetary penalty:

#### **A. Restitution**

17. Stubbs shall pay restitution in the amount of one hundred fifty-three thousand dollars (\$153,000) (“Restitution Obligation”). If the Restitution Obligation is not paid immediately in full, post-judgment interest shall accrue on the unpaid portion of the Restitution Obligation beginning on the date of entry of the Supplemental Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of the Supplemental Consent Order pursuant to 28 U.S.C. § 1961.

18. To effect payment of the Restitution Obligation and the distribution of any restitution payments to identifiable customers who deposited funds between November 18, 2020, and January 20, 2021, into the Grovee account at Bank of America ending in 9293 for which Stubbs was the signatory (“Stubbs’ customers”), the Court appoints the National Futures Association (“NFA”) as Monitor (“Monitor”). The Monitor shall receive restitution payments from Stubbs and make distributions as set forth below. Because the Monitor is acting as an officer of this Court in performing these services, the Monitor shall not be liable for any action or inaction arising from NFA’s appointment as Monitor, other than actions involving fraud.

19. Stubbs shall make Restitution Obligation payments, and any post-judgment interest payments, under the Supplemental Consent Order to the Monitor in the name “Notus, LLC—SETTLEMENT/RESTITUTION FUND” and shall send such payments by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier’s check, or bank money order, to the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606 under cover letter that identifies the paying Defendant and the name and docket number of this proceeding. Stubbs shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

20. The Monitor shall oversee the Restitution Obligation and shall have the discretion to determine the manner of distribution of such funds in an equitable fashion to Stubbs’ customers identified by the CFTC or may defer distribution until such time as the Monitor deems appropriate. In the event that the amount of Restitution Obligation payments to the Monitor are of a de minimis nature such that the Monitor determines that the administrative cost of making a distribution to eligible pool participants is impractical, the Monitor may, in its discretion, treat

such restitution payments as civil monetary penalty payments, which the Monitor shall forward to the CFTC following the instructions for civil monetary penalty payments set forth in Part B, below.

21. Stubbs shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Stubbs' customers to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any Restitution Obligation payments. Stubbs shall execute any documents necessary to release funds that it has in any repository, bank, investment or other financial institution, wherever located, in order to make partial or total payment toward the Restitution Obligation.

22. The Monitor shall provide the CFTC at the beginning of each calendar year with a report detailing the disbursement of funds to Stubbs' customers made during the previous year. The Monitor shall transmit this report under a cover letter that identifies the name and docket number of this proceeding to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

23. The amounts payable to each customer shall not limit the ability of any customer from proving that a greater amount is owed from Stubbs or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any customer that exist under state or common law.

24. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each Stubbs customer who suffered a loss that is directly related to conduct of Stubbs in connection with the conduct described in the Amended Complaint and Findings of Fact in the Consent Order is explicitly made an intended third-party beneficiary of the Supplemental Consent Order and may seek to enforce obedience of the Supplemental Consent Order to obtain satisfaction of any

portion of the Restitution Obligation that has not been paid by Stubbs, to ensure continued compliance with any provision of this Supplemental Consent Order, and to hold Stubbs in contempt for any violations of any provision of the Supplemental Consent Order.

25. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Stubbs' Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth above.

**B. Civil Monetary Penalty**

26. Stubbs shall pay a civil monetary penalty in the amount of three hundred fourteen thousand dollars (\$314,000) ("CMP Obligation"). If the CMP Obligation is not immediately paid in full, then post-judgment interest shall accrue on the unpaid portion of the CMP Obligation beginning on the date of entry of the Supplemental Consent Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of the Supplemental Consent Order pursuant to 28 U.S.C. § 1961.

27. Stubbs shall pay the CMP Obligation and any post-judgment interest by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

MMAC/ESC/AMK326  
Commodity Futures Trading Commission  
6500 S. MacArthur Blvd.  
HQ Room 266  
Oklahoma City, OK 73169  
9-amc-ar-cftc@faa.gov

If payment is to be made by electronic funds transfer, Stubbs shall contact the Federal Aviation Administration at the email address above to receive payment instructions and shall fully comply with those instructions. Stubbs shall accompany payment of the CMP Obligation



with a cover letter that identifies Stubbs and the name and docket number of this proceeding.

Stubbs shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581. Stubbs shall also transmit a copy of the cover letter and the form of payment to Paul G. Hayeck, Deputy Director, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, DC 20581.

**C. Provisions Related to Monetary Sanctions**

28. Partial Satisfaction: Acceptance by the CFTC of any partial payment of Stubbs' Restitution Obligation or CMP Obligation shall not be deemed a waiver of his obligation to make further payments pursuant to the Supplemental Consent Order, or a waiver of the CFTC's right to seek to compel payment of any remaining balance.

29. Asset Freeze: The Court entered the Stubbs PI Order against Stubbs on September 22, 2023 (ECF No. 124). The Stubbs PI Order froze assets under Stubbs' control, prohibited further violations of the Act and CFTC Regulations, permitted CFTC access to all of Stubbs' books and records, and prohibited the destruction of documents. Stubbs is hereby released from the provisions set forth in Paragraphs 1 through 10 contained on pages 14 through 17 of the Relief Granted section in the Stubbs PI Order. The Court hereby lifts and vacates the asset freeze provisions of the PI Order set forth above in the above-referenced paragraphs and pages.

**V. MISCELLANEOUS PROVISIONS**

30. Until such time as Stubbs satisfies in full the Restitution and CMP Obligations under the Supplemental Consent Order, upon the commencement by or against Stubbs of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement

of Stubbs' debts, all notices to creditors required to be furnished to the CFTC under Title 11 of the United States Code or other applicable law with respect to such insolvency, receivership, bankruptcy or other proceedings, shall be sent to the address below:

Secretary of the Commission  
Office of the General Counsel  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street N.W.  
Washington, D.C. 20581

31. Notice: All notices required to be given by any provision in the Supplemental Consent Order shall be sent certified mail, return receipt requested, as follows:

Notice to CFTC:

Paul G. Hayeck  
Deputy Director, Division of Enforcement  
Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, D.C. 20581  
phayeck@cftc.gov

Notice to Stubbs:

Daniel S. Newman, Esq.  
Nelson Mullins Riley & Scarborough  
One Biscayne Tower, 21st Floor  
2 S. Biscayne Boulevard  
Miami, FL 33131  
dan.newman@nelsonmullins.com

All such notices to the CFTC shall reference the name and docket number of this action.

32. Change of Address/Phone: Until such time as Stubbs satisfies in full the Restitution and/or CMP Obligations as set forth in the Supplemental Consent Order, Stubbs shall provide written notice to the CFTC by reasonable means of any change to his telephone numbers and mailing addresses within ten calendar days of the change.

33. Entire Agreement and Amendments: The Supplemental Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify the Supplemental Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

34. Invalidation: If any provision of the Supplemental Consent Order or if the application of any provision or circumstance is held invalid, then the remainder of the Supplemental Consent Order and the application of the provision to any other person or circumstance shall not be affected by the holding.

35. Waiver: The failure of any party to the Supplemental Consent Order or any customer at any time to require performance of any provision of the Supplemental Consent Order shall in no manner affect the right of the party or customer at a later time to enforce the same or any other provision of the Supplemental Consent Order. No waiver in one or more instances of the breach of any provision contained in the Supplemental Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of the Supplemental Consent Order.

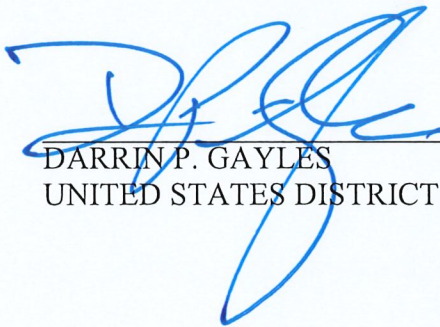
36. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action in order to ensure compliance with the Supplemental Consent Order and for all other purposes related to this action, including any motion by Stubbs to modify or for relief from the terms of the Supplemental Consent Order.

37. Counterparts and Electronic Execution: The Supplemental Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each

of the parties hereto and delivered (by e-mail or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to the Supplemental Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of the Supplemental Consent Order.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this *Supplemental Consent Order Assessing Restitution and a Civil Monetary Penalty Against Defendant Timothy F. Stubbs*.


**DONE AND ORDERED** in Chamber at Miami, Florida on this 5<sup>th</sup> day of May, 2024.



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DARRIN P. GAYLES  
UNITED STATES DISTRICT JUDGE

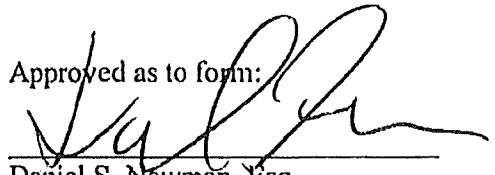
CONSENTED TO AND APPROVED BY:

  
Defendant Timothy F. Stubbs, individually

Date: \_\_\_\_\_

  
Timothy J. Mulreany, Chief Trial Attorney  
Danielle Karst, Chief Trial Attorney  
**COMMODITY FUTURES TRADING  
COMMISSION**  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581  
(202) 418-5306

Date: 4/30/2024

Approved as to form:  


Daniel S. Newman, Esq.  
Attorney for Defendant, Timothy Stubbs  
Florida Bar No. 0962767  
Nelson Mullins Riley & Scarborough  
One Biscayne Tower, 21st Floor  
2 South Biscayne Boulevard  
Miami, FL 33131  
(305) 373-9467

Date: 4/30/24