

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION



_____))
In the Matter of:))
))
Ted Brent Alexander,))
))
Registrant.) **CFTC Docket No. SD 24-01**
))
_____))

OPINION AND ORDER ACCEPTING OFFER OF SETTLEMENT OF
TED BRENT ALEXANDER

I. INTRODUCTION

On March 12, 2024, the Commodity Futures Trading Commission (“Commission”) issued a Notice of Intent to Revoke Registration Pursuant to Section 8a(2)(D) of the Commodity Exchange Act (“Notice”) against Ted Brent Alexander (“Alexander”). The Notice alleged that Alexander’s registrations as a Commodity Trading Advisor (“CTA”) and Associated Person (“AP”) are subject to revocation pursuant to Section 8a(2)(D) of the Commodity Exchange Act, (the “Act”), 7 U.S.C. § 12a(2)(D). To resolve this matter, Alexander has submitted an Offer of Settlement (“Offer”) that the Commission has determined to accept.¹

II. FINDINGS

The Commission finds the following:

A. SUMMARY

Alexander is registered as a CTA and an AP.

On April 26, 2003 Alexander pled guilty to one count of conspiracy to commit wire fraud in *United States v. Alexander*, No. 3:20-cr-00031 (S.D. Miss.). On November 13, 2023, a

¹ Alexander consents to the use of the findings of fact and conclusions of law in this Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission 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. Alexander does not consent, however, to the use of this Order, or the findings or conclusions herein, as the sole basis for any other proceeding brought by the Commission or to which the Commission is a party or claimant, other than: a proceeding in bankruptcy or receivership; or a proceeding to enforce the terms of this Order. Alexander does not consent to the use of the Offer or this Order, or the findings or conclusions in this Order, by any other party in any other proceeding.

judgment of conviction was entered against Alexander. Alexander's felony conviction for fraud based upon his guilty plea constitutes grounds for revocation of Alexander's registrations under Section 8a(2)(D)(iii) of the Act, 7U.S.C. § 12a(2)(D)(iii).

B. REGISTRANT

Ted Brent Alexander has been registered with the Commission as a CTA and an AP since October 8, 2008. His registrations were suspended on January 12, 2022.

C. FACTS

On February 25, 2020, the United States Attorney for the Southern District of Mississippi filed an indictment in *United States v. Alexander*, No. 3:20-cr-00031 (S.D. Miss.) which charged Alexander with three federal felonies. More specifically, the indictment charged Alexander with one count of conspiracy to commit securities and commodities fraud in violation of 18 U.S.C. § 1349, one count of securities and commodities fraud in violation of 18 U.S.C. § 1348; and four counts of wire fraud in violation of 18 U.S.C. § 1343.

Based on these facts, the Commission filed a Notice of Intent to Suspend or Modify Alexander's registrations pursuant to Section 8a(11)(A) of the Act, 7 U.S.C. § 12a(11)(A) on September 2, 2021. On January 12, 2022, the Commission suspended Alexander's registrations. *In re Alexander*, No. SD 21-01, 2022 WL 145166 (CFTC Jan. 12, 2022).

On April 26, 2023, Alexander pleaded guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 371 in the above-mentioned criminal case. The count of the indictment to which Alexander pleaded guilty alleged that Alexander and a co-defendant:

[A]ided and abetted by each other and by others known and unknown, did knowingly and intentionally participate in a scheme and artifice to defraud investors by soliciting millions of dollars under false pretenses, failing to use investors' funds as promised, and misappropriation and converting investors' funds to Alexander's and [his co-defendant's] own benefit and the benefit of others without the knowledge or authorization of the investors.

On November 13, 2023, the United States District Court for the Southern District of Mississippi entered a judgment of conviction against Alexander.

III. LEGAL DISCUSSION

Alexander's registrations are subject to statutory disqualification under the Act. Pursuant to Section 8a(2)(D)(iii) of the Act, 7 U.S.C. § 12a(2)(D)(iii), the Commission may revoke the registration of any person if that person has been convicted of a felony that, *inter alia*, involves one or more of embezzlement, theft, fraud, fraudulent conversion, misappropriation of funds, securities or property, and/or false pretenses.

Alexander has been convicted of conspiracy to commit wire fraud, in violation of 18 U.S.C. § 371. Thus, Alexander’s conviction forms a basis under Section 8a(2)(D)(iii) of the Act for the revocation of his registrations as a CTA and AP.

IV. OFFER OF SETTLEMENT

Alexander has submitted an Offer in which he:

- A. Acknowledges service of the Notice and this Order;
- B. Admits that Alexander is registered with the Commission as a Commodity Trading Advisor (“CTA”) and an Associated Person (“AP”);
- C. Admits the jurisdiction of the Commission with respect to all matters set forth in the Notice and this Order and for any action or proceeding brought or authorized by the Commission based on violation of or enforcement of this Order;
- D. Admits that on April 26, 2023, Alexander pleaded guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 371, and the court entered a judgment of conviction against Alexander on November 13, 2023; and
- E. Admits that Alexander is subject to statutory disqualification pursuant to Section 8a(2)(D)(iii) of the Act, 7 U.S.C. § 12a(2)(D)(iii).
- F. Waives:
 - 1. A hearing;
 - 2. All post-hearing procedures;
 - 3. Judicial review by any court;
 - 4. Any and all objections to the participation by any member of the Commission’s staff in the Commission’s consideration of the Offer;
 - 5. Any and all claims that he may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2018), and 28 U.S.C. § 2412, and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148.1-30, relating to, or arising from, this proceeding;
 - 6. Any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201-53, 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 proceeding; and

7. Any claims of Double Jeopardy based on the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief, including this Order; and
 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 and, specified in paragraph 5 above.
- G. Stipulates that the record basis on which this Order is entered shall consist solely of the Notice and the findings in his Offer, which are incorporated in this Order;
- H. Consents, solely on the basis of the Offer, to the Commission's entry of this Order that:
1. Makes findings that Alexander is subject to a statutory revocation under Section 8a(2)(D)(iii) of the Act, 7 U.S.C. § 12a(2)(D)(iii);
 2. Orders that Alexander's registrations as a commodity trading advisor and associate person are revoked; and
 3. Orders Alexander and his successors and assigns to comply with the conditions and undertakings consented to in the Offer and as set forth in Part V of this Order.

Upon consideration, the Commission has determined to accept the Offer.

V. ORDER

Accordingly, the Commission HEREBY ORDERS THAT:

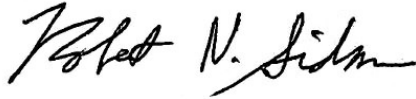
- A. Pursuant to Section 8a(2)(D)(iii) of the Act, 7 U.S.C. § 12a(2)(D)(iii), Alexander's registrations as a CTA and AP are hereby revoked.
- B. Alexander and his successors and assigns shall comply with the following conditions and undertakings set forth in the Offer:
 1. Alexander agrees that neither he nor any of his successors and assigns, agents, or employees under his authority or control shall take any action or make any public statement denying, directly or indirectly, any findings or conclusions in this Order or creating, or tending to create, the impression that this Order is without a factual basis; provided, however, that nothing in this provision shall affect Alexander's: (i) testimonial obligations; or (ii) right to take legal positions in other proceedings to which the Commission is not a party. Alexander and his successors and assigns shall comply with this agreement, and shall undertake all steps necessary to ensure that all of his agents and/or employees under its authority or control understand and comply with this agreement.
 2. Alexander agrees that he shall never, directly or indirectly apply for registration or claim exemption from registration with the Commission in any capacity, and engage 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) (2023).

3. Alexander agrees that he shall never, directly or indirectly act as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2023), agent or any other officer or employee of any person (as that term is defined in Section 1a(38) of the Act, 7 U.S.C. § 1a(38)) registered, exempted from registration or required to be registered with the Commission, except as provided for in Regulation 4.14(a)(9).

The provisions of this Order shall be effective as of this date. A copy of this Order shall be served upon Alexander, on all contract markets, and on the National Futures Association.

By the Commission.



Robert N. Sidman
Deputy Secretary of the Commission
Commodity Futures Trading Commission

Dated: June 13, 2024