

JS-6

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

COMMODITY FUTURES  
TRADING COMMISSION,  
Plaintiff,  
v.  
YUEYU BAO,  
Defendant.

Case No. CV 24-00376-SPG (SSCx)

**ORDER ENTERING FINAL  
JUDGMENT BY DEFAULT AGAINST  
DEFENDANT YUEYU BAO**

On July 31, 2024 the Court issued an order granting, in part, and denying, in part, Plaintiff’s Motion for Default Judgment, Permanent Judgment, Civil Monetary Penalty, and Other Equitable Relief. (ECF No. 28). The order is hereby incorporated by reference. For the reasons stated in the Court’s July 31, 2024 Order and good cause having been shown, final judgment by default is hereby **ENTERED** against Defendant Bao.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT judgment be entered in favor of the Plaintiff with respect to:

**A. Permanent Injunction**

1. Defendant and any of his agents, servants, employees, assigns, attorneys, holding companies, alter egos, and persons in active concert or participation with him,

1 including any of their successors, directly or indirectly, are permanently restrained,  
2 enjoined, and prohibited from directly or indirectly:

- 3 (i) engaging in conduct in violation of Section 4c(a)(2)(A)(ii) of the Act,  
4 7 U.S.C. § 6c(a)(2)(A)(ii); and Regulation 1.38(a), 17 C.F.R. § 1.38(a)  
5 (2023);
- 6 (ii) trading on or subject to the rules of any registered entity (as that term  
7 is defined in Section 1a(40) of the Act, 7 U.S.C. § 1a(40));
- 8 (iii) entering into any transaction involving “commodity interests” (as that  
9 term is defined in Regulation 1.3(yy), 17 C.F.R. § 1.3(yy) (2023)) for  
10 his own personal account or for any account in which he has a direct  
11 or indirect interest;
- 12 (iv) having any commodity interests traded on his behalf;
- 13 (v) controlling or directing trading for or on behalf of any other person or  
14 entity, whether by power of attorney or otherwise, in any account  
15 involving commodity interests;
- 16 (vi) soliciting, receiving, or accepting any funds from any person for the  
17 purpose of purchasing or selling any commodity interests;
- 18 (vii) applying for registration or claiming exemption from registration with  
19 the Commission in any capacity, and engaging in any activity  
20 requiring registration or exemption from registration with the  
21 Commission, except as provided for in Regulation 4.14(a)(9), 17  
22 C.F.R. § 4.14(a)(9) (2023); and
- 23 (viii) acting as a principal (as that term is defined in Regulation 3.1(a), 17  
24 C.F.R. § 3.1(a) (2023)), agent, or any other officer or employee of any  
25 person registered, exempted from registration, or required to be  
26 registered with the Commission, except as provided for in Regulation  
27 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2023).

1 **B. Civil Monetary Penalty**

2 2. Defendant Bao shall pay a civil monetary penalty in the amount of **\$260,140**  
3 (“CMP Obligation”), plus post-judgment interest at the weekly average 1-year constant  
4 maturity Treasury yield for the calendar week preceding the date of judgment. If the  
5 CMP Obligation is not paid immediately, then post-judgment interest shall accrue on the  
6 CMP Obligation beginning on the date of entry of this Order and shall be determined by  
7 using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28  
8 U.S.C. § 1961.

9 3. Payment of the CMP Obligation by Defendant Bao shall be affected in the  
10 same manner as payment of the Disgorgement Obligation, as set forth in Paragraphs 4 to  
11 7.

12 **C. Disgorgement**

13 4. Defendant Bao shall pay disgorgement in the amount of **\$130,070**  
14 (“Disgorgement Obligation”), representing the gains received in connection with such  
15 violations. If the Disgorgement Obligation is not paid immediately, post-judgment  
16 interest shall accrue on the Disgorgement Obligation beginning on the date of entry of  
17 this Order and shall be determined by using the Treasury Bill rate prevailing on the date  
18 of entry of this Order pursuant to 28 U.S.C. § 1961.

19 5. Defendant Bao shall pay the Disgorgement Obligation and any post-  
20 judgment interest by electronic funds transfer, U.S. postal money order, certified check,  
21 bank cashier’s check, or bank money order.

1           6.     If payment is to be made other than by electronic funds transfer, then the  
2 payment shall be made payable to the Commodity Futures Trading Commission and sent  
3 to the address below:

4                   MMAC/ESC/AMK326  
5                   Commodity Futures Trading Commission  
6                   Division of Enforcement  
7                   6500 S. MacArthur Blvd.  
8                   Room 266  
9                   Oklahoma City, OK 73169  
10                  Telephone: (405) 954-6569  
11                  Fax: (405) 954-1620  
12                               9-AMC-AR-CFTC@faa.gov

13           7.     If payment by electronic funds transfer is chosen, Defendant Bao shall  
14 contact the Federal Aviation Administration at the address above to receive payment  
15 instructions and shall fully comply with those instructions. Defendant Bao shall  
16 accompany payment of the Disgorgement Obligation with a cover letter that identifies the  
17 payor and the name and docket number of this proceeding. Defendant Bao shall  
18 simultaneously transmit copies of the cover letter and the form of payment to the Chief  
19 Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre,  
20 1155 21st Street, NW, Washington, DC 20581.

21                               **MISCELLANEOUS PROVISIONS**

22           8.     Partial Satisfaction: Acceptance by the CFTC of any partial payment of the  
23 Restitution Obligation or the CMP Obligation shall not be deemed a waiver of  
24 Defendant's obligation to make further payments pursuant to this Order, or a waiver of  
25 the CFTC's right to seek to compel payment of any remaining balance.

26           9.     Injunctive and Equitable Relief Provisions: The injunctive and equitable  
27 relief provisions of this Order shall be binding upon Defendant, upon any person under  
28 his authority or control, and upon any person who receives actual notice of this Order, by

1 personal service, email, facsimile or otherwise insofar as he or she is acting in active  
2 concert or participation with Defendant.

3 10. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of  
4 this action to ensure compliance with this Order and for all other purposes related to this  
5 action, including any motion by Defendant to modify, or for relief from, the terms of this  
6 Order.

7 There being no just reason for delay, the Clerk of the Court is hereby instructed to  
8 enter this Order and Judgment by Default Against Defendant Yueyu Bao forthwith and  
9 without further notice.

10 **IT IS SO ORDERED.**

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12 Dated: August 20, 2024



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HON. SHERILYN PEACE GARNETT  
UNITED STATES DISTRICT JUDGE