

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

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3:25 pm, Sep 30, 2020

In the Matter of:

A&A Trading, Inc.,

Respondent.

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) **CFTC Docket No. 20-77**
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**ORDER INSTITUTING PROCEEDINGS PURSUANT TO
SECTION 6(c) AND (d) OF THE COMMODITY EXCHANGE ACT, MAKING
FINDINGS, AND IMPOSING REMEDIAL SANCTIONS**

I. INTRODUCTION

The Commodity Futures Trading Commission (“Commission”) has reason to believe that from on or about May 5, 2014 to August 14, 2014 (“Relevant Period”), A&A Trading, Inc. (“A&A Trading” or “Respondent”), a registered introducing broker, violated Commission Regulations (“Regulations”) 42.2 and 166.3, 17 C.F.R. §§ 42.2, 166.3 (2019). Therefore, the Commission deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted to determine whether Respondent engaged in the violations set forth herein and to determine whether any order should be issued imposing remedial sanctions.

In anticipation of the institution of an administrative proceeding, Respondent has submitted an Offer of Settlement (“Offer”), which the Commission has determined to accept. Without admitting or denying any of the findings or conclusions herein, Respondent consents to the entry of this Order Instituting Proceedings Pursuant to Section 6(c) and (d) of the Commodity Exchange Act, Making Findings, and Imposing Remedial Sanctions (“Order”) and acknowledges service of this Order.¹

¹ Respondent 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. Respondent 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. Respondent 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.

II. FINDINGS

The Commission finds the following:

A. SUMMARY

During the Relevant Period, A&A Trading referred an introducing broker, Kooima & Kaemingk Commodities, Inc. (“K&K”), to a registered futures commission merchant (“FCM”) and assisted K&K in the handling of customer accounts introduced to the FCM. A&A Trading assisted K&K by accepting orders for commodity interests that were placed by K&K’s associated persons (“APs”) on behalf of the account owners, as well as performing back office support and bookkeeping functions for K&K. A&A Trading earned a portion of commissions that were charged to the customers for trades.

In two prior proceedings, the Commission issued orders against K&K and one of its APs, Nathan Harris (“Harris”), for violations of the Act and Regulations, including, as relevant here, unauthorized trading in violation of Section 4b of the Act, 7 U.S.C. § 6b (2018), and Regulation 166.2, 17 C.F.R. § 166.2 (2019). *In re Nathan Harris*, CFTC No. 19-20, 2019 WL 4318847 (Sept. 9, 2019); *In re Kooima & Kaemingk Commodities, Inc.* (“*In re K&K*”), CFTC No. 18-39, 2018 WL 4697025 (Sept. 26, 2018).

On May 5, 2014, during a telephone call, K&K informed one of A&A Trading’s principals that Harris was engaged in unauthorized trading in customer accounts and that K&K would reimburse at least one of the customers for losses. K&K also informed A&A Trading that it was concerned that another customer would discover the unauthorized trading and “see how he’s been churned.” Following this telephone call, A&A Trading was required to file a suspicious activity report (“SAR”) of Harris’s unauthorized trading with the Department of the Treasury’s Financial Crime Enforcement Network (“FinCEN”) within thirty days. A&A Trading did not do so, and it did not otherwise report the violations to the Commission.

Also, after learning that Harris was engaging in unauthorized trading, A&A Trading failed in its ongoing supervisory duties. First, A&A Trading’s SAR filing policy was inadequate, as it did not require a SAR filing for unauthorized trading, but even if the policy did require a SAR filing for unauthorized trading, A&A Trading failed to follow its policy. Second, after learning that Harris engaged in unauthorized trading, A&A Trading did not take any action to ensure that the orders its employees accepted from Harris were specifically authorized by customers. Nonetheless, after May 5, 2014, Harris continued placing unauthorized trades in customer accounts until he was terminated in August 2014. During this time, A&A Trading ignored warning signs that Harris’s unauthorized trading had continued, including indications that Harris and K&K were reimbursing customers for additional unauthorized trading losses.

Through this conduct, A&A Trading violated Regulations 42.2 and 166.3, 17 C.F.R. §§ 42.2, 166.3 (2019). A&A Trading earned \$95,329 in connection with its violations.

B. RESPONDENT

A&A Trading, Inc. is a registered introducing broker located in Chicago, Illinois.

C. FACTS

1. Background

During the Relevant Period, A&A Trading and K&K were registered introducing brokers. A&A Trading assisted K&K in connection with the handling of customer accounts. K&K would directly communicate with customers and A&A Trading would handle many of the order processing and other administrative, bookkeeping, and record keeping tasks. K&K's APs would communicate customer orders to the trading desk at A&A Trading, where the orders would be placed electronically or executed in the pits. As part of this arrangement, A&A Trading earned a portion of the commissions associated with each customer's trading, on a per-contract basis.

Beginning in approximately January 2012 and continuing through August 2014, Harris, formerly a registered AP of K&K, engaged in unauthorized trading in violation of Section 4b(a)(1) of the Act, 7 U.S.C. § 6b(a)(1) (2012), and Regulation 166.2, 17 C.F.R. § 166.2 (2019). See *In re Harris*, 2019 WL 4318847, at *2; *In re K&K*, 2018 WL 4697025, at *3-4. K&K and Harris used the term "Investment Accounts" internally and with customers to describe futures and options trading accounts that were managed by K&K's APs, including Harris, for speculative investment. *In re Harris*, 2019 WL 4318847, at *1; *In re K&K*, 2018 WL 4697025, at *3. Despite the speculative nature of the trading, Harris did not obtain specific authorization from certain customers for particular trades and did not obtain signed powers of attorney from certain customers. *In re Harris*, 2019 WL4318847, at *2; *In re K&K*, 2018 WL 4697025, at *4. During the Relevant Period, Harris managed a significant number of K&K customers' Investment Accounts without authorization—and his unauthorized trading resulted in approximately \$10.3 million in net customer losses. *In re Harris*, 2019 WL4318847, at *2; *In re K&K*, 2018 WL 4697025, at *1.² In May 2014, A&A Trading learned from K&K that Harris was engaged in unauthorized trading in at least two customer accounts.

2. A&A Trading Failed To File a SAR.

As relevant here, in April 2014, Harris's unauthorized trading escalated. K&K received inquiries from the CME and the CFTC regarding certain customers' positions. On May 5, 2014, in a recorded telephone call, K&K informed A&A Trading of Harris's misconduct. During the telephone call Lauren Kaemingk, one of K&K's principals, informed A&A Trading that Harris has "gone a little bit rogue on [K&K]" and identified two specific customers that Harris traded without authorization ("Customer A" and "Customer B"). A&A Trading's principal commented that "it's impossible to ignore [Customer A]," which is a customer that traded over 30,000 contracts in April 2014. In describing Customer A's account, Kaemingk stated that he hoped that Customer A does not "start[] looking at his accounts and see how he's been churned and all that, and you know big commissions." Kaemingk also explained that K&K would pay Customer B \$727,000 to reimburse it for Harris's unauthorized trading, but that K&K did not

² The Commission, in *In re Kooima & Kaemingk Commodities, Inc.*, CFTC No. 18-39, 2018 WL 4697025, at *18, *20 (Sept. 26, 2018) (consent order), ordered K&K and its principals, Lauren Kaemingk and Bradley Kooima, to pay, jointly and severally, restitution to customers for K&K's, Harris's, and Kaemingk's violations of the Act and Regulations. That restitution order has been satisfied.

plan to reimburse Customer A. It was clear from this call that A&A Trading was aware that Harris engaged in unauthorized trading.

Following this call, A&A Trading did not file a SAR and continued to accept orders from Harris on behalf of K&K's customers.

3. A&A Trading Did Not Have Adequate Supervisory Systems for Filing SARs and Failed To Diligently Supervise the Handling of Customer Accounts.

A&A Trading did not have, or did not follow, policies or procedures requiring it to file a SAR for trading it knew was unauthorized. Also, A&A Trading did not have, or did not follow, policies or procedures requiring that its employees not accept orders from Harris after it knew or had reason to suspect that Harris was engaged in unauthorized trading.

a. A&A Trading Had an Inadequate SAR Policy.

A&A Trading's policies and procedures required the filing of a SAR under limited and incomplete circumstances. Its policy required it to file a SAR only for "[u]nusual customer[] wire activity, such as frequent transfers not consistent with margin requirements." That is, its policy did not include any of the following four required circumstances related to any transaction (or series of transactions) involving at least \$5,000 that:

- i. involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade any Federal law or regulation or to avoid any transaction reporting requirement under Federal law or regulation;
- ii. is designed, whether through structuring or other means, to evade any requirements under the Bank Secrecy Act;
- iii. has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage; or
- iv. involves use of the introducing broker to facilitate criminal activity.

By its language, A&A Trading's policy did not require that A&A Trading file a SAR under circumstances required by Commission and FinCEN regulations. In other words, its policy did not require a SAR filing for unauthorized trading, even when one of its principals knew that Harris's unauthorized trading had no business or apparent lawful purpose or involved the use of A&A Trading to facilitate criminal activity. Alternatively, even if A&A Trading's policy required it to file a SAR for unauthorized trading, A&A Trading did not follow its policy. As noted, A&A Trading learned in the May 5, 2014 telephone call that Harris had engaged in unauthorized trading in at least two customer accounts, causing millions of dollars in losses. A&A Trading failed to file a SAR within thirty days, as would be required by an adequate policy.

b. A&A Trading Failed To Diligently Supervise Its Employees' Acceptance of Orders from Harris.

Harris's unauthorized trading continued between May 5, 2014 and August 14, 2014, even after A&A Trading learned of Harris's unauthorized trading for Customer A and Customer B. After May 5, 2014, Harris continued placing unauthorized trades in customer accounts until he was terminated in August 2014, but A&A Trading did not take any actions to ensure that the orders it accepted from Harris were specifically authorized by customers. During this time, A&A Trading also ignored warning signs that Harris's unauthorized trading had continued, including indications that Harris and K&K were reimbursing customers for unauthorized trading losses.

Specifically, in June 2014, Harris placed unauthorized trades in multiple customer accounts after reading a news report. Harris began speculating in at least six Investment Accounts that the live cattle futures contract would decline based on the dissemination of this news report. When the price of live cattle increased, the affected customers lost over \$1 million. This unauthorized trading resulted in at least four additional customers being unable (or unwilling) to pay the resulting losses. Three of the customers' losses went unpaid to the FCM for over one month. When the FCM began inquiring about when the customers would cover the losses, A&A Trading obtained information that suggested Harris engaged in additional unauthorized trading and that K&K and Harris would be reimbursing at least some of the affected customers. Yet, A&A Trading still did not take any action to prevent its employees from accepting unauthorized orders from Harris. And, between August 6 and 8, 2014, Harris engaged in even more unauthorized trading in yet another customer's account, who was one of the customers that Harris traded without authorization in June 2014 and who received a partial reimbursement from K&K in July. Through Harris's trading on these days, Harris accumulated 545 contracts in August 2014 live cattle in that customer's account, which exceeded the CME's live cattle spot-month limit of 450 contracts. Harris also placed unauthorized trades in at least four other accounts in August 2014.

III. LEGAL DISCUSSION

A. A&A Trading Failed To File a Suspicious Activity Report in Violation of Regulation 42.2.

Section 4g(a) of the Act, 7 U.S.C. § 6g(a) (2018), requires introducing brokers (among others) to "make such reports as are required by the Commission regarding transactions and positions of such [introducing broker], and the transactions and positions of the customer thereof." Section 8a(5) of the Act, 7 U.S.C. § 12a(5) (2018), authorizes the Commission "to make and promulgate such rules and regulations as, in the judgment of the Commission, are reasonably necessary to effectuate any of the provisions or to accomplish any of the purposes" of the Act. Relying on the Commission's authority under Sections 4g(a) and 8a(5) of the Act, among other provisions, the Commission issued Regulation 42.2, 17 C.F.R. § 42.2 (2019), which in relevant part requires every introducing broker to "comply with the applicable provisions of the Bank Secrecy Act and the regulations promulgated by the Department of the Treasury under that Act at 31 CFR chapter X[.]" Accordingly, Regulation 42.2 requires compliance with the regulations promulgated by FinCEN, a bureau of the Department of the Treasury, under the Bank

Secrecy Act (“BSA”). Those regulations include FinCEN Regulation 1026.320, 31 C.F.R. § 1026.320 (2019), which, as stated above, dictates in what circumstances an introducing broker, such as A&A Trading, must file SARs.

FinCEN Regulation 1026.320(a)(1)–(2)(iii) and (iv), requires introducing brokers to file a report of any suspicious transaction if the transaction is conducted (or attempted) through the introducing broker, involves funds of at least \$5,000, and the introducing broker “knows, suspects, or has reason to suspect that the transaction” among other things:

- (iii) [h]as no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the FCM or [introducing broker] knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction; or
- (iv) [i]nvolves use of the FCM or [introducing broker] to facilitate criminal activity.

A suspicious transaction must be reported by filing a SAR “no later than 30 calendar days after the date of the initial detection by the reporting . . . [introducing broker] of facts that may constitute a basis for filing a SAR[.]” 31 C.F.R. § 1026.320(b)(3). An introducing broker may delay filing for an additional thirty days if no suspect is identified on the date of the initial detection, but filing may not occur more than sixty days after the initial detection. *Id.*

SARs “assist law enforcement in detecting whether transactions have ‘no apparent or lawful purpose,’ or involve ‘funds derived from illegal activity,’ ‘structuring or other means’ of evading requirements of the BSA, or the ‘facilitat[ion] of illegal activity.’” *SEC v. Alpine Sec. Corp.*, 308 F. Supp. 3d 775, 796 (S.D.N.Y. 2018) (alteration in original) (quoting 31 C.F.R. § 1023.320(a)(2)), *appeal docketed*, No. 19-3272 (2d Cir. Oct. 10, 2019) (addressing the SEC’s enforcement of SAR filing and recordkeeping requirements against broker-dealers pursuant to SEC Rule 17a-8, 17 C.F.R. § 240.17a-8 (2019)). The reporting requirements set out in the BSA “are not casual,” but rather, “[t]he SAR framework allocates scarce government resources to protect public security by placing the burden of compliance, and of distilling a wide range of possibly relevant information into a SAR narrative, on [regulated entities].” *Id.* at 799-800.

Here, no later than May 5, 2014, A&A Trading knew that Harris had gone rogue and engaged in unauthorized trading. The type of unauthorized trading that Harris engaged in, overtrading in customer accounts, meets either of the two types of transactions above that are required to be reported in a SAR. That is, the unauthorized trading were “not the sort [of transactions] in which the particular customer would normally be expected to engage” and the unauthorized trading involved potential “criminal activity.” As a result, A&A Trading had a duty to file a SAR within thirty days of May 5, 2014. By failing to file a SAR, A&A Trading violated Regulation 42.2.

B. A&A Trading Failed To Diligently Supervise the Handling of Customer Accounts by Its Employees in Violation of Regulation 166.3.

Regulation 166.3, 17 C.F.R. § 166.3 (2019), requires that “[e]ach Commission registrant, except an associated person who has no supervisory duties,” to “diligently supervise the handling . . . of all commodity interest accounts carried, operated, advised or introduced by the registrant.” Under Regulation 166.3, a registrant has a “duty to develop procedures for the ‘detection and deterrence of possible wrongdoing by its agents.’” *Samson Refining Co. v. Drexel Burnham Lambert, Inc.*, CFTC No. 82-R448, 1990 WL 282783, at *11 (Feb. 16, 1990) (quoting *Lobb v. JT McKerr & Co.*, CFTC No. 85-R185, 1989 WL 242384, at *11 (Dec. 14, 1989)). Regulation 166.1 defines “Commission registrant” as used in Part 166 as “any person who is registered *or required to be registered with the Commission.*”

A violation of Regulation 166.3 is established by showing either that: (1) the registrant’s supervisory system was generally inadequate, or (2) the registrant failed to perform its supervisory duties diligently. *In re FCStone, LLC*, CFTC No. 15-21, 2015 WL 2066891, at *3 (May 1, 2015) (consent order) (citing *In re Murlas Commodities*, CFTC No. 85-29, 1995 WL 523563 (Sept. 1, 1995)). So, even if proper procedures are in place, a supervisory violation may occur if a registrant fails to implement those procedures, or fails to ensure that its agents follow those procedures. *See, e.g., In re GNP Commodities*, CFTC No. 89-1, 1992 WL 201158, at *17 (Aug. 11, 1992) (providing that, even if an adequate supervisory system is in place, Regulation 166.3 can still be violated if the supervisory system is not diligently administered and stating that “a proper determination of a FCM’s supervisory diligence must remain sensitive to the particular facts and circumstances that influenced the design and execution of the system at issue”), *aff’d sub nom. Monieson v. CFTC*, 996 F.2d 852 (7th Cir. 1993).

Further, a violation of Regulation 166.3 is an independent violation for which no underlying violation is necessary. *FCStone*, 2015 WL 2066891, at *3. Instead, evidence of underlying violations that “should be detected by a diligent system of supervision, either because of the nature of the violations or because the violations have occurred repeatedly” is probative of a failure to diligently supervise. *CFTC v. Sidoti*, 178 F.3d 1132, 1137 (11th Cir. 1999) (defendants were liable for failure to diligently supervise because they “knew of specific instances of misconduct yet failed to take reasonable steps to correct the problems”).

A&A Trading violated Regulation 166.3 in two ways. First, A&A Trading’s policies and procedures required the filing of a SAR under limited and incomplete circumstances—requiring a SAR filing for “[u]nusual customer[] wire activity, such as frequent transfers not consistent with margin requirements.” A&A Trading’s policy, therefore, failed to account for all the circumstances in which a SAR is required—in particular to Harris’s activity, transactions that were “not the sort [of transactions] in which the particular customer would normally be expected to engage” and transactions that involved potential “criminal activity.” Either circumstance would be included in an adequate SAR policy. In any event, after learning of Harris’s unauthorized trading, A&A Trading failed to file a SAR

concerning Harris's unauthorized trading. That is, even if A&A Trading's policy could be read to require a SAR filing under the circumstances, it failed to follow that policy.

Second, A&A Trading failed to diligently supervise its employees when it continued to accept unauthorized trades from Harris after learning of his misconduct. A&A Trading had a general policy concerning its supervision of discretionary accounts that was generally inadequate. Further, once it learned of Harris's unauthorized trading, A&A did not take reasonable steps to ensure that all subsequent orders were authorized. A&A Trading failed to diligently supervise its employees when it continued to accept unauthorized trades from Harris after learning of Harris's unauthorized trades. A&A Trading had knowledge of Harris's unauthorized trades in customer accounts, yet continued to accept customer orders from Harris and did not alter A&A Trading's order acceptance procedures. This failure to establish or maintain meaningful procedures in the face of these warning signs violated Regulation 166.3. *See Sidoti*, 178 F.3d at 1137 (finding defendants were liable for failure to diligently supervise because they "knew of specific instances of misconduct yet failed to take reasonable steps to correct the problems").

IV. FINDINGS OF VIOLATIONS

Based on the foregoing, the Commission finds that, during the Relevant Period, A&A Trading violated Regulations 42.2 and 166.3, 17 C.F.R. §§ 42.2, 166.3 (2019).

V. OFFER OF SETTLEMENT

Respondent has submitted the Offer in which it, without admitting or denying the findings and conclusions herein:

- A. Acknowledges service of this Order;
- B. Admits the jurisdiction of the Commission with respect to all matters set forth in this Order and for any action or proceeding brought or authorized by the Commission based on violation of or enforcement of this Order;
- C. Waives:
 1. The filing and service of a complaint and notice of hearing;
 2. A hearing;
 3. All post-hearing procedures;
 4. Judicial review by any court;
 5. Any and all objections to the participation by any member of the Commission's staff in the Commission's consideration of the Offer;
 6. Any and all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2018), and 28 U.S.C. § 2412 (2018), and/or the rules promulgated

by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2019), relating to, or arising from, this proceeding;

7. Any and all claims that it may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201–253, 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
 8. 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;
- D. Stipulates that the record basis on which this Order is entered shall consist solely of the findings contained in this Order to which Respondent has consented in the Offer; and
- E. Consents, solely on the basis of the Offer, to the Commission’s entry of this Order that:
1. Makes findings by the Commission that Respondent violated Regulations 42.2 and 166.3, 17 C.F.R. §§ 42.2, 166.3 (2019);
 2. Orders Respondent to cease and desist from violating Regulations 42.2 and 166.3;
 3. Orders Respondent to pay a civil monetary penalty in the amount of four hundred thousand dollars (\$400,000), plus post-judgment interest; and
 4. Orders Respondent and its successors and assigns to comply with the conditions and undertakings consented to in the Offer and as set forth in Part VI of this Order.

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

VI. ORDER

Accordingly, IT IS HEREBY ORDERED THAT:

- A. Respondent and its successors and assigns shall cease and desist from violating Regulations 42.2 and 166.3, 17 C.F.R. §§ 42.2, 166.3 (2019).
- B. Respondent shall pay a civil monetary penalty in the amount of four hundred thousand dollars (\$400,000) (“CMP Obligation”) within thirty days of the date of the entry of the Order. If the CMP Obligation is not paid in full within thirty days of the date of entry of the Order, then post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961 (2018).

Respondent 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
Division of Enforcement
6500 S. MacArthur Blvd.
HQ Room 181
Oklahoma City, OK 73169
(405) 954-6569 office
(405) 954-1620 fax
9-AMC-AR-CFTC@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Marie Thorne or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Respondent shall accompany payment of the CMP Obligation with a cover letter that identifies the Respondent and the name and docket number of this proceeding. The Respondent 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, NW, Washington, D.C. 20581, and to Charles Marvine, Deputy Director, Commodity Futures Trading Commission, 4900 Main Street, Suite 500, Kansas City, MO 64112.

- C. Respondent and its successors and assigns shall comply with the following conditions and undertakings set forth in the Offer:
1. **Public Statements:** Respondent agrees that neither it nor any of its successors and assigns, agents or employees under its 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 Respondent's: (i) testimonial obligations; or (ii) right to take legal positions in other proceedings to which the Commission is not a party. Respondent shall comply with this agreement, and shall undertake all steps necessary to ensure that all of its agents and/or employees under its authority or control understand and comply with this agreement.
 2. **Disgorgement:** Respondent agrees to pay disgorgement in the amount of ninety-five thousand, three hundred twenty-nine dollars (\$95,329) ("Disgorgement Obligation") representing the gains received in connection with such violations, within thirty days of the date of the entry of this Order. If the Disgorgement Obligation is not paid in full within thirty days of the date of entry of this Order, then post-judgment interest shall accrue on the Disgorgement Obligation beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961 (2012).

Respondent shall pay the Disgorgement 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
Division of Enforcement
6500 S. MacArthur Blvd.
HQ Room 181
Oklahoma City, OK 73169
(405) 954-6569 office
(405) 954-1620 fax
9-AMC-AR-CFTC@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Marie Thorne or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Respondent shall accompany payment of the Disgorgement Obligation with a cover letter that identifies the Respondent and the name and docket number of this proceeding. Respondent 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, NW, Washington, D.C. 20581, and to Charles Marvine, Deputy Director, Commodity Futures Trading Commission, 4900 Main Street, Suite 500, Kansas City, MO 64112.

3. Cooperation: Respondent shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement, in this action, and in any current or future Commission investigation or action related thereto. Respondent shall also cooperate in any investigation, civil litigation, or administrative matter related to, or arising from, this action.
4. Partial Satisfaction: Respondent understands and agrees that any acceptance by the Commission of any partial payment of Respondent's CMP Obligation shall not be deemed a waiver of its obligation to make further payments pursuant to this Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

5. Change of Address/Phone: Until such time as Respondent satisfies in full its CMP Obligation as set forth in this Order, Respondent shall provide written notice to the Commission by certified mail of any change to its telephone number and mailing address within ten calendar days of the change.

The provisions of this Order shall be effective as of this date.

By the Commission.

A handwritten signature in black ink, appearing to read "Robert N. Sidman". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

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

Dated: September 30, 2020