UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

In the Matter of:	)	
ARJUNA A. ARIATHURAI,	)	
Respondent.	)	**CFTC Docket No.** 21-08

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 Respondent Arjuna A. Ariathurai ("Ariathurai" or "Respondent") violated Section 4*o*(1)(A)-(B) of the Commodity Exchange Act ("Act"), 7 U.S.C. § 6*o*(1)(A)-(B) (2018). 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 agree 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

Between at least August 2012 and February 2018, Respondent was the Chief Risk Officer ("CRO") for a registered Commodity Pool Operator ("CPO") and Commodity Trading Advisor ("CTA"). This company was LJM Partners, Ltd. and LJM Funds Management, Ltd. (collectively "LJM") and LJM managed several commodity pools, including a mutual fund, that traded on-exchange options on S&P500 futures contracts ("SP Options"). LJM's trading strategy relied heavily on taking net short put and call SP Options positions and collecting the premiums. By the beginning of 2018, LJM's assets under management ("AUM") had grown to over $1 billion. LJM had three versions of its short options trading strategy ranging from the comparatively less risky, called the Preservation and Growth ("P&G") strategy, to the riskiest, called the Aggressive strategy. By 2017, the largest amount of assets was allocated to the P&G strategy. The P&G strategy was employed both for the mutual fund and two commodity pools.

Under LJM's Risk Policy, the portfolio managers were responsible for managing risk in the portfolios and for following controls and incorporating risk management practices into their business practices. The policy further stated that as CRO, Respondent was responsible for assessing risk, creating and monitoring risk reports, and making sure the portfolio managers followed controls and incorporated risk management into their management of the portfolios. According to the policy, "At LJM, ownership has the final say on risk."

In marketing the strategies, LJM learned that investors and their advisors were concerned primarily with risk of loss and how LJM managed that risk. The most frequently asked question that LJM received from potential investors and their advisors was "what is LJM's worst-case scenario?" In response to such queries LJM prepared certain marketing materials that focused on LJM's risk management.

As CRO, Respondent Ariathurai drafted certain documents that Ariathurai knew were for use by LJM's sales staff in representing to prospective and existing pool participants, or their agents, that, based on historical scenarios, the single-day worst-case loss scenario for LJM's short options trading strategy was estimated to be limited to between 20%-40% daily loss, depending on the particular strategy. This representation in these two documents, drafted by Ariathurai, was false and misleading because Respondent knew that potential daily losses from selling options could be much higher and potentially unlimited and that Respondent's own historical scenarios showed potential daily losses that exceeded 40%.

In addition, LJM represented to prospective and existing pool participants that it ran reports using historical scenarios as part of its risk management. For instance, LJM represented that its worst-case loss estimates were reflective of "gap" or "overnight" risk to the portfolio and based on its testing of historical scenarios such as market movement when "Lehman Bros. failed in 2008, the electronic market Flash Crash in 2010 and the S&P downgrade of US debt in 2011."

As CRO, Respondent knew such representations were false and misleading. While Ariathurai generated certain historical scenario reports, LJM's portfolio managers did not

actually employ historical scenarios as part of portfolio risk management. Moreover, certain historical scenarios generated by Ariathurai showed potential daily losses greatly exceeding 20% for the P&G strategy and 30-35% for the other strategies.

On occasion, Ariathurai spoke directly to agents of prospective or existing pool participants about LJM's risk management of the portfolio. Ariathurai knew LJM was making false representations about historical scenarios in risk management in LJM's marketing materials to pool participants but failed to correct such misleading representations.

In early February 2018, the Chicago Board of Options Exchange ("CBOE") Volatility Index ("VIX"), a proxy for expected volatility in options, spiked significantly and LJM lost most of its investment value over the course of two days.

Ariathurai's conduct described further below violated Section 4*o*(1)(A)-(B) of the Act, 7 U.S.C. § 6*o*(1)(A)-(B) (2018).

B. RESPONDENT

Between August 2012 and February 2018, Ariathurai was registered with the Commission as an Associated Person ("AP") of LJM, a registered CPO and CTA.

C. FACTS

LJM Partners, Ltd. and LJM Funds Management, Ltd. are Illinois corporations that are registered as CPOs and a CTA (LJM Partners only). LJM managed a mutual fund (Preservation and Growth Fund), several commodity pools, and several separately-managed individual trading accounts. From at least August 2012 through February 2018, Respondent was the CRO, and an AP, of LJM. LJM had a collective AUM of over $1 billion as of January 2018. The central trading strategy for LJM's managed accounts, including the pools and mutual fund, was to sell on-exchange put and call SP Options and collect the premiums. LJM had three versions of this strategy: P&G, Moderately Aggressive, and Aggressive. The primary differences among these versions were the targeted returns and the relative amount of hedging. However, all three strategies were net short SP Options. Selling options carries a risk of significant losses when volatility spikes. The more extreme the spike in volatility, the greater the possibility for potential losses.

In early February 2018, the VIX, a proxy for expected volatility in options, spiked significantly and LJM lost most of its investment value over the course of two days.

As CRO, Respondent drafted language in at least two documents that were used by LJM to provide information to prospective or existing pool participants, or their agents, about what the maximum risk of loss was for LJM's trading strategies. In one document, called the Risk Frequently Asked Questions ("Risk FAQ"), Ariathurai drafted a response to the question "What is your worst-case scenario? How bad can it get?" The answer Ariathurai provided was "[i]n case of a market event so extreme that we are unable to trade (markets become illiquid or the breakers hit), LJM estimates the worst-case daily loss as follows: Aggressive 40%; Moderately Aggressive 30%; and Preservation and Growth 20%." Ariathurai knew that this response was

intended to be provided by LJM to prospective or existing pool participants, or their agents, who asked this specific or similar question.

In addition, Respondent drafted the risk management section of LJM's June 2016 Due Diligence Questionnaire ("DDQ"). The DDQ was provided to any agents of prospective pool participants who requested such document. The June 2016 DDQ contained the following question: "What is the estimated maximum risk on a total portfolio?" The answer provided in this section of the DDQ, drafted by Ariathurai, was that LJM employed historical scenarios (*i.e.* Lehman Bros 2008, Flash Crash 2010, and S&P downgrade of US debt 2011) of its portfolio, assuming no risk mitigating actions, "to formulate a worst-case expectation of loss." "General worst case losses can run in the order of 20% for P&G and 30-35% for more aggressive flavors of the strategy."

Respondent testified to Commission staff that he determined these daily worst-case loss scenario figures, not by utilizing historical scenarios, but by merely doubling LJM's worst historical daily losses for each strategy. For example, P&G's prior worst daily drawdown was approximately 10% so Respondent doubled it to 20% to determine the worst-case scenario. LJM's actual historical scenarios, which Ariathurai knew, showed potential daily losses exceeding 40% and even a total loss of the portfolio. Ariathurai also conceded in his testimony that potential daily losses in all of LJM's strategies could be catastrophic, especially when there was a large instantaneous movement in the underlying market or a spike in volatility.

Respondent's statements in the Risk FAQ and 2016 DDQ that potential worst-case daily losses from selling options was 20-40%, depending on the strategy were false and misleading. Such losses from selling options could be worse than what LJM represented to pool participants, and in fact, losses from selling call options are potentially unlimited. Moreover, these estimates were not based on historical scenarios but based on Ariathurai doubling the worst historical daily losses experienced by LJM in each respective strategy. Ariathurai knew worst-case scenario daily losses from selling options could actually be worse than what he represented in the Risk FAQ and 2016 DDQ. Ariathurai also knew the statements in the Risk FAQ and 2016 DDQ were intended for prospective and existing pool participants or their agents.

Moreover, Respondent was aware LJM represented to prospective and existing pool participants that it utilized reports called historical scenarios as part of the portfolio risk management process. That statement was inaccurate and misleading because LJM's portfolio managers did not regularly use historical scenarios as part of portfolio risk management. As the CRO who worked closely with the portfolio managers, Ariathurai knew LJM's representations about historical scenarios in risk management were inaccurate and misleading.

As CRO, Respondent also occasionally spoke directly to agents of prospective and existing pool participants. When speaking to prospective or existing pool participants, or their agents, as CRO, Ariathurai failed to disclose that LJM did not actually use historical scenarios as part of its risk management

As a result, Respondent Ariathurai employed a device, scheme, or artifice to defraud prospective and existing pool participants and engaged in a transaction, practice, or course of business that operated as a fraud or deceit upon prospective and existing pool participants.

III. LEGAL DISCUSSION

Respondent Committed Fraud in Violation of 4o(1)

Section 4*o*(1)(A)-(B) of the Act, 7 U.S.C. § 6*o*(1)(A)-(B) (2018), state:

> It shall be unlawful for a . . . commodity trading advisor or commodity pool operator, or associated person of a commodity trading advisor or commodity pool operator by use of . . . any means or instrumentality of interstate commerce, directly or indirectly . . . (A) to employ any device, scheme, or artifice to defraud any client or participant or prospective client or participant or (B) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.

To prevail on a Section 4*o*(1)(A) claim, the Commission must prove the CPO or CTA, or AP thereof, made a misrepresentation or omission that was material plus scienter. *Messer v. E.F. Hutton & Co.*, 847 F.2d 673, 677 (11th Cir. 1988). The scienter requirement of 4*o*(1)(A) may be satisfied by a showing of knowing misconduct or recklessness. *Id.* (adopting the securities fraud standard for scienter). Scienter is satisfied where defendant had an "intent to deceive" or a "reckless disregard for the truth." *SEC v. Bauer*, 723 F.3d 758, 775 (7th Cir. 2013) (citation omitted).

The focus of Section 4*o*(1)(B) of the Act is on whether the respondent's conduct "had the effect of a fraud upon a customer or potential customer." *CFTC v. Heffernan*, 245 F. Supp. 2d 1276, 1290 (S.D. Ga. 2003). The Commission need not prove that the respondent acted with *scienter. E.F. Hutton,* 847 F.2d at 677; *Heffernan,* 245 F. Supp. 2d at 1292; *see also CFTC v. Savage*, 611 F.2d 270, 285 (9th Cir. 1980) ("If the [CPO or CTA] intended to do what was done and its consequence is to defraud the client or prospective client that is enough to constitute a violation of section [4*o*(1)(B)]").

"A representation or omission is "material" if a reasonable investor would consider it important in deciding whether to make an investment." *CFTC v. Kratville*, 796 F.3d 873, 895 (8th Cir. 2015) (quoting *CFTC v. R.J. Fitzgerald*, 310 F.3d 1321, 1328-29 (11th Cir. 2002). Importantly, "misrepresentations concerning profit and risk go to the heart of a customer's investment decision and are therefore material as a matter of law." *CFTC v. Noble Wealth Data Info. Servs., Inc.*, 90 F. Supp. 2d 676, 686 (D. Md. 2000), *aff'd in part and vacated in part on other grounds*, 278 F.3d 319 (4th Cir. 2002).

Respondent Ariathurai violated Section 4*o*(1)(A)-(B) of the Act because, as an AP of a CPO and CTA, his statements in the Risk FAQ and 2016 DDQ that potential worst-case daily losses from selling options could be limited to 20-40%, depending on the strategy were false and

misleading. Respondent knew such misstatements were used by LJM to market commodity pool investment opportunities to prospective and existing pool participants. Moreover, Ariathurai knew, as CRO for a CPO/CTA, that LJM's claims regarding use of historical scenarios in risk management were inaccurate and misleading and he knew LJM made such false and misleading statements to prospective and existing pool participants. When speaking to prospective and existing pool participants about LJM's risk management, Respondent failed to disclose that LJM did not actually implement historical scenarios in risk management. Ariathurai's misleading statements about worst-case scenarios in selling options and his omissions that LJM did not actually employ historical scenarios in risk management defrauded and acted as a fraud upon the existing and prospective pool participants.

IV. FINDINGS OF VIOLATION

Based on the foregoing, the Commission finds that Respondent violated Section 4*o*(1)(A)-(B) of the Act, 7 U.S.C. § 6*o*(1)(A)-(B) (2018).

V. OFFER OF SETTLEMENT

Respondent submits the Offer in which he, 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 he 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 (2020), relating to, or arising from, this proceeding;

7. 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, §§ 201–253, 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 Section 4*o*(1)(A)-(B) of the Act, 7 U.S.C. § 6*o*(1)(A)-(B) (2018);

2. Orders Respondent to cease and desist from violating Section 4*o*(1)(A)-(B);

3. Orders Respondent to pay a civil monetary penalty in the amount of one hundred fifty thousand dollars ($150,000), plus post-judgment interest within 360 days of the date of entry of this Order;

4. Orders Respondent to pay disgorgement of compensation bonuses in the amount of eighty-three thousand three hundred thirty-three ($83,333), plus pre-judgment interest of $14,111 for a total $97,444, plus post-judgment interest within 360 days of the date of entry of this Order; and

5. Orders Respondent and his 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 shall cease and desist from violating Section 4*o*(1)(A)-(B) of the Act, 7 U.S.C. § 6*o*(1)(A)-(B) (2018).

B. Respondent shall pay a civil monetary penalty in the amount of one hundred fifty thousand dollars ($150,000) ("CMP Obligation"), within 360 days of the date of the entry of this Order. Payments shall be made as follows: (1) $37,500 within ten days of the date of the entry of this Order; (2) $37,500 within 120 days of the Order, (3) $37,500 within 240 days of the Order; and (4) $37,500 within 360 days of the date of the entry of this Order. Post-judgment interest shall accrue on the CMP Obligation in accordance with 31 U.S.C. § 3717 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).

However, payment, up to the amount of $150,000, made by Respondent in satisfaction of the CMP order entered in the U.S. Securities and Exchange Commission ("SEC") *Order Instituting Administrative And Cease-And-Desist Proceedings, Pursuant To Section 8a of The Securities Act of 1933, Section 21c of The Securities Exchange Act Of 1934, Sections 203(F) and 203(K) of The Investment Advisers Act of 1940, and Sections 9(B) And 9(F) of The Investment Company Act Of 1940, Making Findings, and Imposing Remedial Sanctions and A Cease-And-Desist Order* in the proceeding captioned *In the Matter of Arjuna A. Ariathurai* ("SEC Order") (including payments to an escrow account as provided in the SEC Order), shall offset (dollar-for-dollar) Respondent's CMP Obligation identified herein.

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 paying Respondent and the name and docket number of this proceeding. The paying 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 David Acevedo, Chief Trial Attorney, Commodity Futures Trading Commission, 140 Broadway 19th floor, New York, NY 10005.

C. Respondent and his successors and assigns shall comply with the following conditions and undertakings set forth in the Offer:

1. Public Statements: Respondent 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 Respondent's and/or his agents' and/or employees': (i) testimonial obligations; or (ii) right to take legal positions in other proceedings

to which the Commission is not a party. Respondent 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 his authority or control understand and comply with this agreement.[2]

2. Disgorgement: Respondent agrees to pay disgorgement in the amount of eighty-three thousand three hundred thirty-three dollars ($83,333) ("Disgorgement Obligation"), plus pre-judgement interest of $14,111 for a total of $97,444, within 360 days of the date of the entry of this Order. Payments shall be made as follows: (1) $29,944 within ten days of the date of the entry of this Order; (2) $22,500 within 120 days of this Order; (3) $22,500 within 240 days of this Order; and (4) $22,500, within 360 days of the date of the entry of this Order. Post-judgment interest shall accrue on the Disgorgement Obligation in accordance with 31 U.S.C. § 3717 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).

However, payment, up to the full amount of the Disgorgement Obligation made by the Respondent in satisfaction of the disgorgement order entered in the SEC Order (including payments to an escrow account as provided in the SEC Order), shall offset (dollar-for-dollar) Respondent's Disgorgement Obligation identified herein.

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 paying Respondent and the name and docket number of this

[2] To the extent that the Commission brings an enforcement action against any employee or agent of Respondent arising from the same nexus of facts as this Order, this provision shall not apply to actions or public statements by such employee or agent made in connection with that enforcement action.

proceeding. The paying 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.

3. Respondent agrees that he shall not, for a period of: (a) at least three years after the date of entry of this Order; and (b) until after full payment and satisfaction of the Disgorgement Obligation and the CMP Obligation and any applicable interest, directly or indirectly:

   a. control or direct the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity interests;

   b. solicit, receive, or accept any funds from any person for the purpose of purchasing or selling any commodity interests;

   c. apply for registration or claim exemption from registration with the Commission in any capacity, or 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) (2020); and/or

   d. act as a principal (as that term is defined in Regulation 3.l(a), 17 C.F.R. § 3.1(a) (2020)), agent or any other officer or employee of any person (as that term is defined in Section la(38) of the Act, 7 U.S.C. § la(38) (2018)), registered, required to be registered, or exempted from registration with the Commission except as provided for in Regulation 4.14(a)(9).

4. Cooperation, in General: Respondent shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement ("Division"), in this action, and in any current or future Commission investigation or action related thereto ("Commission Related Matters"). Respondent shall also cooperate in any investigation, civil litigation, or administrative matter related to, or arising from, the subject matter of this action ("Subject Related Matters"). Respondent's cooperation shall continue for a period of five years from the date of the entry of this Order, or until any Commission Related Matters or Subject Related Matters are concluded, whichever is longest. As part of such cooperation, Respondent, through his agents where applicable, agrees to:

   a. preserve and produce to the Commission in a responsive and prompt manner, as requested by the Division's staff, all non-privileged documents, information, and other materials wherever located, in the possession, custody, or control of Respondent;

   b. utilize his knowledge and skill to explain transactions, or interpret information and terminology;

c. prepare and appear for interviews and testimony at such times and places as requested by the Division's staff;

d. respond completely and truthfully to all inquiries and interviews, when requested to do so by the Division's staff;

e. identify and authenticate relevant documents, execute affidavits or declarations, and testify completely and truthfully at depositions, trial, and other judicial proceedings, when requested to do so by the Division's staff;

f. accept service by mail, electronic mail, or facsimile transmission of notices or subpoenas for documents and/or testimony at depositions, hearings, or trials;

g. appoint Respondent's attorney as agent to receive service of such notices and subpoenas;

h. waive the territorial limits on service contained in Rule 45 of the Federal Rules of Civil Procedure and any applicable local rules in connection with requests or subpoenas of the Division's staff; and

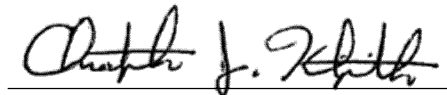
i. serve by hand delivery or by next-day mail all written notices and correspondence required by or related to this Agreement to the Director of the Division of Enforcement, United States Commodity Futures Trading Commission, 1155 21st Street, NW, Three Lafayette Centre, Washington, DC 20581, unless otherwise directed in writing by the Division's staff.

5. Partial Satisfaction: Respondent understands and agrees that any acceptance by the Commission of any partial payment of Respondent's Disgorgement or CMP Obligations (as those obligations may be reduced by payments to the SEC consistent with the terms of this Order) shall not be deemed a waiver of his 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.

6. Change of Address/Phone: Until such time as Respondent satisfies in full his Disgorgement and CMP Obligations as set forth in this Order, Respondent shall provide written notice to the Commission by certified mail of any change to his telephone numbers and mailing addresses within ten calendar days of the change.

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

By the Commission.



Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: May 27, 2021