UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

In the Matter of:	)	
LYFE S.A.,	)	
Respondent.	)	**CFTC Docket No. 23-57**

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 November 2017 to January 2019 ("Relevant Period"), LYFE S.A. ("LYFE" or "Respondent"), as the successor in interest to Squared Financial Services Limited ("SFSL"), violated Sections 4(a) and 4d(a)(1) of the Commodity Exchange Act ("Act"), 7 U.S.C. §§ 6(a), 6d(a)(1) and Commission Regulation ("Regulation") 166.3, 17 C.F.R. § 166.3 (2022). 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, without registration as a futures commission merchant ("FCM"), SFSL offered transactions in leveraged gold and silver ("metals") and leveraged foreign currencies ("forex") such as the Euro and Japanese Yen to prospective retail customers and commodity pools in the United States and accepted orders for, and funds to margin, such transactions. SFSL offered these transactions through its on-line trading platform and other means. Further, SFSL did not conduct the metals transactions on a registered exchange. As a consequence of this conduct, SFSL, and LYFE as its successor in interest (hereinafter referred to together as "Respondent"), violated Sections 4(a) and 4d(a)(1) of the Act, 7 U.S.C. §§ 6(a), 6d(a)(1).

Separately, during the Relevant Period, SFSL failed to supervise diligently its employees' handling of these customers' accounts because it did not implement adequate anti-money-laundering ("AML") procedures. Thus, Respondent violated Regulation 166.3, 17 C.F.R. § 166.3 (2022).

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In accepting the Offer, the Commission recognizes Respondent's substantial cooperation with the Commission's Division of Enforcement. The Commission notes that Respondent's substantial cooperation is reflected in the form of a substantially reduced civil monetary penalty.

B. Respondent

LYFE S.A. is a company organized under the laws of Switzerland. LYFE is the successor in interest to SFSL. LYFE has never been registered with the Commission in any capacity.

C. Other Relevant Company

SFSL was an Ireland-based company that ceased operations in December 2019. SFSL was not registered with the Commission in any capacity.

D. Facts

1. Respondent's Offering or Entering into Unlawful Forex and Commodity Transactions and Unlawful Operation as an FCM

During the Relevant Period, Respondent solicited and accepted orders from several

commodity pools comprising a number of U.S. participants[2] for the purchase or sale of: (i) leveraged forex transactions;[3] and (ii) leveraged metals transactions,[4] for which Respondent received net income of approximately $37,014. Respondent, through its agents, solicited the pools and both the joint commodity pool operator ("CPO") and the separate, joint commodity trading advisor ("CTA") for the pools, neither of whom was registered with the Commission. Specifically, Respondent's agents solicited the CPO and CTA and the pools to trade leveraged forex and leveraged metals through emails, phone calls, on-line events, and an in-person meeting.

The CTA, on behalf of the pools, traded a number of accounts on Respondent's trading platform during the Relevant Period. Through these accounts, Respondent accepted orders made on behalf of the pools for trades in leveraged forex and metals and executed and confirmed the execution of such trades. None of the metals transactions were entered into on a registered exchange, and none involved actual delivery of metals to customers. Respondent accepted approximately $2.7 million from the CPO and CTA as margin for the CTA's trades made on behalf of the pools. Most of the funds traded by the CTA on behalf of the pools were lost before the trading accounts were closed in January 2019.

2. Respondent's Failure to Supervise Diligently its Employees

In handling the opening, servicing, monitoring and trading of the pools' trading accounts during the Relevant Period, Respondent failed to implement an adequate AML and know-your-customer ("KYC") policy and procedures ("policy and procedures"). Respondent's policy and procedures had three relevant requirements: (i) through its client onboarding checklist and review form, Respondent "must clearly identify the [client's] regulatory body or the [client] entity's listing authority" and a "Regulated Entity" must provide "Proof of regulation/authorized activities;" (ii) Respondent would employ a "risk based" customer due diligence ("CDD") approach consisting of a client "risk assessment" to establish the client's "risk rating" or "risk profile;" and (iii) Respondent would perform CDD throughout the duration of the account(s) including spot checks, and account reviews triggered by "event[s] requiring review" such as client requests to open additional accounts.

Respondent failed to comply with its policy and procedures in four ways. First, Respondent failed to determine whether the unregistered CPO and CTA were regulated or required to be registered despite clear indications that they were acting in roles that were subject to regulation and required registration. These indications, known to Respondent or its employees or representatives, included for example that the pools were collective investment schemes that were funded by the participants and that the CPO and CTA, respectively, were the management company of the pools and were formulating and directing trading strategies on behalf of the pools. Second, Respondent allowed the CPO and CTA to open trading accounts on behalf of the pools using Respondent-provided application forms titled, "Account Opening Application Unregulated Entity." In addition to being contrary to its procedure for confirming regulatory

[2] Neither the relevant pools nor some or all of the participants were eligible contract participants ("ECP") as defined under Section 1a(18) of the Act, 7 U.S.C. § 1a(18). Nor were the pools eligible commercial entities ("ECE") as defined pursuant to Section 1a(17) of the Act, 7 U.S.C. § 1a(17).

[3] Leveraged forex transactions as described in Section 2(c)(2)(C) of the Act, 7 U.S.C. § 2(c)(2)(C).

[4] Leveraged metals transactions as described in Section 2(c)(2)(D) of the Act, 7 U.S.C. § 2(c)(2)(D).

status, in opening an account for a purported "Unregulated Entity," Respondent took on these accounts, which its policy and procedures acknowledged were higher risk, without any enhanced CDD or risk assessment.

Third, contrary to its policy and procedures, Respondent did not flag or perform adequate due diligence when the CPO and CTA opened multiple additional accounts on behalf of existing and additional pools of U.S. retail participants even after the CPO and CTA had lost most of the funds invested with them. Concurrently, Respondent failed to adequately review open source information, such as the CPO and CTA's website and YouTube channel, which promoted the pools as profitable and secure investments months after the CPO and CTA had lost most of the pools' funds.

Fourth and finally, contrary to its CDD policy and procedures, and its risk-based posture, Respondent allowed the significant majority of accounts opened by the CPO and CTA to be introduced by an unregistered introducing broker ("IB"): (i) who, Respondent knew or should have known was affiliated with the CPO and CTA; and (ii) who Respondent knew or should have known had a history of forex-related registration and fraud violations based on its screening process. The IB's history of fraud, and the IB's lack of registration were "high risk" factors under Respondent's policy and procedures. Yet, without adequate due diligence of the CPO and CTA or the IB, Respondent entered into an introducing agreement with the IB under which it was compensated for soliciting the pools to open new accounts.

Accordingly, Respondent failed in its duty of diligent supervision by failing to implement adequate AML procedures.

III. LEGAL DISCUSSION

A. Respondent Engaged in Transactions as Described in Sections 2(c)(2)(C) and 2(c)(2)(D) of the Act

Subject to certain exceptions not present here,[5] Section 2(c)(2)(C) of the Act, provides that the Commission has jurisdiction over forex transactions if: (i) the transactions are offered or entered into with non-ECPs on a leveraged or margined basis; and (ii) neither the counterparty or the person offering to be counterparty to such transactions is not one of certain, exempted, enumerated persons. 7 U.S.C. § 2(c)(2)(C)(i) and (ii). Here, these elements are met. Specifically: (i) the relevant customers were not ECPs; and (ii) counterparties and persons offering to be the counterparty to these transactions, including the Respondent, were not among the exempted, enumerated persons. Accordingly, Respondent engaged in transactions subject to Section 2(c)(2)(C) of the Act.

Similarly, subject to certain exceptions not present here[6] Section 2(c)(2)(D) of the Act, 7 U.S.C. § 2(c)(2)(D), provides that the Commission has jurisdiction over certain commodity transactions if: the transactions are offered or entered into with non-ECPs on a leveraged or margined basis or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis. Here these elements are met. Specifically:

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[5] These exceptions can be found in Section 2(c)(2)(C)(i)(II) of the Act, 7 U.S.C. § 2(c)(2)(C)(i)(II).
[6] These exceptions can be found in Section 2(c)(2)(D)(ii) of the Act, 7 U.S.C. § 2(c)(2)(D)(ii).

(i) Respondent offered and entered into metals transactions with pools and pool participants who were not ECPs or ECEs; and (ii) Respondent did so on a leveraged or margined basis. Accordingly, Respondent engaged in transactions subject to Section 2(c)(2)(D) of the Act.

B. Respondent Engaged in Illegal, Off-Exchange Commodity Transactions in Violation of Section 4(a) of the Act

Pursuant to Section 2(c)(2)(D)(iii) of the Act, 7 U.S.C. § 2(c)(2)(D)(iii), any agreement, contract, or transaction in any commodity that is entered into with or offered to (even if not entered into with) non-ECPs on a leveraged or margined basis or financed by the offeror, counterparty, or a person acting in concert with the offeror or counterparty is, subject to certain exceptions not applicable here, subject to Section 4(a) of the Act, 7 U.S.C. § 6(a), "as if the agreement, contract, or transaction was a contract of sale of a commodity for future delivery."

Section 4(a) of the Act makes it unlawful for any person to offer to enter into, enter into, execute, confirm the execution of, or conduct an office or business in the United States for the purpose of soliciting, or accepting any order for, or otherwise dealing in any transaction in, or in connection with, a commodity futures contract, unless such transaction is made on or subject to the rules of a board of trade that has been designated or registered by the CFTC as a contract market for the specific commodity.

During the Relevant Period, Respondent offered to enter into, entered into, executed, and/or confirmed the execution of margined or leveraged commodity transactions with non-ECP U.S. customers on Respondent's trading platform. These commodity transactions were not conducted on or subject to the rules of a board of trade that has been designated or registered by the Commission as a contract market and therefore violated Section 4(a) of the Act.

C. Respondent Failed To Register with the Commission as an FCM in violation of Section 4d(a)(1) of the Act

Section 1a(28) of the Act, 7 U.S.C. § 1a(28), in relevant part, defines an FCM as any individual, association, partnership, corporation or trust that engages in soliciting or in accepting orders for "any agreement, contract, or transaction described in . . . section 2(c)(2)(C)(i) or (2)(c)(2)(D)(i)" and, in connection therewith, "accepts any money . . . or property (or extends credit in lieu thereof) to margin . . . trades or contracts that result or may result therefrom." Section 4d(a)(1) of the Act, 7 U.S.C. § 6d(a)(l), in pertinent part, makes it unlawful for any person to act as an FCM unless registered with the Commission as an FCM.

During the Relevant Period: (i) Respondent solicited and accepted orders for forex and leveraged precious metals transactions from U.S. customers—identified as such in their account opening documents; and (ii) in connection with these activities, accepted money, securities, or property as margin in hosting several trading accounts opened by the CPO and CTA on Respondent's trading platform. Respondent did this without being registered as an FCM. Therefore, Respondent violated Section 4d(a)(1) of the Act.[7] *See, e.g.*, *CFTC v. 1pool Ltd.*, No. 1:18-CV-2243-TNM, 2019 WL 1605201, at *3 (D.D.C. Mar. 4, 2019) (consent order) (finding

[7] With respect to the forex transactions, registration by Respondent as a retail foreign exchange dealer subject to Part 5 of the Regulations, 17 C.F.R. Part 5 (2022), may have been an option.

that a foreign leveraged commodities trading platform was required to be registered as an FCM because it accepted money, securities, or property in the form of bitcoin, to margin, guarantee, or secure trades).

D. Respondent Failed to Create an Adequate Supervisory System and to Supervise Diligently its Officers, Employees, and Agents in Violation of Regulation 166.3

Regulation 166.3, 17 C.F.R. § 166.3 (2022), imposes on every Commission registrant (or those persons required to be registered, pursuant to Regulation 166.1, 17 C.F.R. § 166.1 (2022)), except associated persons who have no supervisory duties, an affirmative duty to "diligently supervise the handling by its partners, officers, employees and agents . . . of all commodity interest accounts carried, operated, advised or introduced by the registrant and all other activities of its partners, officers, employees and agents . . . relating to its business as a Commission registrant." A violation of Regulation 166.3 is an independent violation for which no underlying violation is necessary. *See, e.g.*, *In re Collins*, CFTC No. 94-13, 1997 WL 761927, at *10 (Dec. 10, 1997) (consent order) ("It is well settled that a violation under Rule 166.3 is 'an independent and primary violation for which no underlying violation is necessary.'" (citation omitted)); *In re GNP Commodities, Inc*., CFTC No. 89-1, 1992 WL 201158, at *17 n.11 (Aug. 11, 1992) (consent order) ("Rule 166.3 establishes [a] failure to supervise as an independent and primary violation . . . ." (citation omitted)), *aff'd in part and modified sub nom. Monieson v. CFTC*, 996 F.2d 852 (7th Cir. 1993).

A violation of Regulation 166.3 "is demonstrated by showing either that: (1) the registrant's [or person required to register] supervisory system was generally inadequate; or (2) the registrant [or person required to register] 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, Inc*., CFTC No. 85-29, 1995 WL 523563, at *9 (Sept. 1, 1995)); *see also In re Paragon Futures Ass'n*, CFTC No. 88-18, 1992 WL 74261, at *14 (Apr. 1, 1992) (consent order) ("The focus of any proceeding to determine whether Rule 166.3 has been violated will be on whether such review occurred and, if it did, whether it was 'diligent.'").

For a registrant, or those required to be registered, to fulfill its duties under Regulation 166.3, it must both design an adequate program of supervision and ensure the program is followed. *See, e.g.*, *GNP Commodities*, 1992 WL 201158, at *17 (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). This is a fact-intensive undertaking. *See id.* ("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"). Evidence of 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 supervise. *Paragon Futures Ass'n*, 1992 WL 74261, at *14.

Courts and the Commission have consistently found that for registrants and entities required to be registered such as the Respondent, supervisory duties include implementation of AML and KYC policies and procedures. *See, e.g.*, *Ipool Ltd*., 2019 WL 1605201, at *2-6 (finding that an unregistered foreign, leveraged commodities trading platform acting as an FCM

violated Regulation 166.3 by failing to implement an adequate AML and KYC policy and procedure); *In re Rosenthal Collins Grp., LLC*, CFTC No. 10-21, 2010 WL 3862762, at *2-4 (Sept. 30, 2010) (consent order) (finding that an FCM failed to implement an adequate AML and KYC policy and procedure). Elements of these policies and procedures include among other features, ongoing CDD, employing a risk-based approach in handling customer accounts, understanding a customer's registration requirements and status, and, being cognizant of triggering events requiring customer account review—precisely the shortcomings found here. *See, e.g.*, *In re Rosenthal Collins Grp., LLC*, CFTC No. 12-18, 2012 WL 1242406, at *3, *5-6 (Apr. 12, 2012) (consent order) (finding that an FCM failed to perform ongoing KYC as an element of a Regulation 166.3 violation); *In re Morgan Stanley Smith Barney, LLC*, CFTC No. 14-25, 2014 WL 4658496, at *2-4, *6 (Sept. 15, 2014) (consent order) (finding that an FCM failed to perform adequate due diligence on a high risk customer account as an element of a Regulation 166.3 violation); *In re Infinity Futures LLC*, CFTC No. 12-32, 2012 WL 4434974, at *2-6 (Sept. 21, 2012) (consent order) (finding that a registrant failed to check a customer's registration status as part of a Regulation 166.3 violation); *In re York Bus. Associates LLC*, CFTC No. 12-33, 2012 WL 4434978, at *2-5 (Sept. 21, 2012) (consent order) (finding that an FCM violated Regulation 166.3 by in part failing to investigate adequately questionable account activity).

Specifically, Respondent failed to adhere to or implement adequately its AML and KYC policies and procedures by: (i) performing inadequate due diligence on additional trading accounts opened by the CPO and CTA; (ii) not checking the CPO and CTA's regulatory or registration status; (iii) not implementing a policy and procedures that proscribed soliciting or accepting orders from unregistered individuals and entities, such as the CPO and CTA; (iv) without adequate due diligence, employing an unregistered IB with a history of regulatory violations and who was associated with the CPO and CTA; (v) inadequately identifying triggering events such as the CPO and CTA's unregistered status, the opening of multiple additional accounts by the CPO and CTA even as they were losing money, and association of the CPO and CTA with an unregistered IB with a history of regulatory violations—all of which should have triggered additional account review; and (vi) in light of these triggering events failed to use a risk based approach to appropriately identify or monitor the relevant accounts. Accordingly, Respondent failed to adopt an adequate supervisory system and failed to perform its supervisory duties diligently and thus violated Regulation 166.3.

IV. FINDINGS OF VIOLATIONS

Based on the foregoing, the Commission finds that during the Relevant Period, Respondent violated Sections 4(a) and 4d(a)(1) of the Act, 7 U.S.C. §§ 6(a), 6d(a)(1), and Regulation 166.3, 17 C.F.R. § 166.3 (2022).

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, 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 (2022), 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;

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 Sections 4(a) and 4d(a)(1) of the Act, 7 U.S.C. §§ 6(a), 6d(a)(1), and Regulation 166.3, 17 C.F.R. § 166.3 (2022);

2. Orders Respondent to cease and desist from violating Sections 4(a) and 4d(a)(1) of the Act, and Regulation 166.3;

3. Orders Respondent to pay a civil monetary penalty in the amount of one hundred seventy-five thousand dollars ($175,000) within sixty days of the date of the entry of this Order; and

4. Orders Respondent 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 Sections 4(a) and 4d(a)(1) of the Act, 7 U.S.C. §§ 6(a), 6d(a)(1), and Regulation 166.3, 17 C.F.R. § 166.3 (2022).

B. Respondent shall pay a civil monetary penalty in the amount of one hundred seventy-five thousand dollars ($175,000) ("CMP Obligation"), within sixty days of the date of the entry of this Order. If the CMP Obligation is not paid in full within sixty days of the date of entry of this Order, then post-judgment interest shall accrue on the unpaid portion of 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.

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 266
Oklahoma City, OK 73169
9-amz-ar-cftc@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Tonia King 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. 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, N.W., Washington, D.C. 20581, and to Harry E. Wedewer, Commodity Futures Trading Commission, 1155 21st Street, N.W., Washington, D.C. 20581.

C. Respondent 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 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 thirty-seven thousand fourteen dollars and eighty-one cents ($37,014.81) ("Disgorgement Obligation"), representing the gains received in connection with its violations of Sections 4(a) and 4d(a)(1) of the Act, and Regulation 166.3 within sixty days of the date of the entry of this Order. If the Disgorgement Obligation is not paid in full within sixty days of the date of entry of this Order, then post-judgment interest shall accrue on the unpaid portion of 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.

   To effect payment by Respondent of the Disgorgement Obligation and the distribution of disgorgement to Respondent's clients, the Commission appoints the National Futures Association as "Monitor." The Monitor shall receive payments of the Disgorgement Obligation and any post-judgment interest from Respondent and make distributions as set forth below. Because the Monitor is not being specially compensated for these services, and these services are outside the normal duties of the Monitor, it shall not be liable for any action or inaction arising from its appointment as Monitor other than actions involving fraud.

   Respondent shall make its payments of the Disgorgement Obligation and any post-judgment interest under this Order in the name of the "LYFE S.A. Settlement Fund" and shall send such payments by electronic funds transfer, or 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 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, N.W., Washington, D.C. 20581.

   The Monitor shall oversee Respondent's Disgorgement Obligation and shall have the discretion to determine the manner of distribution of funds in an equitable fashion to the Respondent's customers and may defer distribution until such time as the Monitor may deem appropriate. In the event that the amount of payments

of the Disgorgement Obligation to the Monitor are of a de minimis nature such that the Monitor determines that the administrative cost of making a disgorgement distribution is impractical, the Monitor may, in its discretion, treat such disgorgement payments as civil monetary penalty payments, which the Monitor shall forward to the Commission. To the extent any funds accrue to the U.S. Treasury for satisfaction of Respondent's Disgorgement Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth in this Order.

Any amounts paid by Respondent towards the Total Monetary Obligation shall first be paid in satisfaction of the Disgorgement Obligation.

3. Cooperation with the Monitor: Respondent shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Respondent's customers, whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any disgorgement payments. Respondent 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 Disgorgement Obligation.

4. Cooperation with the Commission: Respondent shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement and any other governmental agency or self-regulatory organization, 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, the subject matter of this action.

5. Partial Satisfaction: Respondent understands and agrees that any acceptance by the Commission of any partial payment of Respondent's CMP Obligation or Disgorgement 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.

6. Change of Address/Phone: Until such time as Respondent satisfies in full its CMP Obligation and Disgorgement 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.

7. Until such time as Respondent satisfies in full its Disgorgement Obligation, and CMP Obligation, upon the commencement by or against Respondent of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of Respondent's debts, all notices to creditors required to be furnished to the Commission 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

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

By the Commission.

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

Dated: September 29, 2023