In the Matter of:	)
	)
GOLDMAN SACHS & CO. LLC,	)
	) **CFTC Docket No. 23-60**
Respondent.	)
	)
	)

**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" or "CFTC") has reason to believe that Goldman Sachs & Co. LLC ("Goldman" or "Respondent") violated Section 6(c)(2) of the Commodity Exchange Act (the "Act"), 7 U.S.C. § 9(2), 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]

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[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. <u>SUMMARY</u>

As of December 2017, Goldman, a CFTC-registered futures commission merchant, was an executing broker for a CFTC-registered, New York-based commodity trading advisor and commodity pool operator firm ("Customer-1"). On December 28, 2017, Customer-1 placed with Goldman a large order to buy the ICE Futures Europe ("ICE") Low Sulphur Gasoil futures contract ("Gasoil") February 2018 / December 2018 calendar spread in the final minutes of trading the following day, which period included the settlement period.[2]

Although Customer-1's order was for a large volume of contracts concentrated in the final minutes of trading on December 29, 2017, Goldman lacked adequate supervisory systems and controls to ensure that Customer-1's trading was not disruptive. In addition, Goldman maintained a preventative control to suspend potentially disruptive trading when volatility thresholds were exceeded, but that control malfunctioned and did not suspend the trading on December 29, 2017 as it should have done. Moreover, Goldman's post-trade surveillance, which was designed to detect potential intentional or reckless efforts to influence the daily settlement price in futures contracts, did not use the correct settlement period for the ICE Gasoil futures contract on December 29, 2017 and thus was not properly surveilling for potential disruptive trading activity. Consequently, Goldman did not maintain an adequate system of supervision with respect to disruptive trading in and around December 29, 2017, in violation of Regulation 166.3.

On August 6, 2018, Goldman sent a letter to the Commission's Division of Enforcement, responding to the Division's request for, among other things, a description of the method by which Customer-1's orders were executed, including the reasons Goldman executed Customer-1's orders in the fashion that it did and a full description of any algorithms used. In that response, Goldman referred to the algorithm used to execute the trades on behalf of Customer-1 but did not include any mention of Goldman's preventative controls that should have—but did not—suspend the operation of that algorithm on December 29, 2017. Goldman reasonably should have known that its omission of that information rendered its August 6, 2018 statements to the Division of Enforcement materially misleading, in violation of Section 6(c)(2) of Act.

B. <u>RESPONDENT</u>

Goldman Sachs & Co. LLC, a New York limited liability company, is registered with the Commission as a futures commission merchant, commodity trading advisor, commodity pool operator, and provisionally registered as a swap dealer. Goldman has offices worldwide but its main office is in New York, New York.

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[2] The trading at issue here was conducted on or subject to the rules of ICE Futures Europe, which is a foreign board of trade, and is not a CFTC-designated contract market. Consequently, the trading was not subject to the disruptive trading provisions set forth in Section 4c(a)(5) of the Act, 7 U.S.C. § 6c(a)(5).

C.   FACTS

Goldman's Trading on December 29, 2017 on Behalf of Customer-1

In and around December 2017, Goldman, a CFTC-registered futures commission merchant, among other things, engaged in the trading of commodity interest accounts on behalf of customers, including futures contracts traded on or subject to the rules of designated contract markets as well as registered foreign boards of trade. As such, Goldman was required diligently to supervise the handling by its employees and agents of all commodity interest accounts carried (including commodity interest accounts carrying futures positions traded on or subject to the rules of designated contract markets and foreign boards of trade) and all employee activities relating to its business as a Commission registrant.

As set forth below, Goldman did not maintain an adequate supervisory system to ensure its customers' trading was not disruptive. Consequently, Goldman engaged in trading on behalf of Customer-1 on December 29, 2017 that ICE determined to be disruptive, reckless, and disorderly.

On or about December 28, 2017, an employee of Customer-1 ("Employee-1") asked Goldman to confirm that ICE Gasoil "settles/closes at 730 am" on December 29, 2017. Employee-1 requested that Goldman "put in a time slice order for around that time tomorrow morning," noting that Employee-1 did not want to "forget and miss the liquidity [sic]."[3] Employee-1 placed an order to buy "2,685 contracts of [the February 2018/December 2018 ICE Gasoil calendar spread], from 725am to 730am tomorrow morning." Later, a second employee of Customer-1 ("Employee-2") increased the size of Customer-1's order by 1,500 contracts, i.e., from 2,685 to 4,185 contracts, and directed Goldman to keep the execution timing the same— namely the last five minutes of the trading day, which included the two-minute settlement window from 7:28 a.m. (EST) to 7:30 a.m. (EST). A Goldman sales trader ("Goldman Trader") confirmed the order on December 28, 2017, stating: "So buying 4185 QSG8QSZ8 [February 2018/December 2018 Gasoil] from 7:25-30am EST on Fri (targetting [sic] settle)." When the Goldman Trader asked Employee-2 if Customer-1 wanted to increase the time for execution "given [the 1,500-lot] increase," Employee-2 declined to do so, stating, "same time."

Customer-1's order to purchase 4,185 ICE Gasoil calendar spreads was the largest order of that type by Customer-1 executed through Goldman in all of 2017, and indeed, was the largest order Goldman received from any customer for a non-consecutive month calendar spread in ICE Gasoil for all of 2017. The 4,185-lot order was among the larger—if not largest—of ICE Gasoil futures orders that Customer-1 ever placed through Goldman.

At approximately 7:17 a.m. (EST) on December 29, 2017, the Goldman Trader sent an IM to Employee-2: "[I] know liquidity will improve as we approach settle. But it is definitely a little thin right now. Are you sure you do not prefer to start early?" Employee-2 responded: "start at 722."

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[3] Goldman's time slice algorithm was designed to trade a defined quantity of futures contracts over a defined period of time.

Although Customer-1 had requested that Goldman use a "time slice" order, Goldman elected to use Goldman's "time weighted average price" ("TWAP") algorithm" to execute Customer-1's trades; the TWAP algorithm takes the size of an order and the designated time period for execution, and divides the order across that period to achieve execution at a time-weighted average price. Goldman's TWAP and time slice algorithms were similar except that for a time slice order, a Goldman trader would manually input tranche size, whereas for a TWAP order the algorithm determined tranche size to adhere to an even execution schedule.

At approximately 7:22:33 a.m. (EST) on December 29, 2017, the Goldman Trader sent an IM to Customer-1: "in motion on the Gasoil." At 7:23:36 a.m. (EST), the Goldman Trader sent an IM to Customer-1 indicating that he had executed 700 ICE Gasoil futures calendar spreads at a price of $28.05 per contract. By approximately 7:24:38 a.m. (EST), the Goldman Trader sent an IM to Customer-1 indicating that he had executed 1,274 lots of the order. Less than 30 seconds later, at approximately 7:25:00 a.m. (EST), the Goldman Trader sent an IM to Customer-1: "mkt moving higher. let me know if you want to use a limit." A limit order is an order in which the customer specifies a minimum sale price or maximum purchase price; in this instance, the Goldman Trader was asking Customer-1 if they would like to specify a price above which Customer-1 would not pay. Employee-2 responded forty seconds later: "use a 38 limit." This meant that Goldman should use a price limit of $38 and not buy any ICE Gasoil February 2018/December 2018 calendar spreads at a price higher than $38 per contract. Approximately three seconds later, Employee-2 messaged Goldman, stating that the limit price should be "38.500."

In order to follow Employee-2's instructions, Goldman canceled Customer-1's market TWAP order and entered a TWAP order for the remaining balance, as a TWAP order with a price limit of $38.50, i.e., that would stop executing if the calendar spread traded above $38.50.

During the execution, as the Goldman Trader and Employee-2 were both aware, the price of the February 2018/December 2018 Gasoil futures calendar spread was increasing. At approximately 7:27:19 a.m. (EST), Employee-2 messaged Goldman: "keep buying." At approximately 7:30:07 a.m. (EST), the Goldman Trader messaged Customer-1: "all done."

When Goldman executed Customer-1's order on December 29, 2017, the price of the February 2018/December 2018 Gasoil futures calendar spread spiked.

Goldman Failed to Maintain an Adequate
Supervisory System with Respect to Disruptive Trading

Goldman's algorithms had a control designed to address the risk of market manipulation and disorderly trading. Specifically, a Volatility Awareness Control ("VAC") was designed to suspend certain Goldman algorithms from executing (including the TWAP algorithm that Goldman used to execute on behalf of Customer-1) when certain volatility thresholds were exceeded. Those pre-defined volatility limits were exceeded during the execution of the trades on behalf of Customer-1 but because of a malfunction, the VAC was not triggered. Consequently, the December 29, 2017 trading should have been—but was not—suspended by the VAC.

In addition, Goldman maintained post-trade surveillance, which was designed to detect, among other things, potential intentional or reckless efforts to influence the daily settlement price in futures contracts. Because that post-trade surveillance used an incorrect Gasoil futures settlement period on December 29, 2017, the system was not properly surveilling the trading by Goldman on behalf of Customer-1.

Consequently, because Goldman's systems to both *prevent* and *detect* disruptive trading on December 29, 2017 malfunctioned and did not operate as intended, Goldman did not maintain an adequate supervisory system.

Moreover, Goldman's policies, procedures, and training required that its traders fully understand and comply with the rules and regulations of the markets for which they trade, including rules prohibiting disruptive trading. Goldman's training materials provided that its traders were responsible for all orders submitted to markets and for monitoring any algorithms used to execute trades on behalf of customers.

The Goldman Trader knew that Customer-1's Gasoil calendar spread order on December 29, 2017 was very large. On December 28, 2017, after Employee-2 increased the size of Customer-1's order by 1,500 contracts, the Goldman Trader asked Employee-2 if he wanted to increase the period over which the order would be executed, but Employee-2 declined. The Goldman Trader did not at that time challenge Employee-2 or otherwise ask Employee-2 why he needed to trade this volume in and around the settlement period. Rather, the next day, just minutes before the trading was to start, the Goldman Trader asked Employee-2: "[a]re you sure you do not prefer to start early." Employee-2 directed the Goldman Trader to start at 7:22 instead of 7:25. When the order began to execute and the Goldman Trader saw the price rising, the Goldman Trader did not take affirmative steps to suspend Customer-1's order but rather simply suggested to Employee-2 to "let me know if you want to use a limit." Despite Employee-2's directions to execute a large order in a concentrated period, including the settlement period, the Goldman Trader did not challenge Employee-2 or otherwise take adequate steps to ensure that the trading would not be disruptive.

Goldman Omitted Material Information in a Letter to the CFTC Division of Enforcement

On December 29, 2017, the ICE Futures Europe Market Surveillance department noted a spike in the price of the February 2018/December 2018 Gasoil futures calendar spread before and during the settlement window on the final trading day of the calendar year.[4]

On June 8, 2018, the CFTC's Division of Enforcement, pursuant to Section 4g of the Act, sent an information request to Goldman concerning its December 29, 2017 execution on behalf of Customer-1 requesting, *inter alia*:

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[4] On October 4, 2019, ICE announced the settlement of charges against Goldman, noting that "During the course of the investigation which was subsequently undertaken by [ICE], it was determined that the timing and quantity of the orders submitted by [Goldman] on behalf of a client were disruptive, reckless and disorderly and that failings in [Goldman's] pre- and post-trade systems and controls had also occurred."

A description of the method by which [Customer-1's] order(s) was executed, including the reasons why Goldman Sachs executed the [Customer-1's] order(s) in this fashion. In the event that algorithmic trading was employed please provide a full description of the algorithms used (including the possibility of manual adjustments)[.]

On June 20, 2018, ICE notified Goldman that it was being investigated and requested:

a formal response detailing any internal surveillance systems alerts triggered by the activity of [Customer-1] on 29 December 2017 and what actions, if any, [Goldman] have taken . . . Furthermore, please provide any additional information that you believe may assist the investigation, including, details of steps [Goldman] has taken to prevent a recurrence.

On July 20, 2018, Goldman responded to ICE and explained its role and actions surrounding Customer-1's trading of Gasoil futures on December 29, 2017. In the letter, Goldman described its TWAP algorithm, in relevant part:

Goldman's TWAP algorithm has a control that was directly relevant here, namely: a Volatility Awareness control, which depending on the circumstances, either suspends the trading algorithm or provides a warning when the market price as compared to the price at the time the parent order begins to execute is greater than a fixed threshold. When the control suspends the algorithm, the trader can assess whether the activity is appropriate and determine whether to continue filling the order. This control operates both during and prior to the settlement period . . . The December 29 Trades appear to have exceeded [the threshold for price movement applicable here], and the *Volatility Awareness control should therefore have but did not suspend the TWAP algorithm with regard to the December 29 Trades* . . . .

(Emphasis added.)

On August 6, 2018 (17 days after responding to the ICE request), Goldman responded to the Division of Enforcement's June 8, 2018 request for a description of the method by which Customer-1's orders were executed, including the reasons why Goldman executed the orders in the fashion that it did, and a full description of any algorithms used. The letter to the Division contained some of the same information—often, verbatim—as the letter to ICE, i.e., explaining Goldman's role as executing broker for Customer-1 on December 29 and describing Goldman's use of the TWAP algorithm to execute Customer-1's trades. However, the letter to the Division, despite the direct relevance of the VAC, did not contain any mention of the VAC or the fact that the VAC failed to suspend the trading or provide a warning as the VAC should have.

In the letter to the Division, Goldman represented that "we are providing a narrative description of the relevant events related to the trades executed by [Goldman] . . . on December 29, 2017 . . . ." But by not including any mention of Goldman's VAC or the VAC's failure to suspend the trading, Goldman failed fully to answer the Division's request for both a description

of the reasons Goldman executed the trades in the fashion that it did and a full description of any algorithm used. Moreover, Goldman omitted material information concerning its VAC notwithstanding its previous representation to ICE that "Goldman's TWAP algorithm has a control that *was directly relevant here*, namely: a Volatility Awareness control" (emphasis added), and those omissions rendered statements made in the letter to the Division materially misleading.

III. LEGAL DISCUSSION

A. Failure to Supervise

Regulation 166.3, 17 C.F.R. § 166.3 (2022), provides:

> Each Commission registrant, except an associated person who has no supervisory duties, must diligently supervise the handling by its partners, officers, employees and agents (or persons occupying a similar status or performing a similar function) of all commodity interest accounts carried, operated, advised or introduced by the registrant and all other activities of its partners, officers, employees and agents (or persons occupying a similar status or performing a similar function) relating to its business as a Commission registrant.

Regulation 166.3 imposes upon registrants an affirmative duty to supervise their employees and agents diligently by establishing, implementing and executing an adequate supervisory structure and compliance program. *See In re Vision Fin. Mkts. LLC*, CFTC No. 13-36, 2013 WL 5376144, at *2 (Sept. 24, 2013) (consent order); CFTC v. Carnegie Trading Grp., Ltd., 450 F. Supp. 2d 788, 805 (N.D. Ohio 2006); *In re Logista Advisors LLC*, CFTC No. 17-29, 2017 WL 4386949 (Sept. 29, 2017) (consent order regarding failure to supervise disruptive trading on a foreign futures exchange). For a registrant to fulfill its duties under Regulation 166.3, it must both design an adequate program of supervision and ensure that the program is followed. *See In re GNP Commodities, Inc.*, CFTC No. 89-1, 1992 WL 201158, at *17-19 (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), *aff'd sub nom. Monieson v. CFTC*, 996 F.2d 852 (7th Cir. 1993).

A violation under Regulation 166.3 is an independent violation for which no underlying violation is necessary. *See CFTC v. Trinity Fin. Grp., Inc.*, No. 92-6832-CIV, 1997 WL 820970, at *29 n.6 (S.D. Fla. Sept. 29, 1997), *aff'd in relevant part, vacated in part and remanded sub nom. CFTC v. Sidoti*, 178 F.3d 1132 (11th Cir. 1999). Consequently, a violation of Regulation 166.3 is demonstrated by showing that either: (1) the registrant's supervisory system was generally inadequate, or (2) the registrant failed to perform its supervisory duties diligently. *See In re Forex Capital Mkts. LLC*, No. 12-01, 2011 WL 4689390, at *3 (Oct. 3, 2011) (consent order); *see also Trinity Fin. Grp., Inc.*, 1997 WL 820970, at *29 (finding Regulation 166.3 liability where registrants' purported "measures to deter and detect" wrongdoing were "illusory," registrants "failed to establish and maintain meaningful procedures for detecting and deterring" misconduct, and registrants "failed to take reasonable steps to correct" problems of which they were aware). 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 diligently supervise. *In re Paragon Futures Assoc.*, CFTC No. 88-18, 1992 WL 74261, at *14 (Apr. 1, 1992).

Goldman did not maintain and implement an adequate program of supervision. Goldman failed to maintain a system of controls to prevent potentially disruptive trading: although Goldman had its VAC, which was designed to suspend trading when certain market volatility thresholds were exceeded, that system malfunctioned on December 29, 2017. Consequently, the trading on behalf of Customer-1 should have been—but was not—suspended. Moreover, Goldman's post-trade surveillance system for detecting potential disruptive trading, was not configured properly, and was therefore not surveilling Goldman's trading on behalf of Customer-1 on December 29, 2017. Goldman did not have any other systems for the detection of and monitoring for potential disruptive trading on December 29, 2017, that were applicable to these trades; consequently, that trading was not flagged.

In addition, Goldman's training materials made clear that its traders were responsible for all orders submitted to markets and for monitoring any algorithms. Nevertheless, although the Goldman Trader knew that Customer-1's order was large, that the order was, in Trade-1's words, "targe[]ting [the] settle," and that the order could disrupt the market, the Goldman Trader did not take sufficient steps prior to executing the order to mitigate the potential disruptive impact of Customer-1's order. Further, although the Goldman Trader saw the market rising at the time that Customer-1's order began to execute, the Goldman Trader did not take sufficient steps to suspend Customer-1's trading or otherwise mitigate the disruptive impact of Customer-1's order.

B.   Respondent Omitted Material Information to the Commission

Section 6(c)(2) of the Act, 7 U.S.C. § 9(2) (2018), makes it unlawful for any person:

[T]o make any false or misleading statement of a material fact to the Commission . . . or to omit to state in any such statement any material fact that is necessary to make any statement of a material fact made not misleading in any material respect, if the person knew, or reasonably should have known, the statement to be false or misleading.

Here, Goldman reasonably should have known, that it omitted to state material facts necessary to make the statements made to the Division of Enforcement not materially misleading. Goldman did not include in its August 2018 letter to the Division any mention of its VAC notwithstanding knowing that had the VAC functioned it would have suspended the trading on December 29, 2017 and notwithstanding Goldman's statement to ICE in July 2018 that Goldman's VAC was "directly relevant."

Goldman reasonably should have known, that it could not provide a "narrative description of the relevant events" in response to the Division's request for a description of the method by which Customer-1's order were executed without describing the VAC and its failure. Moreover, Goldman reasonably should have known, that it could not "provide a full description of the algorithms used," as requested by the Division, without disclosing the failure of its VAC to suspend the algorithm on December 29, 2017. By failing to mention its VAC—and the

VAC's failure to suspend the trading on December 29, 2017—Goldman reasonably should have known, that it was omitting material information that was necessary to make the statements it did make to the Division of Enforcement in the August 2018 letter not materially misleading.

IV.   FINDINGS OF VIOLATIONS

Based on the foregoing, the Commission finds that, during the period described above, Respondent Goldman violated Section 6(c)(2) of the Act and Commission Regulation 166.3.

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, 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.   Acknowledges that the Commission is the prevailing party in this action for purposes of the waiver of any and all rights under the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996, specified in subparts 6 and 7 of Paragraph C of this Section.

E.   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;

F.   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 6(c)(2) of the Act, 7 U.S.C. § 9(2), and Commission Regulation 166.3, 17 C.F.R. § 166.3 (2022);

2.   Orders Respondent to cease and desist from violating Section 6(c)(2) of the Act and Commission Regulation 166.3;

3.   Orders Respondent to pay a civil monetary penalty in the amount of three million dollars ($3,000,000), plus any post-judgment interest;

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 shall cease and desist from violating Section 6(c)(2) of the Act, 7 U.S.C. § 9(2), and Commission Regulation 166.3, 17 C.F.R. § 166.3 (2022).

B.   Respondent shall pay a civil monetary penalty in the amount of three million dollars ($3,000,000) ("CMP Obligation"), within ten days of the date of the entry of this Order. If the CMP Obligation is not paid in full within ten 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
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 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.

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 and/or its agents' and/or employees': (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Respondent and its successors and assigns 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.   Cooperation, in General: 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, the subject matter of this action.

3.   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.

4.   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.

5.   Until such time as Respondent satisfies in full its 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, DC 20581

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

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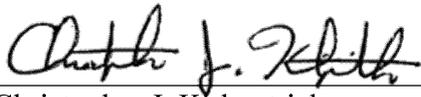
Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: September 29, 2023