

**THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA**

CIVIL CASE NO. 1:24-CV-23745-ALTMAN

COMMODITY FUTURES
TRADING COMMISSION,

Plaintiff,

v.

TRADERS DOMAIN FX LTD. d/b/a
THE TRADERS DOMAIN; FREDIRICK
TEDDY JOSEPH SAFRANKO a/k/a
TED SAFRANKO; DAVID WILLIAM
NEGUS-ROMVARI; ARES GLOBAL
LTD. d/b/a TRUBLUEFX; ALGO
CAPITAL LLC; ALGO FX CAPITAL
ADVISOR LLC n/k/a QUANT5
ADVISOR, LLC; ROBERT COLLAZO,
JR.; JUAN HERMAN a/k/a JJ HERMAN;
JOHN FORTINI; STEVEN LIKOS;
MICHAEL SHANNON SIMS; HOLTON
BUGGS, JR; CENTURION CAPITAL
GROUP INC.; ALEJANDRO
SANTIESTABAN a/k/a ALEX SANTI;
GABRIEL BELTRAN; and ARCHIE
RICE,

Defendants.

**PLAINTIFF'S MOTION FOR CONTINUANCE OF NOVEMBER 12, 2024, SHOW
CAUSE HEARING AND EXTENSION OF STATUTORY RESTRAINING ORDER**

Plaintiff Commodity Futures Trading Commission (“Commission” or “Plaintiff”) hereby moves, pursuant to Local Civil Rule 7.6, for a four-week continuance of the November 12, 2024, show cause hearing as to why a preliminary injunction should not issue against Defendants (the “Show Cause Hearing”) and an extension of the October 3, 2024, Statutory Restraining Order [Dkt. 10, 36] as to Defendants Holton Buggs, Jr., Robert Collazo, Jr. Juan Herman a/k/a JJ Herman, Fredirick Teddy Joseph Safranko a/k/a Ted Safranko, and David William Negus-Romvari.¹ As set forth below, a four-week continuance will provide additional time for the Commission to conduct expedited discovery in advance of the hearing and perfect alternative service on the Foreign defendants, while also accommodating Thanksgiving travel and leave schedules. The requested extension will serve the interest of judicial economy by narrowing the issues to be determined at that hearing and providing adequate time for the parties to prepare. In support of this Motion, the Commission respectfully states as follows:

1. The Commission filed the Complaint in this action on September 30, 2024, alleging that from at least November 2019 to the present, Defendants orchestrated a fraudulent scheme to solicit funds for the purpose of trading leveraged or margined retail commodity transactions, specifically gold-to-U.S. dollar pairs (“XAU/USD”), as well as assorted other commodities, through pooled and individual accounts. [Dkt. 1]. Contemporaneously, the Commission filed an *Ex Parte* Motion for Statutory Restraining Order, Appointment of a Temporary Receiver, and Other Equitable Relief (“SRO Motion”). [Dkt. 5].

¹ As set forth in the Certificate of Conference, the Commission consulted with counsel for Defendants Collazo, Santi, Beltran, Rice, Likos, Fortini, and Sims each of whom indicated that they do not oppose the relief requested. As set forth below, each of these Defendants (with the exception of Collazo) has executed consent orders of preliminary injunction, which were entered by the Court. The Commission consulted with counsel for Mr. Buggs who indicated that they were unable to confer with their client in the timeline requested. The Commission also conferred with the Receiver who also indicated that he does not oppose the relief requested. The Commission was unable to confer with Defendants who have either not been served or have not yet appeared in this action.

2. On October 2, 2024, the Court held an *ex parte* hearing on the Commission’s SRO Motion. The Court granted the Commission’s SRO Motion, determining, among other things, that the Commission made a *prima facie* showing that Defendants violated numerous provisions of the Commodity Exchange Act (“Act”), including 7 U.S.C. §§ 6b(a)(2)(A)–(C), 6k(2), 6m(1), and 6o(1)(A)–(B), and Commission Regulations (“Regulations”), 17 C.F.R. §§ 4.20(a)(1), (b)–(c) (2024) (“SRO”). [Dkt. 10]. Because the Commission is likely to succeed on the merits in this action and there is a reasonable likelihood that Defendants will transfer or dissipate assets or destroy records, the Court also found good cause to grant a restraining order freezing Defendants’ assets, allowing inspection of Defendants’ records, appointing Kelly Crawford as Temporary Receiver, and granting expedited discovery. *Id.*

3. The SRO also found that the Commission established good cause for issuing a preliminary injunction against the Defendants, and set a Show Cause Hearing for October 29, 2024, at 2:00 p.m. *Id.* On October 24, 2024, the Commission moved to continue the Show Cause Hearing. [Dkt. 35]. The Court granted this motion, resetting the Show Cause Hearing for November 12, 2024, and simultaneously extending the SRO. [Dkt. 36].

4. To date, the Commission has completed service on or obtained waivers from 11 of the 16 Defendants. [Dkt. 15–20, 25–26, 29, 30, 56].

5. Four of the five unserved defendants are believed to be located outside of the any judicial district of the United States. The Commission intends to file imminently a motion for alternative service, pursuant to Federal Rule of Civil Procedure 4(f)(3) on those Foreign Defendants: Safranko, Negus-Romvari, Traders Domain FX LTD. d/b/a The Traders Domain (“TD”), and Ares Global Ltd. d/b/a Trubluefx (“Trubluefx”).

6. In the 12 days that have elapsed since the Court granted the prior continuance, the

Commission has taken numerous steps, in addition to those set forth in the previously-filed Declaration of Erica Bodin [Dkt. 35, Ex. A], to serve the remaining two U.S. resident defendants, Holton Buggs, Jr., and Juan Herman a/k/a JJ Herman, and otherwise make them aware of the present action. *See* Ex. A (November 6, 2024, Declaration of Erica Bodin).

7. With respect to Mr. Herman, the Commission hired a private investigator to attempt to locate Mr. Herman. Nov. 6, 2024, Bodin Decl. at ¶ 22. The private investigator confirmed that Mr. Herman recently vacated his last known address. *Id.* at ¶ 24. To date, the Commission has been unable to serve Mr. Herman, despite diligent efforts to do so. *Id.* at ¶¶ 17–25.

8. Since October 23, 2024, the Commission has spoken with or attempted to contact four additional counsel who, at various points, have purported to represent Mr. Buggs in connection with this action in some capacity. Nov. 6, 2024, Bodin Decl. at ¶¶ 6–16. After numerous requests, counsel for Mr. Buggs executed a waiver of service on November 5, 2024, which was subsequently filed with the Court. *Id.* at ¶ 13; [Dkt. 56]. Thereafter, counsel informed the CFTC that they intend to contest the receivership and the Court’s personal jurisdiction over Mr. Buggs. Nov. 6, 2024, Bodin Decl. at ¶ 14.

9. With the exception of Mr. Buggs and Mr. Collazo, all Defendants who have been served have also consented to entry of a Preliminary Injunction, which were filed with and entered by the Court. Specifically, the Court has entered Consent Orders of Preliminary Injunction with respect to the following Defendants: Alex Santi [Dkt. 40]; Gabriel Beltran [Dkt. 41]; Archie Rice [Dkt. 42]; Michael Sims [Dkt. 48]; John Fortini [Dkt. 49]; and Steven Likos [Dkt. 53]. In addition, the Court entered a Consent Order of Preliminary Injunctions as to the Entity Defendants—TD, Trubluefx, Algo Capital LLC, Algo FX Capital Advisor, LLC, n/k/a

Quant5 Advisor, LLC, and Centurion Capital Group Inc.—which the Temporary Receiver executed on behalf of the entities. [Dkt. 38].

10. Mr. Collazo was served on October 18, 2024. Counsel for Mr. Collazo first contacted the Commission late on the afternoon of November 6, 2024. Counsel for Mr. Collazo agreed to continue the November 12 show cause hearing and further indicated that he is unavailable through November 15, 2024. The proposed continuance will allow the Commission time to determine Mr. Collazo's position on a consent preliminary injunction, or whether expedited discovery will be necessary.

11. Because counsel for Mr. Buggs has only recently waived service and appeared in this action, the Commission has been unable to engage in the expedited discovery provided under the SRO. On November 5, 2024, shortly after counsel executed the service waiver and indicated their intent to contest the Preliminary Injunction, the Commission sent counsel a Notice of Deposition for Mr. Buggs for November 15, 2024. Nov. 6, 2024, Bodin Decl. at ¶ 14. The Receiver has also sent Mr. Buggs notice of an asset deposition scheduled for November 14, 2024. *Id.* at ¶ 13. These depositions are needed to prepare for the show cause hearing.

12. Therefore, in order to permit the parties time to conduct expedited discovery and otherwise prepare for the Show Cause Hearing, the Commission respectfully requests that the hearing be delayed for an additional four weeks until December 10, 2024. This delay will also provide the opportunity for the Commission to finalize and file its Motion for Alternative Service as to the Foreign Defendants; for the Court to consider it; and, if granted, for the Commission to serve Foreign Defendants and, potentially, ascertain whether they intend to oppose the entry of a Preliminary Injunction and/or otherwise defend this action. The Commission believes that the

requested additional continuance will reduce the likelihood of the Court having to conduct separate hearings in a piece-meal fashion.

Accordingly, the Commission respectfully requests that the Court grant this Motion and continue the Show Cause Hearing as to why a preliminary injunction should not issue against the Defendants for four weeks and Continue the SRO as to Defendants Buggs, Collazo, Herman, Safranko, and Negus-Romvari.

Dated: November 6, 2024

Respectfully submitted,

**PLAINTIFF COMMODITY FUTURES
TRADING COMMISSION,**

/s/ Alison B. Wilson

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CERTIFICATE OF CONFERENCE

Pursuant to Local Rule 7.1(a)(3)(A), I hereby certify that Plaintiff has conferred with counsel for Defendants John Fortini, Robert Collazo, Steven Likos, Michael Sims, Alex Santi, Gabriel Beltran, and Archie Rice, each of whom indicated that they did not oppose the relief requested. Plaintiff also conferred with counsel for Buggs who indicated that he was unable to confer with their client in the timeframe provided. In addition, Plaintiff conferred with the Receiver, Kelly Crawford, who indicated he did not oppose the relief requested. Plaintiff was unable to confer with those parties that have not yet been served or have not appeared in this action.

/s/ Alison B. Wilson

ALISON B. WILSON (FL Bar A5503268)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via electronic transmission via this Court's CM/ECF filing system on this 6th day of November 2024, upon all counsel and/or parties who have appeared in the above-styled action.

/s/ Alison B. Wilson _____

Alison B. Wilson