

**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 *EX PARTE* MOTION FOR ORDER AUTHORIZING ALTERNATE
SERVICE OF PROCESS PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE
4(f)(3) AND MEMORANDUM OF LAW IN SUPPORT THEREOF**

Plaintiff Commodity Futures Trading Commission (“CFTC”) hereby moves the Court, on an *ex parte*¹ basis, for an order authorizing alternate service of process on Defendants who are located outside of the United States, specifically Traders Domain FX LTD. d/b/a/ The Traders Domain, Ares Global Ltd. d/b/a/ Trubluefx, Fredirick Teddy Joseph Safranko a/k/a Ted Safranko, David William Negus-Romvari, and Juan Herman a/k/a JJ Herman pursuant to Federal Rule of Civil Procedure 4(f)(3). In support thereof, the CFTC submits the following Memorandum of Law.

¹ The CFTC is moving for alternate service on an *ex parte* basis as to the Defendants that are the subject of the instant motion, because the CFTC has not been able to serve them, and they have not yet appeared in this action. With respect to the Defendants on whom the CFTC has already perfected service, the CFTC conferred with their counsel prior to filing the instant Motion. The CFTC also conferred with the Receiver. Each of the served Defendants as well as the Receiver indicated that they do not oppose the requested relief.

INTRODUCTION

On September 30, 2024, the CFTC filed a Complaint for Injunctive Relief, Civil Monetary Penalties, Restitution, and Other Equitable Relief (“Complaint”), against Traders Domain FX LTD. d/b/a/ The Traders Domain; Ares Global Ltd. d/b/a/ Trubluefx; Fredirick Teddy Joseph Safranko a/k/a Ted Safranko; David William Negus-Romvari; 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, 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 CFTC filed an *Ex Parte* Motion for Statutory Restraining Order, Appointment of a Temporary Receiver, and Other Equitable Relief (“SRO Motion”) [Dkt. 5] which, following an October 2, 2024, hearing, was granted by the Court (“SRO”) [Dkt. 10].

Pursuant to Federal Rule of Civil Procedure 4(f)(3), the CFTC now seeks an order authorizing alternative service of process on certain Defendants who are located outside of the United States, specifically Traders Domain FX LTD. d/b/a/ The Traders Domain (“TD”), Ares Global Ltd. d/b/a/ Trubluefx (“Trubluefx”), Fredirick Teddy Joseph Safranko a/k/a Ted Safranko (“Safranko”), David William Negus-Romvari (“Negus-Romvari”), and Juan Herman a/k/a JJ Herman (“Herman”) (collectively the “Foreign Defendants”) via (1) electronic mail and (2) website posting (the “proposed service methods”). For the reasons set forth below, the proposed service methods are permitted under the Federal Rules, not prohibited by international

agreement, comport with due process requirements, and are routinely authorized by courts in this District. Permitting the CFTC to serve Foreign Defendants via e-mail and website posting will benefit all parties and the Court by ensuring Foreign Defendants receive immediate notice of the pendency of this action and allowing this action to move forward expeditiously. Absent the ability to serve Foreign Defendants by e-mail and/or website posting, the CFTC's action seeking, among other things, to recover damages suffered by the thousands of victims of Defendants' fraudulent scheme will be significantly and unnecessarily delayed.

ARGUMENT

Rule 4(f)(3) of Federal Rule of Civil Procedure ("Rules") provides that service on an individual may be accomplished by any "means not prohibited by international agreement, as the court orders." FED. R. CIV. P. 4(f)(3). Rule 4(h)(2) describes the various ways in which a plaintiff may serve foreign entities and incorporates the service methods set forth in Rule 4(f). As this court has repeatedly held, "alternative methods of service under Rule 4(f)(3) are available without first attempting service by any other means." *Hyper Ice, Inc. v. Guangzhoujuyikuajingdianzishang Wuyouxiangongsi*, No. 24-CV-22169, 2024 WL 4003723, at *1 (S.D. Fla. July 8, 2024); *see also, e.g., Menashe v. Abou Jaoude*, No. 22-CV-22220, 2022 WL 17324241, at *1 (S.D. Fla. Nov. 28, 2022) ("Rule 4(f)(3) contains no language limiting its availability to scenarios arising only after a plaintiff attempts service of process by *other* means.").

Courts have broad discretion to order alternative service under Rule 4(f)(3) provided that the alternative service methods are (1) not prohibited by international agreement and (2) comport with constitutional notions of due process. *See Brookshire Bros. v. Chiquita Brands Int'l, Inc.*, No. 05-CIV-21962, 2007 WL 1577771, at *2 (S.D. Fla. May 31, 2007). "Constitutional due

process requires only that service of process provide ‘notice reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections.’” *Chanel, Inc. v. Zhixian*, No. 10-CIV-60585, 2010 WL 1740695, at *3 (S.D. Fla. Apr. 29, 2010) (quoting *Mullane v. Cent. Hanover Bank & Tr. Co.*, 339 U.S. 306, 314 (1950)). Here, an order authorizing alternative service is appropriate because (1) each of the Foreign Defendants are located outside of the United States, (2) the proposed email and website posting are not prohibited by international agreement, and (3) are reasonably calculated to give Foreign Defendants notice of this action.

A. Foreign Defendants Are Located Outside of Any Judicial District of the United States.

As set forth in the Declaration of Michelle Bougas (“Bougas Declaration” or “Bougas Decl.”) filed contemporaneously herewith, each of the Foreign Defendants is located outside of any judicial district of the United States. Specifically:

- Safranko is a Canadian citizen with addresses in Ontario and British Columbia, Canada. *See* Bougas Decl. ¶ 14.
- Negus-Romvari is a Canadian citizen who is currently believed to be residing in Mexico. *See id.* ¶ 16;
- Herman is a U.S. citizen and resident of Florida. *See id.* ¶ 19. Travel records indicate that Herman left his home state of Florida in August 2024 on a flight bound for Dubai, United Arab Emirates. The travel records do not contain any indication that Herman has returned to the United States since August 20, 2024—a period of more than 85 days. *Id.* ¶ 21.
- TD is a corporation registered under the laws of Saint Vincent and the Grenadines with a registered office at Suite 305, Griffith Corporate Centre, P.O. Box 1510, Beachmont, Kingston, St. Vincent and the Grenadine. *See id.* ¶ 5.
- Trubluefx is a corporation registered under the laws of Saint Lucia with a registered address of 1st Floor, the Sotheby Building, Rodney Bay, Gros-Islet, Saint Lucia. *See id.* ¶ 9. Trubluefx also purports to maintain an “Operating office” at Stari Merkator, Palmira Tokatija 5, 11070 New Belgrade, Serbia. *See id.*

Because each of the Foreign Defendants is currently located outside of the United States, service under Rule 4(f)(3) is appropriate.

B. The Proposed Service Methods Are Not Prohibited By International Agreement.

The United States, Canada, Mexico, Saint Vincent and the Grenadines, and Serbia are all signatories to the Hague Convention on the Service Abroad of Extrajudicial Documents in Civil Matters (“Hague Service Convention”). *See* Status Table: Convention of 15 November 1965 on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, <https://www.hcch.net/en/instruments/conventions/status-table/?cid=17> (last visited November 14, 2024) (listing current contracting states). Article 10 to the Hague Service Convention “allows service of process through means other than a signatory’s Central Authority, such as ‘postal channels’ and ‘judicial officers,’ provided the State of destination does not object to those means.” *Karsten Mfg. Corp. v. Store*, No. 18-CIV-61624, 2018 WL 8060707, at *1 (S.D. Fla. July 26, 2018). “Where a signatory nation has objected to the alternative means of service provided by the Hague Convention, that objection is expressly limited to those means and does not represent an objection to other forms of service, such as e-mail or publication.” *Id.* Because “the Hague Convention does not specifically preclude e-mail and publication service,” *id.*, an order authorizing this type of service does not violate an international agreement. *Id.* (“A court acting under Rule 4(f)(3) therefore remains free to order alternative means of service where a signatory nation has not expressly objected to those means.”); *see also Hyper Ice*, 2024 WL 4003723, at *1.

Conversely, St. Lucia and the United Arab Emirates are *not* a party to the Hague Service Convention. *See* Status Table: Convention of 15 November 1965 on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters,

<https://www.hcch.net/en/instruments/conventions/status-table/?cid=17> (last visited November 14, 2024) (listing current contracting states). The CFTC is unaware of any other international agreement which governs service in Saint Lucia or the United Arab Emirates. Thus, with respect to Saint Lucia and the United Arab Emirates, the proposed service methods are also not prohibited by International Agreement.

C. The Proposed Service Methods Comport With Due Process.

The proposed service methods also comport with due process requirements. Plaintiffs have identified numerous email addresses associated with each Defendant to which it proposes to send notice. As set forth in Bougas Declaration, the email addresses associated with Safranko and Negus-Romvari were used by Defendants Safranko and Negus-Romvari in connection with the operation of their online business, TD, other business, and/or in connection with opening and/or maintaining financial accounts. *See* Bougas Decl. ¶¶ 6, 14, 17. Similarly, the email addresses for Herman were used in connection with the operation of Algo Capital LLC, other businesses, and/or in connection with opening and/or maintaining financial accounts. *Id.* ¶ 22. In addition, the email addresses associated with Traders Domain and Trubluefx were used in the operation of those businesses, including for the purposes of communicating with customers. *See Id.* ¶¶ 7, 11. The email addresses which the CFTC proposes to use are still operational and the CFTC has no reason to believe that the Foreign Defendants do not have access to them. *See Id.* ¶¶ 7–8, 11–12, 14–15, 17–18, 22–23. Indeed, the CFTC recently emailed these addresses in order to request that Defendants waive service and received only a limited number of bounce-back notifications or other indication that the email addresses were no longer operational (and has excluded those defunct email addresses from its request). *See id.* ¶¶ 7–8, 11–12, 14–15, 17–18, 22–23.

In addition, the CFTC has also created a publication website on which copies of the Complaint, Summons, SRO, and other relevant filings and orders issued in this action will be posted such that anyone accessing the website will be able to view them. *See id.* ¶ 25. Plaintiff will provide each Foreign Defendant a link to this website via email.

Courts in this District have routinely authorized service of process via the exact methods proposed here. *See, e.g., XYZ Corp. v. Individuals, Partnerships, & Unincorporated Associations Identified on Schedule A*, No. 24-CV-22168, 2024 WL 4009534, at *2 (S.D. Fla. July 16, 2024) (“Courts in this District have routinely authorized service of process via online communications and website publication.”); *Hyper Ice*, 2024 WL 4003723, at *2 (S.D. Fla. July 8, 2024); *Luxottica Group S.p.A & Oakley, Inc., v. The Individuals, P’ships & Unincorp. Ass’ns Identified on Schedule “A,”* 2020 WL 6529615, at *1-2 (S.D. Fla. Jan. 8, 2020) (authorizing service of process via email and website posting, among other methods).

CONCLUSION

For the foregoing reasons, Plaintiff CFTC respectfully requests this Court grant the present motion and authorize service of the Summonses, Complaint, and all other filings in this matter upon each of the Foreign Defendants in this action, via:

(1) email at the email addresses identified below:

- **Safranko:** tsafranko@gmail.com; ted@tradersdomain.com ; info@theforexfamily.com; tsafranko@outlook.com; tsafranko@hotmail.com; tsafranko@saegcapital.com; and tjsafranko.gmail.com@hubspotstarter.net.
- **Negus-Romvari:** davidnegus@stonescale.ca; davidsnr1995@gmail.com; contactmastermindfx@gmail.com; contactmmfx@gmail.com; restandreaxations@proton.me; and davidnegus@saegcapital.com.

- **Herman:** jjherman08@gmail.com; JJ@algocapitalfx.com; support@algocapitalfx.com; JJ@q5fund.com; jjherman@uservio.com; intelligenzagroup@gmail.com.
- **TD:** accounts@thetradersdomain.com; info@thetradersdomain.com; vippamm@thetradersdomain.com; info@thetradersdomain.com; payments@thetradersdomain.com; support@thetradersdomain.com; admin@thetradersdomain.com; partners@thetradersdomain.com; customersupport@thetradersdomain.com; and noreplynewsletter@thetradersdomain.com.
- **Trubluefx:** support@trubluefx.com; support@trubluefx.info; payments@trubluefx.info; pamm@trubluefx.info; and contact@trubluefx.com.

(2) website posting by posting a copy of the Summonses, Complaint, SRO, and other relevant filings and orders in this matter on Plaintiff's website appearing at the URL <https://cftc-stg.ctacdev.com/enfservice/case1-24-cv-23745-TradersDomainFXLtd>.

Date: November 18, 2024

**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, Steven Likos, Michael Sims, Alex Santi; Gabriel Beltran; Archie Rice, Holton Buggs, Jr., and Robert Collazo, each of whom indicated that they do not oppose the relief requested. Plaintiff also conferred with the Receiver, Kelly Crawford, who indicated he does not oppose the relief requested. Plaintiff was unable to confer with those parties that have not yet been served, despite reasonable efforts to contact them.

/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 18th 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