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IN THE UNITED STATES DISTRICT COURT

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FOR THE DISTRICT OF ARIZONA

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United States Commodity Futures Trading)
Commission,

No. CV-12-2513-PHX-FJM

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Plaintiff,

FINAL JUDGMENT

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vs.

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Ray Thomas Brown,

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Defendant.

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This court granted summary judgment in favor of the United States Commodity Futures Trading Commission (“CFTC”) and against defendant Ray Thomas Brown on the CFTC’s claims that defendant violated the antifraud and registration provisions of the Commodity Exchange Act, 7 U.S.C. §§ 6m, 6o (the “Act”). We concluded that restitution damages in the amount of \$1,131,941.98, a civil monetary penalty in the amount of \$140,000, and permanent injunctive relief are appropriate. We now enter judgment in accordance with that Order:

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IT IS ORDERED:

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1. Entering judgment in favor of the CFTC and against defendant on Counts 1, 2, and 3 of the Complaint;

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2. Imposing damages against defendant pursuant to 7 U.S.C. § 13a-1 (2012), in

1 the amount of \$1,131,941.98;

2 3. Imposing a civil monetary penalty against defendant pursuant to 7 U.S.C. §
3 13a-1(d) (2012) and 17 C.F.R. § 143.8(a)(1)(ii)(D) in the amount of \$140,000.

4 **IT IS FURTHER ORDERED PERMANENTLY ENJOINING DEFENDANT**
5 **AS FOLLOWS:**

6 1. Defendant is permanently restrained, enjoined, and prohibited from directly or
7 indirectly:

8 (a) using the mails or any means or instrumentality of interstate commerce, directly
9 or indirectly, to employ any device, scheme, or artifice to defraud any client or participant
10 or prospective client or participant, or to engage in any transaction, practice, or course of
11 business which operates as a fraud or deceit upon any commodity trading client or
12 commodity pool participant or prospective client or participant in violation of 7 U.S.C. § 6o
13 (2012);

14 (b) acting as a commodity pool operator or commodity trading advisor, as those
15 terms are defined under 7 U.S.C. § 1a (2012), in violation of 7 U.S.C. § 6m (2012).

16 2. Defendant is also permanently restrained, enjoined, and prohibited from
17 directly or indirectly:

18 (a) trading on or subject to the rules of any registered entity, as that term is defined
19 in 7 U.S.C. § 1a (2012);

20 (b) entering into any transactions involving commodity futures, options on
21 commodity futures, commodity options (as that term is defined in 17 C.F.R. § 1.3(hh)
22 (2012)) (“commodity options”), security futures products, swaps (as that term is defined in
23 7 U.S.C. § 1a(47)(2012)), and/or foreign currency (as described in 7 U.S.C. §§ 2(c)(2)(B)
24 and 2(c)(2)(C)(i) (2012)) (“forex contracts”) for his own personal account or for any account
25 in which he has a direct or indirect interest;

26 (c) having any commodity futures, options on commodity futures, commodity
27 options, security futures products, swaps and/or forex contracts traded on his behalf;

28 (d) controlling or directing the trading for or on behalf of any other person or

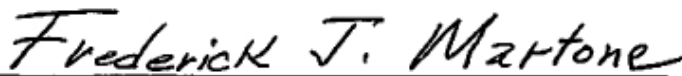
1 entity, whether by power of attorney or otherwise, in any account involving commodity
2 futures, options on commodity futures, commodity options, security futures products, swaps
3 and/or forex contracts;

4 (e) soliciting, receiving or accepting any funds from any person for the purpose
5 of purchasing or selling any commodity futures, options on commodity futures, commodity
6 options, security futures products, swaps and/or forex contracts;

7 (f) applying for registration or claiming exemption from registration with the
8 CFTC in any capacity, and engaging in any activity requiring such registration or exemption
9 from registration with the CFTC, except as provided for in 17 C.F.R. § 4.14(a)(9) (2013),
10 and/or;

11 (g) acting as a principal (as that term is defined in 17 C.F.R. § 3.1(a) (2013)), agent
12 or any other officer or employee of any person (as that term is defined in 7 U.S.C. § 1a
13 (2012)), registered, exempted from registration or required to be registered with the CFTC
14 except as provided for in 17 C.F.R. § 4.14(a)(9) (2013).

15 DATED this 21st day of January, 2014.

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18 **Frederick J. Martone**
19 **Senior United States District Judge**
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