

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT CALIFORNIA
SOUTHERN DIVISION**

UNITED STATES
COMMODITY FUTURES
TRADING COMMISSION

Plaintiff,

vs.

CHRISTOPHER VALOIS,
CYNTHIA WONG, BERTRAM
TRADE LLC, and
CHURCHILL COMMODITIES
TRADING LLC,

Defendants.

Case No: 15-00130-CJC(RNBx)

**EX PARTE STATUTORY
RESTRAINING ORDER**

Having read the Complaint for Injunctive and Other Equitable Relief and Penalties Under the Commodity Exchange Act ("Complaint") filed by Plaintiff Commodity Futures Trading Commission ("CFTC" or "Commission"), Plaintiff's

1 Application for *Ex Parte* Statutory Restraining Order, Plaintiff's Memorandum of
2 Points and Authorities in Support of Its Application for *Ex Parte* Statutory
3 Restraining Order and Motion for a Preliminary Injunction ("Memorandum"), and
4 Appendix to Plaintiff's Memorandum of Points and Authorities in Support of Its
5 Application for *Ex Parte* Statutory Restraining Order and Motion for a Preliminary
6 Injunction,
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9 **THE COURT FINDS:**

10 1. This Court has jurisdiction over the parties and subject matter of this
11 action. Section 6c of the Commodity Exchange Act ("Act"), 7 U.S.C. §13a-1(a)
12 (2012), authorizes this Court to enter an *ex parte* statutory restraining order against
13 Defendants Christopher Valois ("Valois"), Cynthia Wong ("Wong"), Bertram Trade
14 LLC ("Bertram Trade") and Churchhill Commodities Trading LLC ("Churchhill")
15 (collectively "Defendants").
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18 2. Venue properly lies with this Court pursuant to Section 6c(e) of the
19 Act, 7 U.S.C. § 13a-1(e).
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21 3. It appears that there is good cause to believe that Defendants have
22 engaged, are engaging, or are about to engage in violations of the Act. Specifically,
23 it appears that Defendants have engaged, are engaging, or are about to engage in
24 violations of Sections 4(a) and 4b(a)(2)(A) and (C) of the Act, 7 U.S.C. §§ 6(a) and
25 6b(a)(2)(A) and (C), and that Defendants Valois and Wong also have engaged, are
26 engaging, or are about to engage in violations of Sections 4b(a)(1)(A) and (C),
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1 4m(1) and 4o(1)(A) and (B) of the Act, 7 U.S.C. §§ 6b(a)(1)(A) and (C), 6m(1), and
2 4o(1)(A) and (B) (2012),
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4 4. It further appears that there is good cause to believe immediate and
5 irreparable harm to the Court's ability to grant effective final relief to Defendants'
6 customers in the form of monetary redress will occur from the sale, transfer,
7 assignment, or other disposition by Defendants' assets or destruction of books
8 and records unless they are immediately restrained and enjoined by order of the
9 Court. Accordingly, there is good cause to issue this Order.
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12 5. Consequently, the Court is satisfied that this is a proper case for
13 granting an *ex parte* statutory restraining order to preserve the status quo and to
14 protect public investors from further fraud, deceit, loss or damage, and enable the
15 Commission to fulfill its statutory duties. It further appears that the interest of
16 justice requires that the *ex parte* application be heard without notice and that the
17 notice requirement of L.R. 7-19.1 is waived.
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ORDER

DEFINITIONS

For the purposes of this Order, the following definitions apply:

6. “Assets” means any legal or equitable interest in, right to or claim to any real or personal property, including, but not limited to, chattels, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, mail or other deliveries, inventory, checks, notes, accounts including bank accounts and accounts at financial institutions, credits, receivables, lines of credit, securities, contracts including spot and futures contracts, insurance policies and all cash, wherever located.

7. “Document” is synonymous in meaning and equal in scope to the usage of the term in Rule 34(a) of the Federal Rules of Civil Procedure and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records and other data compilations from which information can be obtained and translated through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

8. “Defendants” refers to Valois, Wong, Bertram Trade, and Churchill and well as any persons insofar as they are acting in the capacity of Defendants’ agents, servants, successors, employees, assigns and attorneys, and all persons insofar as they are acting in active concert or participation with Defendants who

1 receive actual notice of this Order by personal service or otherwise, including
2 electronic mail, facsimile, United Parcel Service, or Federal Express.

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4 **RELIEF GRANTED**

5 **STATUTORY RESTRAINING ORDER**

6 **I. ASSET FREEZE**

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8 **IT IS ORDERED** that Defendants, all persons insofar as they are acting in
9 the capacity of Defendants' agents, servants, successors, employees, assigns, and
10 attorneys, and all persons insofar as they are acting in active concert or
11 participation with Defendants who receive actual notice of this Order by personal
12 service or otherwise, including email, facsimile, and UPS or other commercial
13 overnight service, are restrained from directly or indirectly withdrawing,
14 transferring, removing, dissipating, concealing, or disposing of, in any manner, any
15 funds, assets, or other property, wherever situated, including, but not limited to, all
16 funds, personal property, money, or securities held in safes or safety deposit boxes
17 and all funds on deposit in any financial or brokerage institution, futures
18 commission merchant, bank, or savings and loan account held by, under the actual
19 or constructive control of, or in the name of any or all of the Defendants. The
20 assets affected by this paragraph shall include both existing assets and assets
21 acquired after the effective date of this Order.
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27 **IT IS FURTHER ORDERED** that, pending further order of this Court, any
28 bank, financial or brokerage institution, entity, or person that holds, controls, or

1 maintains custody of any funds, assets, or other property of Defendants, or has
2 held, controlled, or maintained custody of any funds, assets, or other property of
3 Defendants, and who receives notice of this Order by any means, including
4 facsimile, electronic mail, United Parcel Service, or Federal Express, shall:
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6 A. **Immediately upon receipt of a copy of this Order** prohibit
7 Defendants and any other person from withdrawing, removing, assigning,
8 transferring, pledging, encumbering, disbursing, dissipating, converting, selling, or
9 otherwise disposing of any such assets, except as directed by further order of the
10 Court;
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13 B. **Immediately upon receipt of a copy of this Order** deny Defendants
14 and all other persons access to any safe deposit box that is:
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16 1. titled in the name of or maintained by Defendants, either
17 individually, jointly, or in any other capacity, including safe deposit
18 boxes titled in the name of or maintained by nominees of Defendants;
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20 or

21 2. otherwise subject to the control of or access by Defendants; and
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23 C. **Immediately upon receipt of a copy of this Order** cooperate with
24 all reasonable requests of the CFTC relating to implementation of this Order,
25 including producing records related to Defendants' accounts and Defendants'
26 businesses.
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1 **II. PROHIBITION ON DESTRUCTION OF BOOKS AND RECORDS**

2 **IT IS FURTHER ORDERED** that Defendants, all persons insofar as they
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4 are acting in the capacity of Defendants' agents, servants, successors, employees,
5 assigns, and attorneys, and all persons insofar as they are acting in active concert
6 or participation with Defendants who receive actual notice of this Order by
7 personal service or otherwise, including email, facsimile, and UPS or other
8 commercial overnight service, are restrained from directly or indirectly refusing to
9 permit authorized representatives of the Commission to inspect, when and as
10 reasonably requested, any books and records, documents, correspondence,
11 brochures, manuals, electronically stored data, tape records, or other property of
12 Defendants wherever located, including, but not limited to, all such records
13 concerning Defendants' business operations and Defendants' business or personal
14 finances.
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16 **III. ACCESS TO AND INSPECTION OF BOOKS AND RECORDS**

17 **IT IS FURTHER ORDERED** that representatives of the CFTC be allowed
18 immediately to inspect the books, records, and other documents of Defendants and
19 their agents including, but not limited to, electronically stored data, tape
20 recordings, and computer discs, wherever they may be situated and whether they
21 are in the possession of Defendants or others, and to copy said books, records, and
22 other documents, either on or off the premises where they may be situated.
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1 **IV. SERVICE OF ORDER AND ASSISTANCE OF U.S. MARSHALS**

2 **IT IS FURTHER ORDERED** that copies of this Order may be served by
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4 any means, including personal service, United Parcel Service, Federal Express, or
5 other commercial overnight service, email, facsimile, those permitted by Rule 5 of
6 the Federal Rules of Civil Procedure, or Articles 2 through 10 of the Hague
7 Convention, Service Abroad of Judicial and Extrajudicial Documents, upon any
8 financial institution or other entity or person that may have possession, custody, or
9 control of any documents or assets of Defendants, or that may be subject to any
10 provision of this Order. Camille M. Arnold, Robert Howell, and Joseph Patrick,
11 all employees of the CFTC, are hereby specially appointed to serve process,
12 including of this Order and all other papers in this case.
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16 **IT IS FURTHER ORDERED** that the United States Marshals Service is
17 directed to assist the CFTC with service of process, including of the Summons and
18 Complaint and all other papers in this case, as well as assist the CFTC with taking
19 control and custody of the assets, books and records, and business premises of
20 Defendant.
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22 **V. BOND NOT REQUIRED OF PLAINTIFF**

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24 **IT IS FURTHER ORDERED** that pursuant to Section 6c(b) of the Act, 7
25 U.S.C. § 13a-1(b), no bond need be posted by the Commission, which is an agency
26 of the United States of America.
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1 **VI. SERVICE ON THE COMMISSION**

2 **IT IS FURTHER ORDERED** that Defendants shall serve all pleadings,
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4 correspondence, notices required by this Order, and other materials on the Plaintiff
5 by delivering a copy to Camille M. Arnold, Senior Trial Attorney, Division of
6 Enforcement, Commodity Futures Trading Commission, 525 W. Monroe St., Suite
7 1100, Chicago, Illinois 60661 and/or by filing such pleadings or other materials
8 electronically with the Court.
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10 **VII. COURT MAINTAINS JURISDICTION**

11 **IT IS FURTHER ORDERED** that this Order shall remain in full force and
12 effect until further Order of this Court upon application, notice, and an opportunity
13 to be heard, and that this Court retains` jurisdiction over this matter for all
14 purposes.
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17 **VIII. FURTHER COURT HEARINGS**

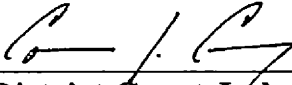
18 **IT IS FURTHER ORDERED** that the parties shall appear for a status
19 hearing on **February 6, 2015 at 9:00 a.m.**
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22 **IT IS FURTHER ORDERED** that should any party wish to file a
23 memorandum of law or other papers in opposition to the Motion for a Preliminary
24 Injunction, all papers shall be filed and served on or before **February 6, 2015.**
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1 **IT IS FURTHER ORDERED** that Plaintiff's Motion for a
2 Preliminary Injunction is set for hearing on **February 12, 2015 at 4:30 p.m.**
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4 The briefing and hearing dates on the Motion for a Preliminary Injunction may be
5 revised upon stipulation by all parties and approval of this Court and if Defendants
6 consent to the Order remaining in effect until the new date scheduled for the
7 hearing. Defendants are hereby on notice that failure to appear at the hearing on
8 the Motion for a Preliminary Injunction may result in the imposition of a
9 preliminary injunction against them pursuant to 15 U.S.C. § 1116(d) and Fed. R.
10 Civ. P. 65.
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14 Dated: January 30, 2015
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17 **IT IS SO ORDERED.**

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20 **U.S. District Court Judge**
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