



March 3, 2015

CFTC Charges Michigan Resident Jerry Stauffer with Commodity Pool Fraud and Other Violations

Federal Court Issues Emergency Order Freezing Stauffer's Assets and Protecting Books and Records

Washington, DC - The U.S. Commodity Futures Trading Commission (CFTC) today announced that Chief Judge Paul L. Maloney, of the U.S. District Court for the Western District of Michigan issued an emergency Order freezing and preserving the remaining pool participant assets under the control of Defendant **Jerry Stauffer** of Traverse City, Michigan. The Order, entered under seal on February 25, 2015, also prohibits Stauffer from destroying books and records and grants the CFTC immediate access to those records.

The Order arises out of a civil enforcement Complaint filed under seal by the CFTC on the same date, charging Stauffer with fraudulently soliciting at least \$968,000 from members of the public to trade foreign exchange (forex) in a commodity pool, by among other things, guaranteeing pool participants a monthly return on their investment based on profits purportedly earned from forex trading. The CFTC Complaint further alleges that Stauffer prepared and distributed to pool participants false account statements showing huge profits, while at the same time he traded very little forex and diverted pool participants' funds for his own use. In addition to fraud, the Complaint alleges that Stauffer illegally operated a commodity pool.

In its continuing litigation, the CFTC seeks full restitution to defrauded pool participants, disgorgement of any ill-gotten gains, the payment of appropriate monetary penalties, permanent registration and trading bans, and a permanent injunction from future violations of federal commodities laws, as charged.

The CFTC appreciates the cooperation of the Civil Division of the U.S. Attorney's Office for the Western District of Michigan and the Federal Bureau of Investigation in this matter.

CFTC Division Enforcement staff members responsible for this case are Eugenia Vroustouris, Michelle Bougas, Kathy Banar, Erica Bodin, and Rick Glaser.

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CFTC's Foreign Currency (Forex) Fraud and CFTC's Commodity Pool Fraud Advisories

The CFTC has issued several customer protection [Fraud Advisories](#) that provide the warning signs of fraud, including the [Foreign Currency Trading \(Forex\) Fraud Advisory](#), which states that the CFTC has witnessed a sharp rise in Forex trading scams in recent years and helps customers identify this potential fraud.

The CFTC has also issued a [Commodity Pool Fraud Advisory](#), which warns customers about a type of fraud that involves individuals and firms, often unregistered, offering investments in

Customers can report suspicious activities or information, such as possible violations of commodity trading laws, to the CFTC Division of Enforcement via a Toll-Free Hotline 866-FON-CFTC (866-366-2382) or [file a tip or complaint](#) online.

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