UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

EUGENE DIVISION

COMMODITY FUTURES TRADING COMMISSION, Plaintiff, v. ROBERT L. ADAMS AND SIMTRADEPRO INCORPORATED, Defendants.	Case No.: 6:24-cv-01653-MC JUDGMENT AND CONSENT ORDER FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF AGAINST DEFENDANTS ROBERT L. ADAMS AND SIMTRADEPRO INCORPORATED

I. INTRODUCTION

On September 30, 2024, Plaintiff Commodity Futures Trading Commission ("Commission" or "CFTC") filed a Complaint against Defendants Robert L. Adams ("Adams") and SimTradePro Incorporated ("SimTradePro;" collectively "Defendants") seeking injunctive and other equitable relief, as well as the imposition of civil penalties, for violations of the Commodity Exchange Act ("Act"), 7 U.S.C. §§ 1–26, and the Commission's Regulations ("Regulations") promulgated thereunder, 17 C.F.R. pts. 1–190 (2024).

II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Defendants without a trial on the merits or any further judicial proceedings, Defendants:

1. Consent to the entry of this Final Judgment and Consent Order for Permanent Injunction and Other Equitable Relief Against Defendants Robert L. Adams and SimTradePro

Incorporated ("Consent Order");

2. Affirm that they have read and agreed to this Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has been made by the Commission or any member, officer, agent, or representative thereof, or by any other person, to induce consent to this Consent Order;

3. Acknowledge service of the summons and Complaint;

4. Admit the jurisdiction of this Court over them and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, and 28 U.S.C. §§ 1331, 1345;

5. Admit the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act;

6. Admit that venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(e);

7. Waive:

(a) Any and all claims that they may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412, and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2024), relating to, or arising from, this action;

(b) Any and all claims that they may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201–253, 110 Stat. 847, 857–74 (codified as amended at 28 U.S.C. § 2412 and in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this action;

(c) Any claim of Double Jeopardy based upon the institution of this action or the entry in this action of any order imposing any other relief, including this Consent Order; and

(d) Any and all rights of appeal from this action;

8. Agree for the purposes of the waiver of any and all rights under the Equal Access to Justice Act as specified in Paragraph 7(a) above that they are not the prevailing parties in this action because the parties have reached a good faith settlement;

9. Consent to the continued jurisdiction of this Court over them for the purpose of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if Defendants now or in the future reside outside the jurisdiction of this Court;

10. Agree that they will not oppose enforcement of this Consent Order on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and hereby waive any objection based thereon;

11. Agree that neither they nor any of their agents or employees under their authority or control shall take any action or make any public statement denying, directly or indirectly, any allegation in the Complaint or the Findings of Fact or Conclusions of Law in this Consent Order, or creating or tending to create the impression that the Complaint and/or this Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect Defendants': (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendant**s** shall comply with this agreement, and shall undertake all steps necessary to ensure that all of Defendants' agents and/or employees under Defendants' authority or control understand and comply with this agreement;

12. Admit to all of the findings and conclusions made in this Consent Order, including venue and this Court's jurisdiction over them and the subject matter of this action, and all of the allegations in the Complaint, including admitting that Defendants' conduct violated the Act and its Regulations;

13. Consent to the use of the findings of fact and conclusions of law in this Consent Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party or claimant, including but not limited to, a proceeding in bankruptcy

or receivership, and agree that they shall be taken as true and correct and be given preclusive effect therein, without further proof.

14. Do not consent, however, to the use of this Consent Order, or the findings or conclusions herein, as the sole basis for any other proceeding brought by the Commission or to which the Commission is a party or claimant, other than: a proceeding in bankruptcy or receivership; or a proceeding to enforce the terms of this Consent Order; and

15. Agree that no provision of this Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against Defendants in any other proceeding.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

16. The Court, being fully advised in the premises, finds that there is good cause for the entry of this Consent Order and that there is no just reason for delay. The Court therefore directs the entry of the following Findings of Fact, Conclusions of Law, permanent injunction and equitable relief pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, as set forth herein.

THE PARTIES AGREE AND THE COURT HEREBY FINDS:

A. Findings of Fact

The Parties to this Consent Order

17. Plaintiff Commodity Futures Trading Commission is an independent agency charged by Congress with administering and enforcement of the Act and the Regulations promulgated thereunder.

18. Defendant Robert L. Adams is a resident of Bandon, Oregon, and is the principal and controlling person of SimTradePro and at least six investment pools that SimTradePro operated. Adams has never been registered with the Commission in any capacity.

19. Defendant SimTradePro Incorporated was an Oregon corporation registered with the Oregon Secretary of State on May 1, 2015, by Adams as its incorporator and registered agent. SimTradePro listed as its mailing address Adams' address in Bandon, Oregon. SimTradePro has never been registered with the Commission in any capacity.

Overview of Defendants' Conduct

20. From at least February 2018 to at least April 2019 ("Relevant Period"), Defendants operated at least six commodity pools for investing and trading in leveraged transactions in foreign currency exchange ("forex"), such as the British Pound and Japanese Yen, that did not result in actual delivery within two days, and leveraged transactions in metals such as gold and silver that did not result in actual delivery within 28 days.

21. Through these pools, each comprising four to more than forty participants, Defendants, using the means of interstate commerce, solicited more than $2.3 million from more than 100 U.S. retail customers. Many were non-eligible contract participant ("ECP") or non-eligible commercial entity participants or customers as defined under Section 1a(17) and 1a(18) of the Act, 7 U.S.C. § 1a(17)–(18) ("customers" or "participants").

22. Few, if any, customers had experience investing in leveraged forex or leveraged metals. Many were planning for retirement including those who used a self-directed individual retirement account custodian recommended by Defendants.

23. In addition to operating the pools, Defendants for compensation or profit, engaged in the business of advising customers through electronic media in interstate commerce as to the value of or the advisability of trading in leveraged forex and metals.

24. Customers signed an engagement agreement with Defendants upon their investment. Defendants informed customers of three fees that were charged to them: (i) a one-

time $3,000 origination or enrollment fee; (ii) a "high water" fee charged on a quarterly basis as compensation for, among other tasks, finding, recommending, implementing, and supporting the trading strategies Defendants recommended to participants, but, only if the pools were profitable, and of which Defendants would receive five percent; and (iii) bank or brokerage fees that were not controlled by, or paid to, Defendants.

25. Defendants' stated goal to customers was 65 percent annual returns.

26. Adams had little experience in leveraged forex or leveraged metals trading and principally relied on an associate ("Associate A") as his purported "forex guru" and expert.

Defendants' Activities as an Unregistered Commodity Pool Operator ("CPO")

27. Adams registered the six pools in Oregon as LLCs and identified himself in filing documents as the organizer, resident agent, and manager. The pools were: Victory Investment 2 LLC ("VI2"); Winning Investments LLC ("WI"); Tier Three LLC ("TT"); Safe Investments LLC ("SI"); Platform Jan 2018 LLC ("PJ18"); and Platform 218 LLC ("P218").

28. Defendants received and pooled customer funds into separate bank accounts for each of the pools at a U.S. bank. Defendants then transferred these funds to an Ireland-based trading platform ("Ireland Platform" or "Irish Broker"), where at Defendants' direction, more than $2.3 million in customer funds were pooled into leveraged forex and leveraged metals trading accounts that Defendants opened and had traded in the name of the pools.

29. Defendants established and managed bank accounts for the pools for the receipt of customer funds and provided the pools with administrative services, along with operating SimTradePro's website and hosting periodic customer webinars.

30. Defendants solicited non-ECP U.S. customers throughout the United States for "ordinary funds [that] can be combined to create a large pool for investing." Defendants did

this using at least six means of interstate commerce: (i) SimTradePro's website; (ii) on-line live and recorded webinars; (iii) spreadsheets posted on the SimTradePro website and during webinars; (iv) emails; (v) their YouTube channel; and (vi) in-person events held around the United States.

31. Defendants' agents who assisted in soliciting customers included, among others: (i) a trading "expert" (as noted, Associate A); and (ii) a "chief development officer."

32. Defendants were not registered with the Commission as a CPO when they engaged in the above conduct.

Defendants' Activities as an Unregistered Commodity Trading Advisor ("CTA")

33. Using means of interstate commerce such as Defendants' website, webinars, YouTube channel, emails and phone calls, Defendants advised customers during the Relevant Period that they should invest in, and despite losses remain invested in, their three trading strategies. None were profitable.

34. Defendants' advertised compensation was the aforementioned: (i) $3,000 up-front fee paid by customers; and (ii) a five percent "high water" fee pegged to the pools' profits—if any.

35. Defendants pitched to customers the first of these three strategies, Steady Capture, as the "crown jewel of the forex world" and the "number 2 forex strategy in the world [based on its returns]," that "never loses money." According to Defendants, by investing in Steady Capture, customers could anticipate profits of 65 percent a year while their "risk of ruin"—i.e. the chance that they would have significant losses—was nearly zero.

36. When Steady Capture sustained significant losses in February 2018, Defendants pitched to VI2, WI, SI, and TT customers a new trading strategy, "Test Test." Defendants told

customers that Test Test purportedly had been used for years and, that based on a 30-day demonstration, produced a "phenomenal" return rate of approximately 16 percent.

37. Defendants sold adopting Test Test as a "no brainer" because "it's the fastest way that we can make up for those unexpected losses that happened in Steady Capture."

38. Subsequently, in March 2018, Defendants upped the ante in recommending that customers now devote a higher percentage of their funds to Test Test, which was now renamed, "Flash Forward." Following Defendants' successive recommendations, customers ultimately voted to apply the Flash Forward trading strategy to 90 percent of their invested funds.

39. In July 2018 when Defendants' Flash Forward strategy too failed, Defendants shifted their advice to customers to a third trading strategy dubbed "Argo." Argo was purportedly an algorithmic strategy devised by Defendants using trading robots or "bots," known as "expert advisors," that according to Defendants had "eight years of consistent growth, minimal exposure (drawdown), and an average of 29 percent gain each year."

40. Like Flash Forward, Defendants pitched Argo as a way of recovering losses. Defendants further advised customers to adopt changes to the Argo bots that along with stop-losses to exit losing trades should, according to Defendants' advice, provide profitable results.

41. Argo was also unsuccessful. In January 2019, Defendants closed the trading accounts and returned approximately 13 percent of customer funds.

42. Defendants were not registered with the Commission as a CTA when they engaged in the above conduct.

Defendants' Material Omissions and Misrepresentations to Customers While Acting as a CPO and CTA—Undisclosed Introducing Broker ("IB") Fees

43. An integral and material part of Defendants' solicitation of customers was that the Defendants' only compensation were the aforementioned: (i) one-time origination or enrollment fee; and (ii) high water fees tied to the profitability of the pools' trading accounts.

44. Further, Defendants repeatedly, and knowingly or recklessly, told customers that aside from the origination fee Defendants would not get paid until the pools made money. This wasn't true.

45. In fact, during the Relevant Period, Defendants split at least $185,000 in IB fees—drawn from customer funds—with Associate A, who through a company he controlled, acted as an IB for the Irish Broker. These fees significantly comprised Defendants' income stream due to their unprofitable trading and general failure to qualify for high-water fees.

46. Defendants' IB fees were withdrawn by the Irish Broker from customers' funds through a charge to each of the more than 35,000 round-trip trades made on customers' behalf, and then, periodically wired to a U.S. bank account controlled by Associate A. On the same or following day these fees were divided by Associate A and wired to Defendants.

47. On January 11, 2018, at the kick-off webinar for a new pool, SI, and at a separate webinar for TT, Adams stated, "Become a member of SimTradePro Pay a ONE TIME ONLY fee of $3,000, and "to support the work of the broker, trader, and SimTradePro, there is a [high water] fee charged ON THE NET GAINS ONLY of each quarter" while adding, "Are there any other fees? NOPE. None." Defendants' statements were consistent with customer agreement and disclosure documents they provided to pool participants.

48. In February 2018—contrary to the above, and unknown to customers—Defendants, and Associate A as Defendants' agent, devised a means of receiving IB fees withdrawn from customer trading accounts opened going forward.

49. During "required attendance" meetings on February 15, 2018 for WI, VI2, and TT participants, and on February 20, 2018 for SI participants, Adams on behalf of Defendants urged them to adopt the Test Test, later Flash Forward trading strategy to supplement the losing Steady Capture strategy for among other reasons that there were "no fees" and "no money involved in having to move from you at any way shape or form."

50. On February 19, 2018, unknown to customers, and with Defendants' knowledge, Associate A signed an IB agreement with the Irish Broker to collect fees from customer funds.

51. On March 4, 2018, a WI participant ("WI Participant A") emailed Adams with questions about the "Test Test" strategy including, "Would there be fees if we aren't making money?" In a same-day email Adams responded, "There are NEVER any fees if it [Test Test] doesn't make money, (the exception being the bank fees which we have no control over). This is why I like the High Water Fees system. I don't make any either so it's just as important to me as it is to our members."

52. Four days later, on or about March 8, 2018, under the IB fees arrangement, the Ireland Platform began withdrawing IB fees from customer funds involved in trades—whether these individual trades or the pools were profitable or not.

53. On April 26, 2018, during a general partnership webinar for the VI2, WI, TT, SI, and PJ18 participants while explaining how they would recover recent forex trading losses using the "Flash Forward" strategy, Associate A assured customers for example that: "until there's new profits there is no fee at all, there is no fee at all. So there will be no fees withdrawn, no charges taken out, nothing until the funds are at least to new account highs" while Adams added, for example, "if I'm not doing the job than I don't deserve to get paid. So it's the same thing here . . . . So if those things [high water fees] aren't successful right now I'm paying for

everything out of my own pocket."

54. That same day, April 26, 2018, the Ireland Platform wired $24,275.60 to a U.S. bank account controlled by Associate A, who then wired approximately half, $12,137.50, to a U.S. bank account controlled by Adams—the first of eight such IB fees payments.

55. Thus, the same day Defendants told VI2, WI, TT, SI, and PJ18 participants that they were not being paid until the pools made money, Defendants were in fact, being paid.

56. Less than three months later, during successive July 12, 2018 webinars for the VI2, WI, TT, SI and then PJ18 participants, and in subsequent emails, Defendants double-downed on their no additional fee claim. Concurrent with their attempts to sell customers on a third trading strategy, Argo, in the face of mounting losses, Adams stated during the July 12, 2018 webinar for VI2, WI, TT, and SI participants, "between now and that time [when pool funds were recovered] you're still paying nothing. There is no cost to you do to do this."

57. In a same day email Adams told customers, "I would encourage you to just keep them [customer funds] in the game. There are no additional fees to you and no High Water Fees until ALL of the initial investment funds are COMPLETELY recovered."

58. On July 17, 2018, five days after the webinars and follow-up email, Defendants received a $9,884 wire transfer from Associate A as their third cut of IB fees.

59. On July 18, 2018, the day after this payment was received, Defendants followed with an email to all customers about how the "recovery" of their trading losses would work stating in relevant part, "YES, I DO BELIEVE WE CAN RECOVER THE FUNDS. I have a stake in this, too. The 5% high water fees needed to support the groups for the upcoming year is coming out of my personal pocket."

60. Defendants' subsequent, misleading representations to participants included, for

example, membership and disclosure application forms provided by Defendants to pool P218 participants that informed them of only two fees that were payable to Defendants: "(i) HIGH WATER MANAGEMENT FEES . . . These are assessed each quarter. If there is not profit, there are no fees;" and (ii) "ENROLLMENT FEE: There is a onetime enrollment fee of $3,000 per member to access and participate in our platforms." None of these documents disclosed to P218 participants that there was indeed a third fee that was collected by Defendants, the IB fee. Nor did Defendants correct these misstatements.

61. Instead, like the other pools, without telling P218 customers, Defendants began collecting IB fees drawn from their funds, whether they or the pool were profitable or not.

62. Even as Defendants wound down operation of the pools in December 2018 and January 2019 after losing the vast majority of customer funds, three additional IB payments, totaling $43,995, were received by them. In an April 29, 2019 email announcing SimTradePro's and the pools' closure, without disclosing the IB fees from customer funds Defendants told customers that they had covered all the overhead expenses for the pools.

Defendants' Omissions and Material Misrepresentations to Customers While Acting as a CPO and CTA—Leveraged Gold Trading

63. Defendants' fraud also consisted of omissions and material misrepresentations regarding certain leveraged gold trades supervised by Defendants in or about July 2018 in an attempt to rescue the losing Flash Forward trading strategy by redistributing its portfolio almost entirely into leveraged gold. Rather than disclose the true nature of these gold trades that contributed significantly to customers' losses and to convince customers to adopt yet a third trading strategy dubbed "Argo," Defendants made two related misrepresentations or omissions.

64. First, Defendants misleadingly told customers that all the unprofitable trades in gold had been made as of July 1, 2018, before "stop losses"—here, an order to sell the gold as

it fell past a specified price—were in place that would have prevented precipitous losses.

65. For example, during Defendants' successive July 12, 2018 webinars for the VI2, WI, TT, SI, and PJ18 participants noted above, in explaining the pools' gold trading losses, Adams misleadingly told customers "so Flash Forward as I mentioned earlier we have set up a new twenty percent barrier that we have put into place as of July 1st, however, prior to that time the brokerage service [trader] had already invested heavily in gold based on traditional indicators with devastating results."

66. Similarly, Associate A told PJ18 participants during the July 12, 2018 webinar, "this basket of trades in gold has been going on for two and half weeks now almost three weeks so even though we have that twenty percent border that we put in, that stop loss, that fail safe, it only applies to new trades, and we haven't had anything new since the start of this month [July] we're still in the same thing."

67. The same day (July 12, 2018) in a meeting summary email to customers, Adams, on behalf of Defendants, misleadingly told customers that Flash Forward "[which] had new stoppage parameters installed on July 1, was caught in a spiral of Gold that was purchased just prior to [July] the 1st."

68. Six days later, in a July 18, 2018 email to customers, Adams, on behalf of Defendants, misleadingly stated, "Q. Why wasn't the 20% stop loss put in play? A. The new 20% stop loss was included in the algorithms AFTER July 1st. The GOLD had all been purchased in the last weeks of June. As the market fell the 20% wasn't in effect yet."

69. In fact, contrary to Defendants' representations, more than 650 buy and sell trades in gold were placed on behalf of the pools after July 1st. Overall, these trades: (i) were unprofitable—even with stop losses purportedly in place; and (ii) accounted for more than half

of the losing trades and nearly a third of the pools' losses in July 2018 gold trading.

70. These misrepresentations and omissions were accompanied by Defendants' optimistic pitches to customers, beginning on July 12, 2018, urging them to adopt the "Argo" trading strategy with claims such as "an average of 29% gain each year."

71. Second, Defendants misleadingly told participants that the relevant pools' gold positions had all been closed by the Irish Broker while omitting disclosure of their own role in closing the trades. For example, when asked by WI Participant A in a July 14, 2018 email, "Why were we not given the option to sit tight and wait for gold prices to rebound?" Adams, on SimTradePro's behalf, responded the same day, "The brokerage services are under mandates for all trading to close accounts/trades when the leverage falls below 30%. We were waiting, but when it hits a certain level it's not up to us."

72. Four days later, in a July 18, 2018 email Adams misleadingly told customers, "Q. How was the decision made to sell at the lower [gold] prices instead of just hanging on longer? A. . . . "it's not determined by the trader, but by the brokers."

73. Defendants' statements regarding close-out of the gold trades: (i) constituted misrepresentations because in fact the Irish Broker had closed less than a quarter of the 650 plus gold trades made after July 1st while the remainder had been closed through Defendants; and (ii) an omission because Defendants materially misled customers by omitting that Defendants themselves had closed a significant number of the leveraged gold trades as part of their effort to abruptly exit the Flash Forward strategy and convince customers during the July 12, 2018 webinars to adopt the Argo strategy.

74. For example, in an email exchange on July 10, 2018—two days before the July 12th customer webinars—Adams told Associate A, "OK. We have been suffering long enough

on this stupid gold account. If we get close to 1266, let's dump it and move on. We need a finish by Thursday [July 12, 2018] so THEY [customers] can move on." Associate A responded, "Yes sir, that is the goal . . . Yes, we need to get out [of gold]." Adams followed, "We have until Thursday evening [when the webinars to pitch Argo occurred], so WHEN we get near that 1266+, let er rip." On the morning of July 13, 2018, Adams again emailed Associate A to confirm that all gold and other trades made using Flash Forward were closed.

75. Acting as a CPO and CTA, Defendants failed to disclose material facts to their customers regarding their investments by failing to disclose Defendants' role in closing gold trades. Indeed, Defendants represented in the disclosure letter they provided to participants before and during the Relevant Period that the contract between the customer and SimTradePro "does not authorize SimTradePro, Inc. to control the investments of the investment club, or to make any investment decisions for the club, which such authority remains vested in the investors/owners." Contrary to this provision instead of disclosing their activities to customers, and on their own, Defendants acted to help lock-in customers' losses due to leveraged gold trading.

Defendants' Failure to Make Requisite Disclosures Regarding Simulated or Hypothetical Trading Results

76. In soliciting customers during the Relevant Period to invest in the pools, and advising them to adopt the three trading strategies, Defendants repeatedly presented simulated trading results for these strategies. Defendants did this during webinars, through their website, and through spreadsheets shown during webinars and posted on Defendants' website.

77. The simulated results posted by Defendants showed purported profits ranging from the previous month to several years and were labeled as simulated. None, however, were accompanied by the requisite, written disclosure contained in Regulation 4.41(b)(1)(i), 17

C.F.R. § 4.41(b)(1)(i) (2024), cautioning customers about the inherent limitations of simulated or hypothetical results and that no representation was being made that any account would, or was likely to achieve the results shown.

78. For example, in recommending that VI2, WI, TT, and SI participants direct their investment funds to the "Test Test" later Flash Forward strategy during webinars on February 15 and 20, 2018, Defendants and Associate A presented hypothetical results showing the prior month's gain of more than 15 percent for a simulated $1 million account.

79. Similarly, in an attempt to convince customers to adopt the Argo trading strategy, Defendants relied on simulated results during successive webinars beginning on July 12, 2018, and continuing on July 24, 2018, August 1, 2018, and later.

80. These and similar statements by Defendants, and by Associate A acting on Defendants' behalf, were buttressed by Defendants' spreadsheets posted on their website and during webinars during the Relevant Period, which presented simulated results for the trading strategies.

81. In sum, in none of these examples, or any other instance of their repeated presentment of simulated results during the Relevant Period, did Defendants make the required, written disclosure prescribed in Regulation 4.41(b)(1)(i) detailing the limitations and associated risk of relying on simulated results.

Adams' Activities as an Unregistered Associated Person ("AP") of an IB

82. Pursuant to the IB agreement entered into between Associate A and the Ireland Platform, "The IB is responsible for acquiring new clients for the Company [Ireland Platform] . . . The IB's task shall be to promote the Company's Services, to inform prospective clients about the Services and to keep in contact with and advise existing clients on all matters

regarding the assets deposited with the Company." Further, the agreement, "hereby entrusts the IB with information regarding and with the right to promote the services offered by the Company . . . to prospective clients primarily in, but not restricted to North America."

83. During the Relevant Period, Adams assisted Associate A in promoting the Ireland Platform's services to the pools including providing trading in leveraged forex and metals. Adams did this through webinars and customer applications to join a pool.

84. For example during a June 14, 2018 webinar, Adams promoted the Ireland Platform: (i) as being able to offer leverages of two, or three hundred times—four and six times the U.S. limit—to "really make that thing [pools] grow and make a lot of money;" (ii) that "isn't stuck by the manipulations of the United States [regulations];" and (iii) as being "the perfect place to work" and "when we ask for something it's instantaneous."

85. Similarly, applications provided by Defendants to prospective customers invited them to join a pool through which the Ireland Platform and its associated bank could provide "greater return and investment options than what are available in the USA."

86. Adams was aware of and supported the IB agreement from its inception in February 2018. Under it, for his solicitation services, Adams and Adams-controlled SimTradePro received eight IB fee payments consisting of their split with Associate A.

87. Adams was not registered with the Commission as an AP of an IB when he engaged in the above conduct.

B. Conclusions of Law

Jurisdiction and Venue

88. This Court possesses jurisdiction over this action pursuant to 28 U.S.C. § 1331 (codifying federal question jurisdiction) and 28 U.S.C. § 1345 (providing that U.S. district

courts have original jurisdiction over civil actions commenced by the United States or by any agency expressly authorized to sue by Act of Congress). Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a), provides that the CFTC may bring actions for injunctive relief or to enforce compliance with the Act or any rule, regulation, or order thereunder in the proper district court of the United States whenever it shall appear to the CFTC that any person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule, regulation, or order thereunder.

89. The Commission has jurisdiction over the conduct and transactions at issue in this case pursuant to Section 2(c)(2)(C) and 2(c)(2)(D) of the Act, 7 U.S.C. § 2(c)(2)(C), 2(c)(2)(D).

90. Venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(e) because Defendants transacted business in this District and certain transactions, acts, practices, and courses of business alleged in the Complaint occurred within this District.

CPO Fraud (Both Defendants)

91. Section 1a(10) of the Act, 7 U.S.C. § 1a(10), in relevant part, defines a commodity pool as "any investment trust, syndicate, or similar form of enterprise operated for the purpose of trading in commodity interests . . . . "

92. Section 1a(11)(A)(i) of the Act, 7 U.S.C. § 1a(11)(A)(i), in relevant part, defines a CPO, as any person:

> [E]ngaged in a business that is of the nature of a commodity pool, investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds . . . for the purpose of trading in commodity interests, including any—. . .
> (II) agreement, contract, or transaction described in section 2(c)(2)(C)(i) of this title or section 2(c)(2)(D)(i) of this title;

93. During the Relevant Period, SimTradePro through Adams and its other agents engaged in a business that is of the nature of a commodity pool and in connection therewith, solicited, accepted, or received from others, funds, for the purpose of trading in commodity interests in the form of leveraged forex and leveraged metals transactions as described in Section 2(c)(2)(C)(i) and 2(c)(2)(D)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i), 2(c)(2)(D)(i). Therefore, SimTradePro acted as a CPO as defined by Section 1a(11) of the Act.

94. Section 4*o*(1)(A) and (B) of the Act, 7 U.S.C. § 6*o*(1)(A), (B), in relevant part, prohibits CPOs by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, from employing devices, schemes, or artifices to defraud any client or participant or prospective client or participant, or engaging in transactions, practices, or courses of business which operate as a fraud or deceit upon any client or participant or prospective client or participant.

95. SimTradePro violated Section 4*o*(1)(A) and (B) of the Act, in that, while acting as a CPO by use of the mails or any means or instrumentality of interstate commerce, it directly or indirectly employed a device, scheme, or artifice to defraud any client or participant or prospective client or participant, or engaged in transactions, practices, or a course of business which operated as a fraud or deceit upon customers by: (i) omissions and making material misrepresentations regarding IB fees that were withdrawn from customers' funds without the customers' knowledge; and (ii) omissions and making material misrepresentations regarding the nature and details of leveraged trades in gold.

96. Adams and SimTradePro's other officers, employees, or agents acted within the course and scope of their employment, agency, or office with SimTradePro. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R.

§ 1.2 (2024), SimTradePro is liable as a principal for each act, omission, or failure of Adams and its other officers, employees, or agents acting for SimTradePro, constituting violations of Section 4*o*(1)(A) and (B) of the Act.

97. Adams controlled SimTradePro, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, SimTradePro to commit the acts and/or omissions described herein. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Adams is liable for SimTradePro's violations of Section 4*o*(1)(A) and (B) of the Act.

CTA Fraud (Both Defendants)

98. Section 1a(12)(A)(i) of the Act, 7 U.S.C. § 1a(12)(A)(i), defines a CTA, in relevant part, as any person who:

> for compensation or profit, engages in the business of advising others, either directly or through publications, writings, or electronic media, as to the value of or the advisability of trading in—. . .
> (II) any agreement, contract, or transaction described in section 2(c)(2)(C)(i) of this title or section 2(c)(2)(D)(i) of this title;

99. During the Relevant Period, SimTradePro through Adams and Associate A for compensation or profit, engaged in the business of advising others, either directly or through publications, writings, or electronic media, as to the value of or the advisability of trading in leveraged forex and leveraged metals transactions as described in Section 2(c)(2)(C)(i) and 2(c)(2)(D)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i), 2(c)(2)(D)(i). Therefore, SimTradePro acted as a CTA as defined by Section1a(12) of the Act.

100. Section 4*o*(1)(A) and (B) of the Act, 7 U.S.C. § 6*o*(1)(A) and (B), in relevant part, makes it unlawful for a CTA, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly—to employ any device, scheme, or artifice to defraud any client or participant or prospective client or participant; or to engage in any transaction,

practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.

101. SimTradePro violated Section 4*o*(1)(A) and (B) of the Act, in that, while acting as a CTA by use of the mails or any means or instrumentality of interstate commerce, it directly or indirectly employed a device, scheme, or artifice to defraud customers or engaged in transactions, practices, or a course of business which operated as a fraud or deceit upon customers by: (i) omissions and making material misrepresentations regarding IB fees that were withdrawn from customers' funds without the customers' knowledge; and (ii) omissions and making material misrepresentations regarding the nature and details of leveraged trades in gold.

102. Adams and SimTradePro's other officers, employees, or agents acted within the course and scope of their employment, agency, or office with SimTradePro. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2 (2024), SimTradePro is liable as a principal for each act, omission, or failure of Adams and its other officers, employees, or agents acting for SimTradePro, constituting violations of Section 4*o*(1)(A) and (B) of the Act.

103. Adams controlled SimTradePro, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, SimTradePro to commit the acts and/or omissions described herein. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Adams is liable for SimTradePro's violations of Section 4*o*(1)(A) and (B) of the Act.

CPO Registration Failure (Both Defendants)

104. Subject to certain exceptions not relevant here, Section 4m(1) of the Act, 7 U.S.C. § 6m(1), states that it shall be "unlawful for any . . . [CPO], unless registered under this

chapter, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such . . . [CPO] . . . ."

105. SimTradePro through Adams and its other agents engaged in a business that is of the nature of a commodity pool and in connection therewith, solicited, accepted, or received from others, funds, for the purpose of trading in leveraged forex and leveraged metals transactions described in Section 2(c)(2)(C)(i), and 2(c)(2)(D)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i), 2(c)(2)(D)(i). Therefore, SimTradePro acted as a CPO, as defined by Section1a(11) of the Act, 7 U.S.C. § 1a(11).

106. SimTradePro, while using the mails or means of interstate commerce in connection with its business as a CPO, was not registered with the Commission as a CPO.

107. SimTradePro was not exempt from registering as a CPO.

108. By reason of the foregoing, SimTradePro acted as an unregistered CPO in violation of Section 4m(1) of the Act.

109. Adams and SimTradePro's other officers, employees, or agents acted within the course and scope of their employment, agency, or office with SimTradePro. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2 (2024), SimTradePro is liable as a principal for each act, omission, or failure of Adams and its other officers, employees, or agents acting for SimTradePro, constituting violations of Section 4m(1) of the Act.

110. Adams controlled SimTradePro, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, SimTradePro to commit the acts and/or omissions described herein. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Adams is liable for SimTradePro's violations of Section 4m(1) of the Act.

CTA Registration Failure (Both Defendants)

111. Subject to certain exceptions not relevant here, Section 6m(1) of the Act, 7 U.S.C. § 6m(1), states that it shall be "unlawful for any . . . [CTA], unless registered under this chapter, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such . . . [CTA] . . . ."

112. SimTradePro through Adams and Associate A for compensation or profit, engaged in the business of advising others, either directly or through publications, writings, or electronic media, as to the value of or the advisability of trading in relevant part in any agreement, contract, or transaction described in Section 2(c)(2)(C)(i), and 2(c)(2)(D)(i) of the Act, 7 U.S.C. § 2(c)(2)(C)(i), 2(c)(2)(D)(i). Therefore, SimTradePro acted as a CTA as defined by Section 1a(12) of the Act, 7 U.S.C. § 1a(12).

113. SimTradePro, while using the mails or means of interstate commerce in connection with its business as a CTA, was not registered with the Commission as a CTA.

114. SimTradePro was not exempt from registering as a CTA.

115. By reason of the foregoing, SimTradePro acted as an unregistered CTA in violation of Section 4m(1) of the Act.

116. Adams and SimTradePro's other officers, employees, or agents acted within the course and scope of their employment, agency, or office with SimTradePro. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2 (2024), SimTradePro is liable as a principal for each act, omission, or failure of Adams and its other officers, employees, or agents acting for SimTradePro, constituting violations of Section 4m(1) of the Act.

117. Adams controlled SimTradePro, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, SimTradePro to commit the acts and/or omissions described herein. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Adams is liable for SimTradePro's violations of Section 4m(1) of the Act.

Failure to Register as an AP of an IB (Adams)

118. In relevant part, Section 4k(1) of the Act, 7 U.S.C. § 6k(1), states that it "shall be unlawful for any person . . . to be associated with an introducing broker as a partner, officer, employee, or agent (or any person occupying a similar status or performing similar functions), in any capacity that involves (i) the solicitation or acceptance of customers' orders (other than in a clerical capacity) . . . unless such person is registered with the Commission under this chapter as an associated person . . . of such introducing broker . . . ."

119. During the Relevant Period, Adams was associated with IB Associate A in a capacity which involved the solicitation or acceptance of customer orders for trades in leveraged forex and leveraged metals. Therefore, Adams acted as an AP without being registered with the Commission in violation of Section 4k(1) of the Act.

Hypothetical Results Disclosure Failure (Both Defendants)

120. Regulation 4.41(b), 17 C.F.R. § 4.41(b) (2024), prohibits any person from presenting the performance of any simulated or hypothetical commodity interest account, transaction in a commodity interest, or series of transactions in a commodity interest of a CPO or a CTA, or any principal thereof unless such performance is accompanied the hypothetical disclaimer contained in Regulation 4.41(b).

121. Defendants violated Regulation 4.41(b) by presenting the performance results for trading strategies recommended by Defendants to customers during webinars, through their

website, and through spreadsheets shown during webinars and posted on Defendants' website without the disclaimer required by Regulation 4.41(b) that the performance was based upon simulated or hypothetical trading results.

122. Adams and SimTradePro's other officers, employees, or agents acted within the course and scope of their employment, agency, or office with SimTradePro. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2 (2024), SimTradePro is liable as a principal for each act, omission, or failure of Adams and its other officers, employees, or agents acting for SimTradePro, constituting violations of Regulation 4.41(b).

123. Adams controlled SimTradePro, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, SimTradePro to commit the acts and/or omissions described herein. Therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), Adams is liable for SimTradePro's violations of Regulation 4.41(b).

124. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Defendants will continue to engage in the acts and practices alleged in the Complaint and in similar acts and practices in violation of the Act and Regulations.

IV. PERMANENT INJUNCTION

IT IS HEREBY ORDERED THAT:

125. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1:

a. Defendants are permanently restrained, enjoined and prohibited from directly or indirectly violating Sections 4*o*(1)(A) and (B) and 4m of the Act, 7 U.S.C. §§ 6*o*(1)(A), (B), 6m, and Regulation 4.41(b), 17 C.F.R. § 4.41(b) (2024); and

b. Adams is permanently restrained, enjoined and prohibited from directly or indirectly violating Section 4k(1) of the Act, 7 U.S.C. § 6k(1).

126. Defendants are permanently restrained, enjoined and prohibited from directly or indirectly:

a. Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a(40) of the Act, 7 U.S.C. § 1a(40));

b. Entering into any transactions involving "commodity interests" (as that term is defined in Regulation 1.3, 17 C.F.R. § 1.3 (2024)) for their own account(s) or for any account in which Defendants have a direct or indirect interest;

c. Having any commodity interests traded on Defendants' behalf;

d. Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity interests;

e. Soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;

f. Applying for registration or claiming exemption from registration with the Commission in any capacity, and engaging in any activity requiring such registration or exemption from registration with the Commission, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2024); and/or

g. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2024)), agent, or any other officer or employee of any person (as that term is defined in 7 U.S.C. § 1a(38)), registered, exempted from registration, or required to be registered with the Commission except as provided for in 17 C.F.R.

§ 4.14(a)(9)).

V. RESTITUTION

127. Defendants shall pay, jointly and severally, restitution in the amount of two million, seventy-two thousand and nine hundred eighty-six dollars ($2,072,986) ("Restitution Obligation").

128. Defendant Adams is currently a defendant in a criminal action based on, in part, the misconduct that is at issue in this matter. *See United States v. Adams* (No. 6:23-cr-00211-MC D. Or.). On March 20, 2025, Defendant Adams pleaded guilty to one count of wire fraud in violation of 18 U.S.C. § 1343 and agreed to pay restitution of no less than $2,341,412.25. For any amount disbursed to Defendants' pool participants identified in this Consent Order in satisfaction of any restitution ordered in the criminal action, Defendants shall receive a dollar-for-dollar credit against the Restitution Obligation. To receive credit, Defendants shall, under a cover letter that identifies the name and docket number of this action, transmit to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581, or such other address or recipient as instructed in writing by the CFTC, copies of the form of payment.

129. The amounts payable to each customer or pool participant shall not limit the ability of any customer or pool participant from proving that a greater amount is owed from Defendants or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any customer or pool participant that exist under state or common law.

130. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each customer or pool participant who suffered a loss is explicitly made an intended beneficiary of this Consent

Order and may seek to enforce obedience of this Consent Order to obtain satisfaction of any portion of the Restitution Obligation that has not been paid by Defendants to ensure continued compliance with any provision of this Consent Order and to hold Defendants in contempt for any violations of any provision of this Consent Order.

131. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Defendants' Restitution Obligation, such funds shall be transferred to the Clerk of the Court, United States District Court for the District of Oregon, 405 East Eighth Avenue, Eugene, OR 97401, for disbursement in accordance with the restitution procedures set forth in the criminal action.

132. Partial Satisfaction: Acceptance by the Commission of any partial payment of Defendants' Restitution Obligation shall not be deemed a waiver of their obligation to make further payments pursuant to this Consent Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

VI. MISCELLANEOUS PROVISIONS

133. Until such time as Defendants satisfy in full their Restitution Obligation under this Consent Order, upon the commencement by or against Defendants of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of Defendants' debts, all notices to creditors required to be furnished to the Commission under Title 11 of the United States Code or other applicable law with respect to such insolvency, receivership bankruptcy or other proceedings, shall be sent to the address below, or other such address or recipient as instructed in writing by the CFTC:

Secretary of the Commission
Office of the General Counsel
Commodity Futures Trading Commission
Three Lafayette Centre

1155 21st Street, NW
Washington, DC 20581

134. Notice: All notices required to be given by any provision in this Consent Order, except as set forth in paragraph 133 above, shall be sent certified mail, return receipt requested, as follows:

Notice to Commission:

Charles Marvine
Deputy Director
Division of Enforcement
Commodity Futures Trading Commission
2600 Grand Blvd., Ste. 210
Kansas City, MO 64108

Notice to Defendants:

Robert L. Adams and SimTradePro Incorporated
c/o Michelle Kerin
Angeli & Calfo LLC
121 SW Morrison Street, Suite 400
Portland, OR 97204

All such notices to the CFTC shall reference the name and docket number of this action.

135. Change of Address/Phone: Until such time as Defendants satisfy in full their Restitution Obligation as set forth in this Consent Order, Defendants shall provide written notice to the Commission by certified mail of any change to their telephone number and mailing address within ten calendar days of the change.

136. Entire Agreement and Amendments: This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify this Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

137. Invalidation: If any provision of this Consent Order or if the application of any provision or circumstance is held invalid, then the remainder of this Consent Order and the application of this provision to any other person or circumstance shall not be affected by the holding.

138. Waiver: The failure of any party to this Consent Order or of any customer or pool participant at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the party or customer or pool participant at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

139. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action to ensure compliance with this Consent Order and for all other purposes related to this action, including any motion by Defendants to modify or for relief from the terms of this Consent Order.

140. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon the following persons who receive actual notice of this Consent Order, by personal service or otherwise: (1) Defendants; (2) any officer, agent, servant, employee, or attorney of the Defendants; and (3) any other persons who are in active concert or participation with any persons described in subsections (1) and (2) above.

141. Authority: Defendant Robert L. Adams hereby warrants that he is the principal and manager of SimTradePro, and that this Consent Order has been duly authorized by SimTradePro, and he has been duly empowered to sign and submit this Consent Order on behalf

of Defendant SimTradePro.

142. Counterparts and Facsimile Execution: This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (by facsimile, e-mail, or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to this Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

143. Contempt: Defendants understand that the terms of this Consent Order are enforceable through contempt proceedings, and that, in any such proceedings they may not challenge the validity of this Consent Order.

144. Agreements and Undertakings: Defendants shall comply with all the undertakings and agreements set forth in this Consent Order.

There being no just reason for delay, the Clerk of the Court is hereby ordered to enter this Final Judgment and Consent Order for Permanent Injunction and Other Equitable Relief Against Defendants Robert L. Adams and SimTradePro Incorporated forthwith and without further notice.

IT IS SO ORDERED on this 25th day of November, 2025.

/s/ Michael J. McShane
MICHAEL J. MCSHANE
U.S. District Judge