

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MINNESOTA**

U.S. Commodity Futures Trading Commission,	)	
	)	
Plaintiff,	)	
	)	No. 09 cv 3332 (MJD/JJK)
v.	)	
	)	Hon. Michael J. Davis
Trevor Cook d/b/a Crown Forex, LLC, Patrick	)	
Kiley d/b/a Crown Forex, LLC, Universal	)	
Brokerage FX and Universal Brokerage FX	)	
Diversified, Oxford Global Partners, LLC,	)	
Oxford Global Advisors, LLC, Universal	)	
Brokerage FX Advisors, LLC f/k/a UBS	)	
Diversified FX Advisors, LLC, Universal	)	
Brokerage FX Growth, L.P. f/k/a UBS	)	
Diversified FX Growth L.P., Universal	)	
Brokerage FX Management, LLC f/k/a UBS	)	
Diversified FX Management, LLC and UBS	)	
Diversified Growth, LLC,	)	
	)	
Defendants.	)	

**CONSENT OF DEFENDANT**  
**TREVOR COOK d/b/a CROWN FOREX, LLC**

**I. INTRODUCTION**

On November 23, 2009 Plaintiff Commodity Futures Trading Commission (“Commission” or “CFTC”) filed a Complaint against Defendants, Trevor Cook d/b/a Crown Forex, LLC (“Cook”), Patrick Kiley d/b/a Crown Forex, LLC, Universal Brokerage FX and Universal Brokerage FX Diversified (“Kiley”), Oxford Global Partners, LLC (“OGP”), Oxford Global Advisors, LLC (“OGA”), Universal Brokerage FX Advisors, LLC f/k/a UBS Diversified FX Advisors, LLC (“UBFXA”), Universal

Brokerage FX Growth, L.P. f/k/a UBS Diversified FX Growth, L.P. (“UBFXG”), Universal Brokerage FX Management, LLC, f/k/a UBS Diversified FX Management, LLC (“UBFXM”), and UBS Diversified Growth, LLC (“UBSDG”), seeking injunctive and other equitable relief, as well as the imposition of civil penalties, for violations of the Commodity Exchange Act, as amended (“Act”), 7 U.S.C. §§ 1 *et seq.* Chief U.S. District Judge Michael J. Davis entered an *ex parte* statutory restraining order against Defendants on November 23, 2009, an Agreed Order for preliminary injunction against Cook on December 8, 2009 and an Agreed Order for Permanent Injunction And Other Ancillary Relief Against Trevor Cook d/b/a Crown Forex on September 28, 2010 (“Agreed Order”). The Securities Exchange Commission (“SEC”) filed *SEC v. Trevor G. Cook. et al.*, 09-cv-3333, on November 23, 2009 based on the same conduct as in this case. The Court entered a preliminary injunction against Cook in the SEC’s case on December 8, 2009.

Cook pled guilty, on April 13, 2010, to one count of mail fraud and one count of tax evasion as charged in a Criminal Information filed against Cook on March 30, 2010, by the U.S. Attorney’s Office for the District of Minnesota. *USA v. Trevor Gilson Cook*, Criminal No. 10 CR 75 (D. Minn.) On August 24, 2010, Cook was sentenced to 25 years in prison and ordered to pay criminal restitution of more than \$158 million. Cook is currently incarcerated at the federal correctional institution in Sandstone, Minnesota.

Because of his criminal conviction, Cook is estopped from disputing the facts determined in the criminal action that support the CFTC’s case. “[I]t is well established

that prior criminal proceedings can work an estoppel in a subsequent civil proceeding, so long as the question involved was 'distinctly put in issue and directly determined' in the criminal action. *Emich Motors Corp. v. General Motors Corp.*, 340 U.S. 558, 568-569, 71 S.Ct. 408, 414, 95 L.Ed. 534 (1950); *McNally v. Pulitzer Publishing Co.*, 532 F.2d 69, 76 (8th Cir.), *cert. denied*, 429 U.S. 855, 97 S.Ct. 150, 50 L.Ed.2d 131 (1976); *see also Nathan v. Tenna Corp.*, 560 F.2d 761, 763 (7th Cir.1977) ("A criminal conviction based upon a guilty plea conclusively establishes for purposes of a subsequent civil proceeding that the defendant engaged in the criminal act for which he was convicted."), and *CFTC v. International Foreign Currency, Inc. et al.*, No. 03-CV-3577, slip. op. at 5-7 (E.D.N.Y. Jan. 30, 2012) (Defendant was estopped from re-litigating factual issues determined in his prior criminal case and leading to his criminal conviction).

Entry of this Consent of Defendant Trevor Cook d/b/a Crown Forex, LLC ("Consent") should end these proceedings against Defendant Cook.

## II. CONSENTS AND AGREEMENTS

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

1. Consents to the Agreed Order and agrees that this Consent shall be incorporated into the Agreed Order with the same force and effect as if fully set forth therein;
2. Affirms that this Consent is voluntary, and that no threat or promise, other than as specifically contained herein, has been made by the Commission or any member,

officer, agent or representative thereof, or by any other person, to induce Defendant Cook to consent to the Agreed Order;

3. Acknowledges service of the summons and Complaint;

4. Agrees that this Court has jurisdiction over the subject matter of this action and Defendant Cook pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such 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;

5. Agrees that venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e), in that Defendant Cook, prior to his incarceration, resided in this District and the acts and practices in violation of the Act have occurred within this district;

6. Waives:

a. the entry of findings of facts and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure;

b. any and all claims that he may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2006) and 28 U.S.C. § 2412 (2006), and/or Part 148 of the Commission's Regulations ("Regulations"), 17 C.F.R. §§ 148.1 et seq. (2009), relating to, or arising from, this action;

c. Any and all claims under the Small Business Regulatory Enforcement Act of 1996, Pub. L. No. 104-121 §§ 201-253, 110 Stat. 847, 857-868 (1996), as amended by Pub. L. No. 110-28, § 8302, 121 Stat. 112, 204-205 (2007);

d. any claim of Double Jeopardy based upon the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief; and

e. any and all rights of appeal from the Consent and/or Agreed Order;

7. Consents to the continued jurisdiction of this Court for the purpose of enforcing the terms and conditions of the Agreed Order and for any other purpose relevant to this case, even if Defendant Cook now or in the future resides outside the jurisdiction;

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

9. Admits to the allegations of the Complaint and the Findings of Fact and Conclusions of Law in the Agreed Order based on the collateral estoppel effect of his criminal conviction;

10. Agrees and intends that the allegations of the Complaint and all of the Findings and Conclusions in Part II of the Agreed Order shall be taken as true and correct and be given preclusive effect, without further proof, in the course of : (a) any current or subsequent bankruptcy proceeding filed by, on behalf of, or against Defendant Cook; (b) any proceeding pursuant to Section 8a of the Act, 7 U.S.C. § 12a, and/or Part 3 of the Regulations, 17 C.F.R. §§ 3.1 *et seq.*; and (c) any proceeding to enforce the terms of this Consent and/or the Agreed Order. Defendant Cook does not consent to the use of this Consent, or the Findings of Fact and Conclusions of Law in the Agreed Order, as the sole basis for any other proceeding brought by the Commission; and

11. Agrees to provide immediate notice to this Court and the CFTC by certified mail, in the manner required by paragraph 16 of Part V of the Agreed Order, of any bankruptcy proceeding filed by, on behalf of, or against him.

12. Defendant Cook agrees to permanently refrain from directly or indirectly:

A. Cheating, defrauding or willfully deceiving, or attempting to cheat, defraud or willfully deceive, other persons in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery, or other agreement, contract or transaction subject to paragraphs (1) and (2) of Section 5a(g) of the

Act, that is made, or to be made, for or on behalf of, or with, any other person, other than on or subject to the rules of a designated contract market, in violation of Sections 4b(a)(2)(A) and (C) of the Act, 7 U.S.C. §§ 6b(a)(2)(A) and (C) (2012); and

- B. Willfully making or causing to be made to other persons false reports or statements, or willfully entering or causing to be entered for other persons false records, in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery, or other agreement, contract or transaction subject to paragraphs (1) and (2) of Section 5a(g) of the Act, that is made, or to be made, for or on behalf of, or with, any other person, other than on or subject to the rules of a designated contract market, in violation of Section 4b(a)(2)(B) of the Act, 7 U.S.C. § 6b(a)(2)(B) (2012).

- 13. Defendant Cook agrees to permanently refrain from directly or indirectly:
  - A. entering into any transactions involving commodity interests (as that term is defined in Regulation 1.3(yy), 17 C.F.R. § 1.3(yy) (2014)) for Defendant Cook's own personal accounts or for any accounts in which Cook has a direct or indirect interest;
  - B. having any commodity interests traded on Cook's behalf;

- C. 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;
- D. soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
- E. 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) (2014); and/or
- F. acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2014)), agent, or any other officer or employee of any person (as that term is defined in Section 1a(38) of the Act, 7 U.S.C. § 1a(38) (2012)), registered, required to be registered, or exempted from registration with the Commission except as provided for in Regulation 4.14(a)(9), 17 C.F.R § 4.14(a)(9) (2014).

### **III. OTHER STATUTORY AND EQUITABLE RELIEF**

#### **A. Restitution**

14. Cook's violations of the Act merit the award of significant restitution.

However, Cook is subject to criminal judgment restitution obligations of

\$158,211,092.34 entered in *United States v. Trevor Gilson Cook*, Docket No. 10-CR-75



(D. Minn.) on August 25, 2010 for the misconduct at issue in this civil action. Because the criminal court awarded restitution to defrauded customers, the CFTC will dismiss its claim for restitution against Cook in this matter.

**C. Disgorgement**

15. Disgorgement of all monetary benefits Defendant Cook derived from his fraudulent activity is merited. From June 18, 2008 through July 2009, Cook received \$18,882,538.31 as a result of the fraudulent scheme, used those funds for his benefit, and is ordered to disgorge that amount. The SEC is seeking disgorgement of \$155,928,523 from Cook for the same conduct at issue in this case as well as additional conduct occurring prior to the relevant time period here. *See U.S. Securities and Exchange Commission v. Trevor G. Cook et al.*, Case No. 09-cv-3333 (MJD/FLN)(Filed November 23, 2009) Dkt. #1187. Consequently, any disgorgement that Cook pays to the SEC that exceeds \$137,045,984.69 shall result in a dollar for dollar reduction of Cook's disgorgement obligation in this matter.

16. Post-judgment interest shall accrue beginning on the date of entry of this Consent and shall be determined at the Treasury Bill rate prevailing on the date of entry of this Consent pursuant to 28 U.S.C. § 1961.

**IV. MISCELLANEOUS PROVISIONS**

17. No provision of this Consent shall in any way limit or impair the ability of any person to seek any legal or equitable remedy against Defendant Cook in any other proceeding

18. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each customer of Defendant Cook who suffered a loss is explicitly made an intended third-party beneficiary of this Consent and may seek to enforce obedience of this Consent to ensure continued compliance with any provision of this Consent and to hold Cook in contempt for any violation of a provision of this Consent and/or of the Agreed Order.

19. Notice: All notices required to be given by any provision in this Consent shall be sent certified mail, return receipt requested, as follows:

Notice to the Commission:

Deputy Director  
Division of Enforcement – Central Region  
U.S. Commodity Futures Trading Commission  
525 West Monroe, Suite 1100  
Chicago, Illinois 60661

Notice to Defendants:

Trevor Cook  
c/o William J. Mauzy, Esq.  
Law Offices of William J. Mauzy  
510 First Avenue North, Suite 610  
Minneapolis, Minnesota 55403  
(612) 340-9108  
(612) 340-1628 (facsimile)  
[wmauzy@mauzylawfirm.com](mailto:wmauzy@mauzylawfirm.com)

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

20. Change of Address/Phone: In the event that Defendant Cook changes his residential or business telephone number(s) and/or address(es) at any time, he shall

provide written notice of the new number(s) and/or address(es) to the Commission within twenty (20) calendar days thereof.

21. Amendments: Nothing shall serve to amend or modify this Consent in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

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

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

CONSENTED TO AND APPROVED BY:



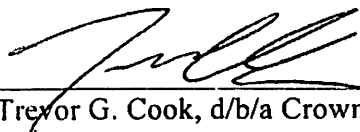
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Dated 11-27, 2015



Trevor G. Cook, d/b/a Crown Forex, LLC

Dated 12-9, 2015

Dated \_\_\_\_\_, 2015