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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

BANC DE BINARY LTD, OREN SHABAT
LAURENT (f/k/a OREN SHABAT), ET
BINARY OPTIONS LTD., BO SYSTEMS
LTD. SEYCHELLES and BDB SERVICES
LTD. SEYCHELLES,

Defendants.

Case No. 2:13-cv-00993-RCJ-VCF

**[PROPOSED] ORDER GRANTING
PLAINTIFF SECURITIES AND
EXCHANGE COMMISSION’S
UNOPPOSED MOTION TO ESTABLISH A
FAIR FUND AND APPROVE THE
DISTRIBUTION OF FUNDS THROUGH A
PARALLEL ACTION**

This matter came before the Court upon Plaintiff Securities and Exchange Commission’s (the “SEC”) Unopposed Motion to Establish a Fair Fund and Approve the Distribution of Funds Through a Parallel Action. The Court having considered the memoranda and evidence filed by the parties, and all other argument and evidence presented to it, and good cause appearing therefor:

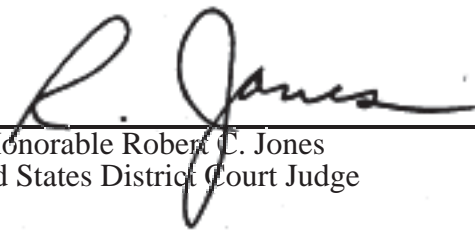
IT IS HEREBY ORDERED that:

(1) the SEC’s Motion is GRANTED;

- 1 (2) a “fair fund” is hereby established (the “Banc de Binary – Restitution Fund”) in
2 accordance with Section 308(a) of the Sarbanes-Oxley Act of 2002, 15 U.S.C. § 7246(a);
- 3 (3) the Banc de Binary – Restitution Fund shall consist of the \$7.1 million in disgorgement
4 and the \$1.95 million in SEC civil monetary penalties agreed to be paid by defendants in
5 settlement of this action and of the parallel enforcement action filed against the same
6 defendants in this district, *Commodity Futures Trading Commission v. Banc de Binary*
7 *Ltd., et al.*, Case No. 2:13-cv-00992-MMD-VCF (the “CFTC Action”), which payments,
8 according to defendants’ Consents to Final Judgment and proposed Final Judgments filed
9 on February 22, 2016 (Dkt. Nos. 149-154), will be made directly to the National Futures
10 Association (“NFA”) for distribution to harmed investors;
- 11 (4) in accordance with the proposed Consent Order for Permanent Injunction, Civil Monetary
12 Penalty and Other Equitable Relief Against Defendants filed in the CFTC Action (the
13 “CFTC Consent Order”) (CFTC Dkt. No. 169), the Banc de Binary – Restitution Fund
14 shall be administered by the NFA, once it is appointed as Monitor in the CFTC Action;
- 15 (5) to the extent that the NFA and the parties can reasonably locate them, the distribution
16 shall be made *pro rata* to the 6614 customers on Exhibit A to the CFTC Consent Order
17 (the “Identified Customers”), or to any additional U.S. customer who has or had a “Banc
18 de Binary” account, as reflected on “Banc de Binary” account records, and who timely
19 demonstrates that: he or she resided in the United States when he or she opened or traded
20 in the account; and he or she deposited, on a net basis, more investment funds into the
21 account than he or she withdrew out of the account during the time that the account was
22 active;
- 23 (6) the NFA shall be responsible for all further tax compliance and reporting obligations of
24 the Banc de Binary – Restitution Fund and the payment of taxes, if any, will be made from
25 the Banc de Binary – Restitution Fund;
- 26 (7) in the event that any portion of the Banc de Binary – Restitution Fund is not distributed to
27 injured investors, any residual amount remaining after completion of the distribution shall
28 be paid to the U.S. Treasury; and

1 (8) for each year until the distribution is completed, the NFA shall provide an annual report to
2 counsel for the parties regarding the distribution, which report shall be filed with the
3 Court.

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5 Dated: March 7, 2016

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8 The Honorable Robert C. Jones
9 United States District Court Judge
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