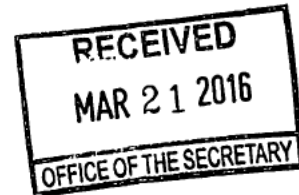


HARD COPY

1 James Michael Murray, In Pro Per  
2 San Francisco CJ4  
3 850 Bryant Street  
4 San Francisco, CA 94103



5 UNITED STATES OF AMERICA  
6 BEFORE THE  
7 SECURITIES AND EXCHANGE COMMISSION

8  
9  
10 In the Matter of  
11 JAMES MICHAEL MURRAY,  
12 Respondent

ADMINISTRATIVE PROCEEDING  
FILE NO. 3-16937  
RESPONDENT'S ANSWER TO SEC  
MOTION FOR SUMMARY  
DISPOSITION

13  
14  
15 INTRODUCTION

16 The SEC's Motion for Summary Judgement in seeking support for the charges made in  
17 its OIP dated November 2, 2015 and for its Statement of Facts section contains numerous  
18 unsupported and false accusations, factually incorrect statements, exaggeration's and  
19 mischaracterization of Exhibits/Trial Testimony.  
20

21  
22 The Jury did not consider the 4<sup>th</sup> Superseding Indictment the SEC cites as an exhibit in  
23 support of their Statement of Facts underlying Respondent's criminal conviction. While the  
24 SEC includes it in their Motion as an exhibit it was not a trial exhibit. Respondent while not  
25 disputing a conviction for 18 USC 1343 disputes the underlying reasons for the applicable  
26 conviction counts relevant to satisfy the requirements of 203(f).  
27

1           The SEC includes Div. Exh. Z a trial exhibit the jury verdict form but it has no content  
2 as to the basis for any of the verdict counts.

3  
4           The SEC argues there were many accusations made in support of a conviction for  
5 violation of 18 USC 1343 but many of those arguments are not supported by the evidence it cites  
6 in its MSJ.   Respondent provides evidence to dispute the SEC's argument with Trial evidence  
7 that the jury likely used to reject many of those same arguments.   Respondent's position is the  
8 Jury convicted on those facts that were not disputed by the Defendant.   Thus, a genuine issue  
9 of dispute exists regarding the reasons for the convictions cited by the SEC Motion for Summary  
10 Judgement that will be referred herein as (SEC MSJ).   Many of these reasons underlying the 18  
11 USC 1343 convictions are necessary to determine whether Respondent was acting as an  
12 investment adviser at the time of the misconduct to satisfy 203(f) requirements.   The reasons for  
13 the conviction also are directly relevant to 203(f) issues.   For example, Respondent admitted to  
14 the jury that in fund documents he misrepresented his Bachelor's Degree in Economics to be a  
15 Master's Degree in Economics.   He also admitted to the jury to designating he graduated Cum  
16 Laude, (when in fact while he did achieve the requisite 3.5 GPA in his Major courses of  
17 Economics) Resp. Exh.1 to satisfy the GPA requirement of Cum Laude he did not graduate Cum  
18 Laude for his Bachelor's Degree.   He also admitted he failed to disclose he was CFO of JMA  
19 and had some involvement in the administrator HFA.   Respondent admits here to the  
20 Commission he did these things and that they were foolish, significantly improper and he should  
21 have disclosed the conflicts or hired a replacement for JMA prior to having fund documents sent  
22 out.

1 He also should not have exaggerated his Bachelors' degree in Economics to be a Masters  
2 in Economics. He should not have claimed his Bachelor's degree was earned with a Cum Laude  
3 designation and that if given the chance again this type of conduct will not happen again. (The  
4 SEC MSJ alleging Respondent lied under oath during a SEC deposition about having his  
5 Bachelor's degree is *incorrect*. Respondent did earn a Bachelor's degree in Economics) See  
6 Resp. Exh. 1. Further, Respondent admitted during trial to violating the District Courts Bail  
7 release conditions and that he was sorry Resp Exh. 2 Trial Tr. 1677:6-10 Additionally there  
8 are mitigating factors directly relevant to the public interest factors Respondent will discuss.  
9 These include the fact that no JMA audits were sent to any investors auditing the money they  
10 invested. Trial testimony and exhibits indicate that Eckel agreed the audits "were not  
11 marketing material" and that Murray told Eckel not to send out JMA audits and Eckel did not for  
12 several months. The email Eckel received containing the historical JMA audits had a notice  
13 stating they were not confirmation of historical performance and were not to be used for  
14 marketing purposes. Eckel and Murray had multiple conversations and explanations as to why  
15 these JMA audits are not confirmation of the historical monthly performance. The Eckel  
16 engagement agreement required Eckel to obtain in writing permission to send out the JMA audits  
17 and evidence exists no permission was given. Respondent with Eckel's assistance replaced  
18 JMA with an undisputed neutral third party audit firm Spicer Jeffries on June 11, 2011.  
19 Additionally, Respondent never stole or misappropriated any investor funds. (The SEC has a  
20 footnote appearing to claim a possibility that one investors funds were never invested but there is  
21 no evidence and the reason for this conclusion according to trial testimony was based on an  
22 alleged email from Pensco that was never produced by the Government i.e. does not exist) The  
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1 MNT funds were always located in the MNT titled brokerage and or bank accounts and invested  
2 as agreed. Finally, no JMA audits were sent to partners auditing their invested funds.  
3

4  
5 SEC MSJ STATEMENT OF FACTS AND OIP CLAIMS ARE DISPUTED  
6

7 The OIP issued Nov. 2, 2015 under Section II Subsection A1. Claims that at all relevant  
8 times Respondent received compensation for his services. This is disputed.  
9

10  
11 Section II Subsection B. 3 references the indictment against Respondent by the United  
12 States of America and then describes the indictment in points (a) thru (e) and then in Section II  
13 Subsection B. 4 goes on to say that the jury found Respondent guilty on all counts. The jury  
14 may have found Respondent guilty on all counts but the indictment was not considered by the  
15 Jury and thus the SEC's claims as to the reasons for the conviction are disputed. There is not a  
16 requirement for a jury to find all accusations accurate in order to convict under 18 USC 1343  
17  
18

19 Section II Subsection B. 5 incorrectly claims; as there is no evidence in their MSJ; that  
20 the facts underlying the Commissions' civil complaint described in Section II Subsection A 2 are  
21 the same facts in the criminal indictment described in Section II Subsection B 3 from which  
22 Respondent was convicted. There was no indictment presented to the Jury in the criminal trial  
23 and the evidence the SEC uses in its motion for summary judgement to argue what facts were  
24 used to convict Respondent are either insufficient and or disputed with Respondent evidence.  
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1 Most important however is the fact the SEC Motion does not establish  
2 Respondent was acting as an investment advisor. To determine whether Respondent  
3 was acting as an Investment Advisor according to 203(f) a determination as to the time of  
4 the relevant required misconduct is needed. Here the SEC MSJ references some time  
5 frames not supported by the evidence.  
6

7  
8 The SEC's Statement of Facts Section of its motion as it is specifically alleged and  
9 described under the contents page are disputed as follows:  
10

11  
12 RESPONDENT NOT INVESTMENT ADVISOR

13 The SEC motion argues on page 3 of Section 1 Paragraph 2 and in the SEC OIP claims  
14 Respondent was MNT's Sole Member and Investment Advisor. The Advisors Act definition of  
15 Investment Advisor details the requirement to advise "others" as opposed to oneself.  
16 Respondent as the sole member of MNT, LLC by definition could not have been providing  
17 investment advice to others.  
18

19  
20 Next the SEC argues Respondent also provided investment advice to potential investor  
21 (s) in the fund. However, they cite only one potential investor (Div. Exh A 183:11-184:12)  
22 which is testimony about initial contact initiated by Respondents friend on April 9, 2009.  
23 Division Exh A 186:20-188:25 shows at that time in April of 2009 the same potential investor  
24 was given a one-page summary with a historical ROR from Aug. 2006 thru March of 2009. This  
25 period is prior to the alleged misstatements and SEC MSJ evidence which occurred during the  
26  
27

1 four months of September thru December of 2009. Additionally, there is no evidence in the  
2 cited testimony as to her being given advice as to whether or not to invest.

3 In fact, further testimony from this potential investor indicates she sought out Respondent  
4 Resp.Exh. 3 Trial Transcript 281:17-22 as opposed to being solicited and there was no pressure  
5 on her to invest, no audits on her investment expected, no JMA audits received and was told by  
6 Respondent if the Pensco admin fees were too high she could keep her money at Fidelity Resp.  
7 Exh. 4 Trial Transcript 296:10-18, 307; 2-10. While Respondent explained the strategy there is  
8 no evidence he advised her to invest in it and he even told her she could keep it in her current  
9 Fidelity program. This investor also was never included as part of an indictment against  
10 Respondent.  
11 Respondent.  
12

13  
14 The SEC also cites that Respondent received compensation of 20% of quarterly profits &  
15 a 2% management fee & cites as evidence Div. Exh O at 4 and Exh P at 4-5. Which is an  
16 August 11, 2010 DDQ Respondent sent to Consultant, Eckel as a “rough draft” and was not sent  
17 to any potential investor until January 2011 and is not evidence of receipt of compensation  
18 received as SEC argues. It’s not proof fees were charged and or paid. Next the SEC cites Div.  
19 Ex P at 4-5 which shows no management fee but an “incentive allocation” credits and then  
20 reversal debits in the same amounts in January 2009. The cited Exhibit is not evidence of  
21 compensation received for providing investment advice.  
22  
23

24  
25 On page 14 at B. SEC Motion argues Respondent was associated with an  
26 investment advisor stating that the first factor that Respondent be associated with an investment  
27 adviser at the time of the misconduct is “easily met here”. To support their claim, they cite the  
28

1 “Conviction that was predicated on conduct that occurred between 2008 and 2013”. Their  
2 asserted evidence is Div. Exh. Z & Y a Jury verdict form with no information as to time and  
3 details of misconduct. The SEC MSJ also includes an indictment which was not a trial exhibit  
4 and the jury did not consider.  
5

6  
7 Putting aside the issue of whether and what proposed /alleged evidence the jury  
8 used to reach a conviction (which is relevant for determining whether Respondent was acting as  
9 an investment advisor at the time of the misconduct); the earliest alleged evidence cited in the  
10 SEC’s MSJ of a possible misrepresentation is a July 2010 Historical Performance Report and a  
11 Newsletter (because they contain alleged incorrect historical results for September thru  
12 December of 2009). These were provided to Non investor MNT Consultant Eckel. No  
13 evidence shows these documents were sent out to any potential investors. The info contained in  
14 the historical was not sent out to any alleged defrauded investor until early 2011 in the form of  
15 updated material created not by Eckel.  
16  
17

18  
19 On page 14 of the SEC’s MSJ paragraph 3 the SEC argues Respondent provided  
20 advice to individual (s) who considered investing in the fund and continued to provide advice  
21 “after investment”. They cite Div. Exh A 183:11-184:12, 186:20-188:25 and Div. Exh B  
22 237:20-238:21, where in April of 2009 Respondent explains the trading strategy but he does not  
23 comment as to the advisability of investing as opposed to staying with Fidelity nor does he give  
24 any future performance forecasts. In fact, when fee’s for Pensco were raised by this potential  
25 investor, Respondent told her she could stay at Fidelity. This is not what one advising someone  
26 to invest in one strategy/program over another would say. Div. Exh A 303:14-305:5 The  
27

1 typical comment of one advising comment in this case would be to discuss whether the  
2 additional administration fees were worth paying in exchange for better forecasted performance  
3 and replacing Fidelity where they were already unhappy. This was not the case. No future  
4 forecasts or advice was given. Respondent did not give her advice on whether to leave Fidelity  
5 or if his fund would be advisable to invest. The SEC then cites Div. Exh B 237:20-238:21  
6 which is an October 2011 meeting where Respondent gives her his opinion as to her account  
7 value but this is the first and only discussion of her investment and it does not come until January  
8 2011. Further it's not *engaging in the business of advising others* as required of 15 USC 80b-  
9 2(a) (11) to give advice as to the advisability of investing in or the value of securities. This  
10 was a personal friend (which the SEC argues on page 19 of their MSJ citing Div. Ex B Which  
11 Respondent stipulates she was a personal friend) and because of this they spoke on the phone and  
12 met at Starbucks but meetings and telephone calls were not part of Respondents responsibilities  
13 or services. In fact, no other investors were spoken to or met with by Respondent after  
14 "investment" and there were no agreements or offers to meet. This is not being in the business  
15 of advising others. But for the sake of argument even if it was investment advice it doesn't  
16 come until 2011 and Respondent in 2011 was not paid any advisory fees.

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20  
21 The SEC then cites Div. Exh. D 728:16-730:10 testimonies by a potential investor about  
22 a January 2011 call held with Respondent, the potential investor and Eckel. Here the cited  
23 evidence shows respondent is answering questions about the strategy, his background and  
24 previous employment and not making any recommendations and or giving advice as to the  
25 advisability of investing in MNT. There were no future forecasts made. This individual was a  
26 consultant at a SEC Registered Investment Advisory Firm seeking information to form his own  
27



1 opinion as to the advisability of investing in MNT and was asking his own questions of  
2 Respondent and not receiving any future forecasts. This is not an example of Respondent  
3 providing investment advice.  
4

5  
6 Next SEC Div. Exh Q at 5-7 they cite to two documents sent to non-investor  
7 Consultant Eckel. No evidence exists these were sent to any potential investors as the SEC  
8 argues. Div. Exh O at 4 is an August 11, 2010 “rough draft” D.D.Q. (due diligence  
9 questionnaire) given to Eckel (a marketer who wanted to be hired by MNT) Resp. Exh. 5 Trial  
10 Transcript 665:6-8 and this was for his information purposes and is not receipt of any  
11 compensation. Div. Exh P at 4-5, 9 is cited as evidence of alleged compensation but 4-5 shows  
12 “incentive allocation” credits with reversal of those same credits with corresponding debits in the  
13 same amounts. Page 9 of this exhibit shows no fees paid. The date of January 2009 is  
14 significant on these exhibits because there is no evidence of potential relevant misconduct at the  
15 time. Additionally, in 2009 there is no evidence of investment advice being provided to others.  
16  
17 The first evidence of alleged relevant misconduct by SEC MSJ is in January of 2011 with Eckel  
18 sending marketing material. Also worth mentioning but not entirely relevant the claimed  
19 evidence of “incentive allocation” is not compensation for the business of providing investment  
20 advice to others. As held and affirmed on appeal The United States v. Regensberg, 635 F.  
21 Supp. 2d 306 (S.D.N.Y. 2009) aff’d, 381 F. App’x 60 (2<sup>nd</sup> Cir. 2010) In this case the court  
22 specifically held the defendant was not acting as an investment advisor as defined in 15 USC  
23 80b-2(a) (11) because Defendant “Did not receive compensation in return for the business of  
24 providing advice to others rather, he was to receive a percentage of profits if any an investor  
25 garnered from his or her own investment” Id @311  
26  
27  
28

1  
2 Most importantly however as mentioned before the cited investor in Div. Exh  
3 A&B was not part of any indictment and there is no evidence of any fraudulent  
4 misrepresentations. She testified she expected no JMA audits on her investment, received no  
5 JMA audits, she was not solicited by Respondent or Eckel. Resp Exh 3 Trial Tr 281:17-22, she  
6 contacted Respondent in April 2009 and received historical info in April or May 2009 for period  
7 thru March 2009. This is well before the alleged SEC MSJ September thru December 2009  
8 performance misrepresentations which were sent out at the earliest in 2011) Resp. Exh 4 Trial  
9 Trans. 296:10-18, 281:17-22, 307:2-10  
10  
11

12  
13 The SEC evidence does not establish respondent was providing investment advice  
14 in 2009. Further there is no evidence of compensation received and investment advice given  
15 for compensation at the time of the relevant alleged misconduct.  
16  
17

18 In considering a motion for summary judgement a court construes all facts and  
19 draws all reasonable inferences in favor of the moving party. Smith v. Hope Sch, 560 F. 3d.  
20 694, 699 (7<sup>th</sup> Cir. 2010)  
21  
22

23 In Section D page 15 of SEC MSJ they argue; TO PROTECT PUBLIC  
24 INTEREST MURRAY SHOULD BE PERMANENTLY BARRED  
25

26 SEC argues in support of above “egregious conduct” and claims in paragraph 2 page 16  
27 that Murray failed to inform investors that MNT fund had lost nearly it’s entire value in 2009  
28

1 and goes on to claim he solicited new investors without discussing these losses and distributed  
2 false reports that led investors to believe the fund was actually profitable.  
3

4  
5 Again we can't determine (and Respondent disputes SEC MSJ facts alleged as basis for  
6 conviction) if the jury accepted or considered this argument to support a conviction under 18  
7 USC 1343. Or if it did consider this argument whether it was rejected due to defense evidence  
8 disputing these allegations. They were not presented an indictment and the jury verdict form  
9 has no details about the counts. For example, the defense evidence at trial established that those  
10 four of 53 total months September thru December 2009 alleged to be incorrectly reported in  
11 2011 marketing material were in fact reported correctly. First those four months' wide  
12 disparity was due to a separate share class for member self-directed trades. Resp. Exh. 6 Trial  
13 Trans. 1595:12-1596:11 The financial document introduced as evidence was unaudited Resp.  
14 Exh. 7 Trial Tr. 441:3-9, the firm that prepared it was out of business at the time of trial, Resp.  
15 Exh. 7 Trial Tr. 448:1-2. The employee who created the document did not testify. A former  
16 employee who testified about the document did not create it and had no hands on involvement  
17 for the last 6 months of 2009 Resp. Exh. 7 Trial Tr. 445:17-19 Calculations were not done for  
18 class B shares (Resp. Exh. 7 Trial Tr 442:7-9) & this exhibit (partially entered by SEC in this  
19 motion as Div. Exh.R) had no source documentation to begin to do a cursory check of document  
20 conclusions. MNT consultant Eckel, asked Respondent about why two different EIN's existed  
21 and was told for two different share classes (Resp. Exh 8 Trial Tr. 718:11-719:14)  
22  
23  
24

25  
26 Next the SEC argues a sham accounting firm yet evidence exists Respondent  
27 helped set this up at the direction of a potential investor. Resp. Exh. 6 Trial Tr. 1596:12-1604:24  
28

1 SEC then accuses with no evidence Respondent created phony audit reports that purported to  
2 show that the MNT fund was being audited and again with no evidence they allege he duped  
3 investors into believing the fund was safe by representing that the fund had a third party  
4 administrator and counsel. Here no evidence exists any that third party administrator reports  
5 were incorrect. The legal counsel issue was explained with evidence at trial that legal counsel  
6 as defined in the marketing materials meant "which lawyer would be consulted if legal problems  
7 or issues arose". Resp Exh. 6 Trial Tr 1593:19-1594:8 The evidence at trial showed the legal  
8 counsel was qualified to assist. Resp. Exh. 9 Trial Tr. 820:7-21 No JMA audits were sent to  
9 any investors on their investment. Respondent hired consultant Eckel in September of 2010 to  
10 hire a new auditor Resp. Exh 8 Trial Tr 669:14-17 and before two investors invested in June of  
11 2011 an undisputed 3<sup>rd</sup> Party Auditor and a new legal counsel was hired. Resp. Exh 8 Trial  
12 Trans. 684:1-687:17 See Resp. Exh. 10 (Spicer Jeffries Agreement & FTP Site & start of 2011  
13 Audit)

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18 SEC then argues Respondent stole money as part of a credit card swiping scheme which  
19 again we don't know if this was a conclusion or even an issue before the jury. Again evidence  
20 exists contradicting this as Chase's Halford testified that sufficient funds were verified by Chase  
21 investigator and prior to releasing their hold on processing the refunds and that Respondent  
22 partner had wired sufficient funds to cover the refunds. Resp. Exh 11 Trial Tr. 165:17-168:20,  
23 & Resp. Exh 6 pgs. 1620:21-1622:24)

24  
25  
26 SEC with no evidence claims Respondent Stole Identity of a British Citizen  
27 (which was not part of any indictment). In fact, the Government Witness and British Citizen's  
28

1 testimony was full of deceptive testimony, lies and misstatements. A Government document  
2 dated 2-26-12 Div. Exh. W page 9 First Paragraph states "David Lowe's connection to the  
3 Murray's is currently not known to investigators. Over two and a half years' elapse and the  
4 FBI locates Lowe in Bangkok, Thailand in September 2014 and is the first revealed contact with  
5 Lowe. See Respondent Exh.12 FBI 302 Report In this 9-3-2014 interview the FBI clearly  
6 curious as to how Murray had a color copy of Lowe's passport is told by Lowe he never gave  
7 Murray his passport and "he gave his passport to Giovanni in the past for a reason unrelated to  
8 Murray at a time when Lowe and Giovanni were attempting to open a joint brokerage account"  
9 Resp. Ex 12 Sept 2014 FBI 302 Report. When Giovanni is interviewed by the FBI he denies  
10 receiving Lowe's passport and said Lowe would never have given him a copy and would have  
11 given it to Murray directly. Further he has never had Lowe's passport or a copy of it. Resp.  
12 Exh. 12 FBI 302 of Giovanni 10-2-14. Seven months later April 9, 2015 Lowe testifies he  
13 does not recall giving his passport to Giovanni. Resp. Exh 13 Lowe Transcript 20:8-10 Lowe  
14 testifies to the same story in the FBI interview at this deposition he met Murray once in Autumn  
15 of 2011 at a dinner party on a yacht in Monaco. Apart from that meeting he does not recall  
16 meeting him at any other time Lowe Deposition Transcript Resp. Exh 13 17:19-18:122 Then  
17 much later on cross examination he is asked about this testimony and now says it should be he  
18 can only recollect meeting him that one time but he understands he (Murray) was in Monaco at  
19 other times and he may have met him but does not recollect meeting him Resp. Exh. 13 pages  
20 169:7-17. Then he remembers talking with Murray on the phone Resp. Exh. 13 170:7-10.  
21 Next he says he may have had email correspondence with Murray Resp. Exh. 13 171:22-172:6.  
22 Then that he "certainly" sent Murray some documents Resp. Exh. 13 171:22-172:6.  
23 Defendant Exh A is entered as an exhibit during the deposition (Resp. Exh 14) is a Subscription  
24

1 agreement to invest \$3million in Market Neutral Trading B, LLC that Lowe signed on Feb. 10,  
2 2010 Resp. Exh. 13 190:17-192:6 Lowe admits at the time he signed this he knew Murray  
3 managed the company Resp. Exh. 13 192:13-195:24 & that there were corporate documents  
4 attached to the agreement. Def. Exh A/Resp Exh. 14 shows an address of Craven Street 40,  
5 London England. Lowe had testified much earlier at Resp. Exh. 13 115:1-6 that "he's never  
6 heard of 40 Cragen Street, London, England. At Resp. Exh. 13 162:17:166:23-24 Lowe  
7 testifies he never claimed he was exonerated after his conviction of money laundering but after  
8 hearing evidence contradicting his testimony he agrees he falsely claimed on his website he was  
9 exonerated Resp. Exh. 13 169:7-172:12. Lowe also admits to lying to FBI agent Weber in an  
10 email claiming when he was released from prison he was immediately reinstated as chairman of  
11 a public company quoted on the London Stock Exchange Resp. Exh. 13 181:9-182:11 Prior  
12 to Lowe's acknowledging he signed Def. Exh A/ Resp. Exh. 14 \$3,000,000 Market Neutral  
13 Trading B, LLC Subscription agreement he was asked nine times about MNT B, LLC and he  
14 says he doesn't know who they are and has not heard of them before today Resp. Exh. 13 Lowe  
15 Deposition 110:4-110:6, 110:1-3, 110:11-14 110:18-19, 110:23-25, 111:4-6, 111:10-11, 111:27-  
16 33, 111:24-25 Lowe signed the Subscription agreement Feb. 10-2010 after his release from  
17 prison in Great Britain for money laundering about three weeks earlier Resp. Exh. 13 154:3-21  
18 It is likely the jury accepted this evidence that Lowe and Murray had a business relationship at  
19 least as early in 2008 and that Murray assisted in setting up JMA to accommodate Lowe.  
20 Lowe was on a London Company's audit committee and hired auditors Resp. Exh. 13 180:1-4  
21 and it was plausible Lowe hired JMA auditors and staff as Murray defense evidence indicated at  
22 trial. Trial Tr. Andrew McKenzie was Lowe's coconspirator in his money laundering  
23 conviction where Lowe created false promissory note and sent \$ to Florida Resp. Exh. 13  
24

1 186:188:11. A review of Def. Exh. A/Resp. Exh 14 shows Lowe designates McKenzie to  
2 receive duplicate financial statements.  
3

4  
5 Next the SEC MSJ argues in 2. “Murray’s Conduct Was Recurrent and Not  
6 Isolated” but there is no evidence this misconduct was recurrent. While there are several  
7 counts of conviction for 15 USC 1343 we can’t determine the time periods and facts the jury  
8 accepted to various arguments because most were responded to with significant Defense  
9 evidence as opposed to being unopposed.  
10

11  
12 SEC falsely claims Respondent was convicted of Tax Fraud concerning his 2000  
13 tax return and cites as evidence (Div. Ex. J 1690:13-1692:10). This accusation misstates the  
14 cited testimony and is another example of false unsupported SEC claims. Respondent was  
15 never charged and or convicted of Tax Fraud in any year.  
16

17  
18 SEC cites a 6 month 2002 suspension by the NYSE which was not a crime as they  
19 incorrectly allege and fail to support with evidence. It also did not involve or allege fraud.  
20

21  
22 SEC next argues Murray Acted with A High Degree of Scierter SEC claims  
23 jury considered “whether Murray acted with “Good Faith” as a defense to these charges” The  
24 SEC incorrectly concludes the jury rejected the Good Faith defense because their cited exhibit  
25 instructions do not require the jury to consider a Good Faith defense to the charges. They  
26 incorrectly conclude the jury rejected this defense. The instructions the SEC cites on Id  
27 1779:14 specifically say they “may” determine it.....it does not say they “must” determine it.  
28

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3 Page 19 Paragraph 1 the SEC then misrepresents the testimony of a friend & cites  
4 Div. Ex B 276:5-277:24 and claim Respondent was not apologetic, was defensive and  
5 patronizing and made light of the situation. The evidence contradicts this conversation took  
6 place as alleged. Resp. Exh 6 Trial Tr 1559:15-23 The SEC MSJ claims that before a court  
7 hearing on the Governments asset freeze, Murray told the same friend “Oh you’re going to be  
8 fine your Daddy’s a doctor” Id at 279:2-25 The credibility of this claim should be judged by  
9 the fact that no court hearing, as the SEC alleges, took place regarding the asset freeze. It was a  
10 closed session. The Defense and Public were not notified. It was a sealed motion and thus  
11 Murray could not have uttered these alleged comments prior to the asset freeze hearing as the  
12 SEC alleged. At any rate evidence exists Respondent did not say those things (Resp. Exh 6  
13 Trial Tr 1559:15-23)  
14  
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16  
17

18 SEC claims respondent has disregard for the harm he has done yet no evidence  
19 exists investors lost any money. Although he admits they were hurt when they were prevented  
20 from making a fully informed decision based on accurate representations as to Respondents  
21 connections to JMA and HFA  
22

23  
24 Finally, the SEC talks of propensity for dishonesty citing a conviction for tax evasion that  
25 does not exist and falsely accuses him of failing to return money entrusted to him. The SEC  
26 does this despite their knowledge of their own email request in February of 2012 (which was  
27 accepted by IB) to Interactive Brokers to prevent no withdrawals. Also there was a March 27,  
28



1 2012 order for Murray not to disperse with any MNT funds without court approval which is why  
2 on or about May 19, 2012 Murray thru his attorney notified Federal Magistrate Cousins he would  
3 be making a motion for an accounting for investors to start the distribution of money back to  
4 them. The SEC knows that also on the next court day May 20, 2012 without notice to the  
5 Defense or to the Investors the Government filed a "sealed" seizure affidavit for the MNT funds  
6 which was granted by Magistrate Laura Beeler. See Resp. Exh. 15 which shows it was sealed,  
7 that the funds both made and lost \$ in various securities Resp Exh. 15 page 2 lines 10- 12 and  
8 was traced to investors alleged to have received no \$ back by SEC MSJ. Despite all of this the  
9 SEC continues these accusations and claim falsely he failed to return investors' money. He  
10 couldn't return it because the Government froze it. Next, on page 9, paragraph 1 of the SEC  
11 MSJ, the SEC claims Respondent "submitted hundreds of refund requests to Chase without  
12 disclosing there were no funds in the JMA account to cover the refunds", but Chase  
13 Paymentech's Halford testifies that refunds were stopped prior to processing and funds verified  
14 by Chase investigator Latonya Gash. Upon Chase verification of funds in the account to cover  
15 the refunds, Chase processed the refunds. Respondent testified he was expecting 608K wire  
16 from Lowe and told Chase he did not want refunds going through if insufficient funds were in  
17 the account. (See Resp. Exh. 11 TR, page 165:17 – 168:20 and Resp. Exh 6 1620:21 – 1622:24).

22 SEC accuses Respondent of admitting to the scheme at trial and that he converted the  
23 Chase return proceeds for purposes of propping up the value of MNT. They cite various division  
24 exhibits, but a review shows Murray did not admit to this alleged scheme at trial or that he did this to prop  
25 up the value of MNT. What Respondent testified to was taking his own credit lines he was responsible  
26 for, charging them on JMA merchant account to convert to cash to invest in MNT.  
27

1 Next, the SEC falsely accuses Respondent of running up \$663,000 of bogus charges at  
2 Chase, which Chase never recovered. This is not what cited evidence shows. It shows Respondent  
3 charged \$663,000 on his own credit lines to JMA, converting them into cash. SEC MSJ, in the next  
4 paragraph of the motion, page 9, paragraph 2, alleges Respondent tried to conceal his association with  
5 JMA by having its mail forwarded to another Murray related entity. The exhibits the SEC cites do not  
6 show this. Previous SEC argument shows Murray listed himself as CFO of JMA on the Chase  
7 application. SEC claims incorrectly he ran a credit card scam. The evidence they cite does not support a  
8 credit card scam.  
9

10 Next, in the Statement of Facts on page 9, paragraph 3, the SEC accuses Respondent of  
11 defrauding a brokerage firm to process a short sale, and laundered the proceeds through a separate  
12 brokerage firm account that was also created by fraudulent means. The evidence shows this account was  
13 opened in June of 2012, after completing the paperwork providing the second beneficial owner (see  
14 Respondent's Exhibit TR ). The SEC falsely accuses Respondent of opening it in February of 2012.

15 Respondent never informed Oppenheimer of the seizure because the seizure did not  
16 comprise the \$5 million dollars, as Respondent had agreement with the second beneficial owner.  
17 Oppenheimer did not lose any money and profited \$10,000 from the trades (See Respondent's Exhibit 16  
18 Trial Transcript 1025:24 – 1026:7).

19 Oppenheimer's Benedetto confirmed Oppenheimer does not ask whether applicant  
20 investigated by SEC or accused of a crime. They do their own background checks, including FINRA,  
21 AML background checks of all beneficial owners (See Resp. Exh 17 Trial Transcript 1138:7 – 1142:24).

22 The Oppenheimer account was approved June 2012, which is after the May 21 seizure  
23 and the \$5 million did not include the seized funds and wouldn't be comprised of in the \$5 million total  
24 Oppenheimer suffered no loss on the NFLX transaction. The trade was profitable for \$411,000  
25 including the \$10,000 Oppenheimer received in transaction fees. Resp. Exh 17. 1025:24-1026:7 It  
26  
27

1 should be noted the NFLX trade profit was paid out by Oppenheimer because this was only a freeriding  
2 violation which requires under industry rules a 90-day cash restriction of the account.

3  
4 SEC claims with no evidence Resp. arrested and then set up new accounts in the names  
5 of others. Then again with no evidence alleges that it was done to conceal his identity. Respondent  
6 only knows of one the accusation of the IB account set up in Event Trading LLC name with partner  
7 Giovanni. Defense evidence shows this account was set up as a division of labor between partners.  
8 Giovanni opened the Event Trading LLC Citibank account and Respondent the IB Brokerage account  
9 with Giovanni as signatory and with his partner's authorization. Resp. Exh. 18 IB suffered no  
10 losses and made Over \$17,000 in commissions for August thru October 3, 2012 Resp. Exh. 21 pgs. jm-  
11 11614, jm-11624, jm-11630, jm-11638, jm-11640, jm-11648

12  
13  
14 The SEC accuses Respondent of lying multiple times and misstates the evidence they cite  
15 to support this conclusion. Div. Ex J at 1592:10-14, 1593:19-1594: 8, 1712:8-13, 1626:5-1627:12,  
16 1712:8-13, 1714:15-1729: 4. In 1712:8-13 they incorrectly claim Respondent was lying because he  
17 testified he did not create the JMA audits. They cite testimony establishing that when you save a word  
18 document and or convert a word to a PDF document the metadata shows a create date and an author of the  
19 document to be a default of the one registered to the software. They now disingenuously conclude that  
20 because a document was saved and or converted to PDF that this is the same as creating the content of the  
21 document and further that Respondent was the contents' author.

22  
23  
24 Next the SEC MSJ accuses Respondent of providing documents & making a series of  
25 misrepresentations but does not provide any evidence except for 2009 ROR being incorrect and this  
26 assumes you ignore Defense evidence that 2009 results are correct as stated earlier.

1 SEC MSJ then claims investors relied on MNT's positive ROR during the economic  
2 downturn in deciding to invest in the fund and then cite as evidence Div. Ex. E at 850:4-24 A review of  
3 this exhibit cites 2008 results yet 2008 is not alleged to be overstated and no evidence exists to support  
4 that 2008 is overstated. They cite Div. Ex D 770:9-773:2 but a review shows he considered 2007, 2008,  
5 2009. 2007 and 2008 are not alleged to be incorrect and 2009 is again disputed as being incorrect for  
6 the reasons mentioned earlier.  
7

8  
9 SEC next argues in support of its Statement of Facts 2A that Respondent defrauded the  
10 fund and its investors thru the use of fake audit reports thru a phony audit firm he created. This again is  
11 disputed. First no evidence exists any JMA audits were sent to any MNT investors as alleged. Next,  
12 evidence exists that JMA office was set up to accommodate D. Lowe's investor group Resp. Exh 6  
13 1596:14-1601:20

14 The SEC then claims in support of this Statement of Fact that "Murray admitted at trial  
15 that he provided his capital raising consultant with MNT Audit reports" Citing Div. Ex J at 1685:4-8 yet  
16 Murray testifies at Div. Ex J 1685:9-1686:7 that he did not know Eckel would rely on those audits to  
17 determine what the performance of MNT was and that he told Paul Eckel these are not confirmations of  
18 Historical Performance of MNT Further Eckel testimony indicates he created the marketing agreement  
19 See Resp. Exh 19 and Resp. Exh 8 pages 560:8-17 & Resp. Exh 6 pages 1590:8-1592:2 This solicitation  
20 agreement required Eckel to obtain written authorization to send any material and Eckel was not given  
21 any authorization to send audits. When Murray found out he had sent audits in October of 2010 he  
22 discussed with Eckel not to send Resp. Exh 6 1588:23-1590:4 Eckel followed those instructions for at  
23 least the remainder of 2010 as he sent no audits out for the three weeks in October and all of November  
24 and December. But then he decides in January 2011 to send out. Eckel testifies he didn't send out  
25 JMA audits until January of 2011 Resp Exh 8 pages 696:11-18 Eckel told Murray when he reviewed  
26 the audits they came with a notice showing they were not a confirmation of historical performance and  
27

1 were not to be used as a marketing tool Resp Exh 6 1574:8-20 When Eckel was questioned at trial  
2 about whether he had any conversation with Murray about whether audits were a true representation of  
3 historical performance he says he doesn't recall any conversation. Then Eckel says he had no trouble  
4 understanding what Murray was saying about the differences between the audited performance and the  
5 historical performance. Resp Exh 8 Trial Tr 702:4- 24 Resp Exh 20 in email to Murray Eckel says  
6 "can you explain to me again the reason for the difference" Then when questioned about his testimony  
7 "Are you saying that it never came----there was never a conversation between you and Murray about  
8 whether or not and how the audit material should be depicted to potential investors?" Resp. Exh 8 pages  
9 702:18-21 Eckel answers "No. It's not used as a marketing tool" Resp. Exh 8 702:22-24. This  
10 corroborates Murray testimony Eckel was not authorized to send out JMA audits.  
11

12  
13 The SEC next claims HFAdministrators and JMA was not independent and while  
14 Respondent should have disclosed his relationship and that it was opened for the Lowe investor group;  
15 there is no evidence or allegations any HFAdministrators' reports were incorrect. In fact, the first  
16 evidence of HFA sending any reports or engaging in any business is in January 2011. Respondent  
17 admits he should have disclosed this and his JMA relationship and acknowledges this was very serious  
18 and inappropriate and was a mistake. If given another chance, he will not let it happen again.  
19 Respondent believes not disclosing this is the reason for a jury verdict to convict of violation of 18 USC  
20 1343 and not the egregious conduct the SEC MSJ alleges.  
21

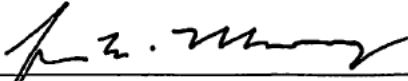
### 22 Conclusion

23 There is a dispute as to when the relevant misconduct required took place and what the  
24 underlying conduct was for the jury to have convicted of 18 USC 1343. The SEC MSJ argues  
25 in January of 2009 Respondent was acting as an investment advisor. As Respondent has argued  
26 in opposition to SEC MSJ there is no evidence of compensation paid as the SEC claimed.  
27

1           Additionally, there is no evidence of investment advice provided at that time and no  
2 evidence of any relevant misconduct at that time. Respondent was not acting as an investment  
3 advisor as required by the relevant Act. Respondent agrees he made some mistakes by  
4 exaggerating his education and by not disclosing his conflicts with JMA and HFA. Despite  
5 conduct that he replaced JMA, sent no audits to investors on their money, stole no money; he  
6 should not have done this and that these were the reasons for the jury conviction of 18 USC 1343  
7 not the reasons the SEC MSJ argues. Finally, the SEC OIP and MSJ have misstatements of  
8 facts. The reasons behind the conviction cited in the OIP and SEC MSJ are disputed as well as  
9 the amount of money raised from investors.  
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1 Dated: March 16, 2016

2 Respectfully Submitted,

3 

4 \_\_\_\_\_  
5 James M. Murray, In Pro Per  
6 Respondent

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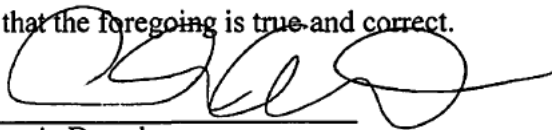
**CERTIFICATE OF SERVICE**

I, Alan A. Dressler , hereby certify that on March 18, 2016, an original and three copies of the foregoing Respondent’s Answer To SEC Motion for Summary Disposition were sent by U.S.P.S. first class mail for delivery to the Securities and Exchange Commission, Office of the Secretary, 100 F Street, N.E., Washington D.C. 20549, with a true copy transmitted by facsimile to 703-813-9793 for filing and that a true copy for filing and that a true and correct copy of the foregoing has been served by U.S.P.S. first class mail on the following person(s) entitled to notice:

The Honorable James E. Grimes  
Administrative Law Judge  
Securities and Exchange Commission  
100 F. Street, N.E.  
Washington, D.C., 20549-2553

James M. Habermeyer  
Securities and Exchange Commission  
44 Montgomery Street, Suite 2800  
San Francisco, CA 94104

I hereby certify under penalty of perjury that the foregoing is true and correct.

  
Alan A. Dressler



**RESPONDENT'S  
EXHIBIT 1**



Name: James Michael Murray  
 Student ID: [REDACTED]  
 Birthdate: [REDACTED]

Office of the Registrar  
 Registration and Transcripts  
 1401 East University Boulevard  
 P.O. Box 210066  
 Tucson, AZ 85721-0066

Page 1 of 3  
 Print Date: 08/14/2015  
 Official Academic Record

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ACCREDITATION  
 THE NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS

Degrees Awarded		AHRS	EHRS	QHRS	Points
Degree:	Bachelor of Arts				
Confir Date:	12/21/1991				
Degree GPA:	3.357	Term GPA: 2.833	12.000	12.000	34.000
Plan:	Major in Economics	Transfer Term GPA	0.000	0.000	0.000
Plan:	Major in Political Science	Combined GPA	12.000	12.000	34.000
Beginning of Undergraduate Record		AHRS	EHRS	QHRS	Points
Record Not Complete Without Pre-1988 Student Record		Cum GPA:	2.580	25.000	64.000
Academic Program History		Transfer Cum GPA	0.000	0.000	0.000
Program:	UGRD Initial Stats Pre 1988	Combined Cum GPA	2.560	25.000	64.000
01/01/1901	Active in Program				
UA Pre-1988 Statistics:					
Earned Units: 13.000	Graded Units: 13.000	Grade Points: 30.000	Cum GPA: 2.308		
Program:	Collegis Letters Arts Science				
01/14/1988	Active in Program				
UA Pre-1988 Statistics:					
Earned Units: 13.000	Graded Units: 13.000	Grade Points: 30.000	Cum GPA: 2.308		
Program:	College of Soc & Behav Sci				
08/24/1989	Active in Program				
Major in Political Science					
Major in Economics					
UA Pre-1988 Statistics:					
Earned Units: 13.000	Graded Units: 13.000	Grade Points: 30.000	Cum GPA: 2.308		
Program:	College of Soc & Behav Sci				
01/09/1991	Active in Program				
Major in Economics					
Major in Political Science					
UA Pre-1988 Statistics:					
Earned Units: 13.000	Graded Units: 13.000	Grade Points: 30.000	Cum GPA: 2.308		
Spring 1988		AHRS	EHRS	QHRS	Points
Course	Description				
ATMO 171	Intro Meteor + Climate	3.000	3.000		9.000
ECON 201B	Principle Economics	3.000	3.000		9.000
ENGL 102	Freshman Composition	0.000	0.000		0.000
EXSS 287	Control Stress + Tension	2.000	2.000		4.000
SPAN 101B	First Year Spanish	4.000	4.000		12.000
Term GPA:	3.571	14.000	14.000	14.000	50.000
Transfer Term GPA		0.000	0.000	0.000	0.000
Combined GPA	3.571	14.000	14.000	14.000	50.000
Fall 1988		AHRS	EHRS	QHRS	Points
Course	Description				
ASTR 100	Essentials Of Astronomy	3.000	3.000		6.000
ASTR 100L	Astronomy Lab	1.000	1.000		4.000
ECON 201A	Principle Economics	3.000	3.000		9.000
ENGL 102	Freshman Composition	3.000	3.000		9.000
MIS 111	Intro To Computing	3.000	3.000		9.000
POL 150	Chng To Pol 120 Eff 884	3.000	3.000		9.000
Term GPA:	2.875	16.000	16.000	16.000	46.000
Transfer Term GPA		0.000	0.000	0.000	0.000
Combined GPA	2.875	16.000	16.000	16.000	46.000
Spring 1989		AHRS	EHRS	QHRS	Points
Course	Description				
ATMO 171L	Intro Meteor+Climate Lab	1.000	1.000		4.000
DRAM 103	Theatre Appreciation	3.000	3.000		12.000
POL 422	Early Mod Pol Thy	3.000	3.000		9.000
RUSS 330	Russian Lit To 1850	3.000	3.000		12.000
SPAN 201A	Second Year Span	4.000	4.000		16.000
Term GPA:	3.571	14.000	14.000	14.000	50.000
Transfer Term GPA		0.000	0.000	0.000	0.000
Combined GPA	3.571	14.000	14.000	14.000	50.000



Elizabeth A. Acree  
 University Registrar

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OFFICIAL TRANSCRIPT OF ACADEMIC RECORD



Office of the Registrar  
Registration and Transcripts  
1401 East University Boulevard  
P.O. Box 210066  
Tucson, AZ 85721-0066

ACCREDITATION  
THE NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS

Patent #5,620,274

Name: James Michael Murray  
Student ID: [REDACTED]  
Birthdate: [REDACTED]

Page 2 of 3  
Print Date: 08/14/2015  
Official Academic Record

TouchSafe®

Cum GPA: 2.909      AHRS 65.000    EHRS 55.000    QHRS 65.000    Points 160.000  
Transfer Cum GPA      0.000      0.000      0.000      0.000  
Combined Cum GPA 2.909      55.000      55.000      55.000      160.000  
Term Honor:      Honorable Mention

Summer 1 1989  
Course      Description      AHRS      EHRS      Grade      Points  
EXSS 261      Adv First Aid+Emer Care      2.000      2.000      A      8.000  
Term GPA:      4.000      AHRS 2.000    EHRS 2.000    QHRS 2.000    Points 8.000  
Transfer Term GPA      0.000      0.000      0.000      0.000  
Combined GPA      4.000      2.000      2.000      2.000      8.000

Cum GPA: 2.947      AHRS 57.000    EHRS 57.000    QHRS 57.000    Points 168.000  
Transfer Cum GPA      0.000      0.000      0.000      0.000  
Combined Cum GPA 2.947      57.000      57.000      57.000      168.000

Fall 1989  
Course      Description      AHRS      EHRS      Grade      Points  
ANTH 205      Prehistoric Peoples Sw      3.000      3.000      A      12.000  
ECON 313      Econ Of Futures Market      3.000      3.000      B      9.000  
ECON 330      Money And Banking      3.000      3.000      A      12.000  
POL 470      Constt Law: Federalism      3.000      3.000      B      9.000  
SPAN 202      Second Year Spanish      4.000      4.000      A      16.000

Term GPA:      3.625      AHRS 16.000    EHRS 16.000    QHRS 16.000    Points 58.000  
Transfer Term GPA      0.000      0.000      0.000      0.000  
Combined GPA      3.625      16.000      16.000      16.000      58.000

Cum GPA: 3.096      AHRS 73.000    EHRS 73.000    QHRS 73.000    Points 226.000  
Transfer Cum GPA      0.000      0.000      0.000      0.000  
Combined Cum GPA 3.096      73.000      73.000      73.000      226.000  
Term Honor:      Dean's List

Spring 1990  
Course      Description      AHRS      EHRS      Grade      Points  
ECON 332      Aggre Econ Anly      3.000      3.000      A      12.000  
HIST 102      W Civ/Modern World-1648      3.000      3.000      A      12.000  
HIST 253B      History Of Women In Us      3.000      3.000      B      9.000  
POL 309      The Judicial Process      3.000      3.000      A      12.000  
POL 471      Constt Law:Civ Liberty      3.000      3.000      B      9.000

Term GPA:      3.600      AHRS 15.000    EHRS 15.000    QHRS 15.000    Points 54.000  
Transfer Term GPA      0.000      0.000      0.000      0.000  
Combined GPA      3.600      15.000      15.000      15.000      54.000  
STATUS:      ACADEMIC DISTINCTION 1989-90

Cum GPA: 3.182      AHRS 88.000    EHRS 88.000    QHRS 88.000    Points 280.000  
Transfer Cum GPA      0.000      0.000      0.000      0.000  
Combined Cum GPA 3.182      88.000      88.000      88.000      280.000  
Term Honor:      Dean's List

Fall 1990  
Course      Description      AHRS      EHRS      Grade      Points  
ECON 300      Microecon Anly Bus Decis      3.000      3.000      B      9.000  
ECON 339      Economic Statistics      3.000      3.000      A      12.000  
HIST 315      U S Military History      3.000      3.000      A      12.000  
POL 483      Urban Public Policy      3.000      3.000      A      12.000

Term GPA:      3.750      AHRS 12.000    EHRS 12.000    QHRS 12.000    Points 45.000  
Transfer Term GPA      0.000      0.000      0.000      0.000  
Combined GPA      3.750      12.000      12.000      12.000      45.000

Cum GPA: 3.250      AHRS 100.000    EHRS 100.000    QHRS 100.000    Points 325.000  
Transfer Cum GPA      0.000      0.000      0.000      0.000  
Combined Cum GPA 3.250      100.000      100.000      100.000      325.000  
Term Honor:      Honorable Mention

Spring 1991  
Course      Description      AHRS      EHRS      Grade      Points  
ECON 361      Intermediate Price Thy      3.000      3.000      B      9.000  
ECON 441      International Trade Thy      3.000      3.000      A      12.000  
HIST 440      U S 1945 - Present      3.000      3.000      B      9.000  
POL 406      Bureaucracy, Pol+Policy      3.000      3.000      A      12.000



Elizabeth A. Acree  
University Registrar

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JM-035958

EXH 139-0009



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 P.O. Box 210066  
 Tucson, AZ 85721-0066

ACCREDITATION  
 THE NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS

Name: James Michael Murray  
 Student ID: [REDACTED]  
 Birthdate: [REDACTED]

Page 3 of 3  
 Print Date: 08/14/2015  
 Official Academic Record

TouchSafe

Term GPA:	3.500	AHRS	12.000	EHRS	12.000	QHRS	12.000	Points	42.000
Transfer Term GPA			0.000		0.000		0.000		0.000
Combined GPA	3.500		12.000		12.000		12.000		42.000

Cum GPA:	3.277	AHRS	112.000	EHRS	112.000	QHRS	112.000	Points	367.000
Transfer Cum GPA			0.000		0.000		0.000		0.000
Combined Cum GPA	3.277		112.000		112.000		112.000		367.000

Term Honor: Honorable Mention

		Summer 1 1991			
Course	Description	AHRS	EHRS	Grade	Points
ECON 435	Public Sector Economics	3.000	3.000	A	12.000
EXSS 109	Backpacking	1.000	1.000	A	4.000
EXSS 141	Hiking	1.000	1.000	A	4.000

Term GPA:	4.000	AHRS	5.000	EHRS	5.000	QHRS	5.000	Points	20.000
Transfer Term GPA			0.000		0.000		0.000		0.000
Combined GPA	4.000		5.000		5.000		5.000		20.000

Cum GPA:	3.308	AHRS	117.000	EHRS	117.000	QHRS	117.000	Points	387.000
Transfer Cum GPA			0.000		0.000		0.000		0.000
Combined Cum GPA	3.308		117.000		117.000		117.000		387.000

		Summer 2 1991			
Course	Description	AHRS	EHRS	Grade	Points
ENGL 270D	Apch Lit: Major Themes	3.000	3.000	A	12.000
HLTH 308	Drugs - Society	3.000	3.000	A	12.000

Term GPA:	4.000	AHRS	6.000	EHRS	6.000	QHRS	6.000	Points	24.000
Transfer Term GPA			0.000		0.000		0.000		0.000
Combined GPA	4.000		6.000		6.000		6.000		24.000

Cum GPA:	3.341	AHRS	123.000	EHRS	123.000	QHRS	123.000	Points	411.000
Transfer Cum GPA			0.000		0.000		0.000		0.000
Combined Cum GPA	3.341		123.000		123.000		123.000		411.000

		Fall 1991							
Course	Description	AHRS	EHRS	Grade	Points				
HLTH 330	Human Sexuality	3.000	3.000	A	12.000				
Term GPA:	4.000	AHRS	3.000	EHRS	3.000	QHRS	3.000	Points	12.000
Transfer Term GPA			0.000		0.000		0.000		0.000
Combined GPA	4.000		3.000		3.000		3.000		12.000
Cum GPA:	3.357	AHRS	126.000	EHRS	126.000	QHRS	126.000	Points	423.000
Transfer Cum GPA			0.000		0.000		0.000		0.000
Combined Cum GPA	3.357		126.000		126.000		126.000		423.000

End of Undergraduate Record



Elizabeth A Acree  
 University Registrar

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**RESPONDENT'S**

**EXHIBIT 2**

1 A I said, I don't recall doing it.

2 Q After you were caught by a paralegal at Pillsbury on the  
3 computer, you needed to figure out some other way to get access  
4 to the internet, correct?

5 A No.

6 Q Mr. Murray, isn't it true that you smuggled a computer  
7 tablet into the Pillsbury law firm and then hid it in the  
8 ceiling of that conference room after you had been caught using  
9 one of Pillsbury' computers?

10 A Yes. And I'm sorry for that.

11 Q And each night you hid that computer tablet in the ceiling  
12 of the conference room that Pillsbury had specifically  
13 designated for you to use to prepare for your criminal defense  
14 in this case?

15 A Yes.

16 Q Now, let's get back to your first bond, the bond that you  
17 violated that got you back into custody. That bond had a  
18 specific addendum, did it not?

19 MR. DRESSLER: Objection, vague.

20 THE COURT: Overruled.

21 MS. HARRIS: Let's bring up Exhibit 165 that's been  
22 entered into evidence and then maybe we can -- actually, it's  
23 not Exhibit 165. I'm sorry. It's Exhibit 266.

24 Can we bring up Exhibit 266?

25 (Document displayed.)

**RESPONDENT'S**

**EXHIBIT 3**

- 1 that came in an email, I believe was your testimony. Correct?
- 2 A Yes.
- 3 Q Have you provided that email to the Government?
- 4 A I assume I did. I sent them everything.
- 5 Q You assume you did?
- 6 A Yes.
- 7 Q Do you have a copy of that --
- 8 A I would, at home, on my computer. I kept everything.
- 9 Q Okay. So you assume you did, but you are not 100 percent
- 10 sure? Would that be a fair statement?
- 11 A I'm 100 percent sure it's on my computer at home. I'm not
- 12 100 -- I forwarded over 250, 300 -- I don't remember if I did
- 13 every single one going through my files.
- 14 Q That would have been an important email to send them,
- 15 wouldn't it?
- 16 A Yes. Maybe they have it. I don't know.
- 17 Q Let's go back to April of 2009. You were the one that
- 18 approached Mr. Murray about possibly having him manage your
- 19 money, or helping you manage your money. Correct?
- 20 A Yes.
- 21 Q Okay. And that was around April 16th of 2009?
- 22 A Yes.
- 23 Q So between April 16 of 2009 and the end of June, a little
- 24 bit over two months, you met with him?
- 25 A Yes.



**RESPONDENT'S  
EXHIBIT 4**

1 A No. It was the -- when you're trading, computers, there's  
2 a bunch of them up. And from my understanding when he  
3 explained it before, when he had it his home when I first saw  
4 it, like, that's how he does the trades because -- I can't  
5 remember, three, four, five, screens and then they compare, and  
6 they were all up and on.

7 Q Okay. And from that you concluded that he was actually  
8 working and trading?

9 A Yes.

10 Q All right. You never received any audits from JMA, did  
11 you?

12 A No.

13 Q Mr. Murray never told you that JMA was auditing the funds  
14 that you had invested with him, correct?

15 A No.

16 Q And when you were considering investing with Mr. Murray,  
17 he didn't put pressure on you to invest with him, did he?

18 A No pressure.

19 Q Okay. In fact, the process started in April, and at some  
20 point you began an application process to roll over your funds  
21 into the Pensco Company, correct?

22 A Yes.

23 Q And my understanding is that your IRA with Levi, was that  
24 a Fidelity IRA?

25 A Yes.

1 Q Okay. And they told you you couldn't keep your IRA in  
2 that Fidelity account?

3 A Correct.

4 Q And so what were your options, as you understood them?

5 A My options was I could have my own Fidelity account and  
6 trade it or cash out.

7 Q Okay. And you started the Pensco process, correct?

8 A Yes.

9 Q All right. And Mr. Murray was helping you with that?

10 A Yes.

11 Q And he told you, did he not, that you could check that  
12 account via email -- strike that, the internet?

13 A No.

14 Q He didn't tell you --

15 A I did everything through Jim. He was my custodian, or  
16 whatever it was, the word they used.

17 Q Well, you had direct contact with Pensco, didn't you?

18 A Afterwards I contacted them out of desperation. I did  
19 everything through Jim. I trusted him as a friend.

20 Q Isn't it a fact that you had conversations with Pensco and  
21 you were upset at the fees they were going to charge you?

22 A I called them either before or after I contacted Jim  
23 asking what the fees were because Jim said to call them,  
24 because they changed. And he had told me the fees wouldn't be  
25 that high. And he didn't -- he didn't tell me that they were

1 going up or anything. That's when I contacted him and he told  
2 me to contact Pensco because he wasn't sure about why the fees  
3 had changed.

4 Q And then you did contact Pensco?

5 A Yes.

6 Q And you were not happy about the fees?

7 A No.

8 Q And at some point you indicated to Mr. Murray that those  
9 fees were so high, along with his fee, that you were going to  
10 stop the process, correct? In other words, you were going to  
11 stop, withdraw your application at Pensco?

12 A Withdraw my application?

13 Q Yes.

14 A But I ended up having the account with Pensco.

15 Q That's not my question, Ms. Seibt.

16 My question is: Isn't it a fact that you started the  
17 process sometime in April, and then sometime in early May you  
18 put a hold on your application because you were considering  
19 some other way of investing?

20 A No.

21 (Brief pause.)

22 A I wanted to be clear on the fees before I invested.

23 MR. DRESSLER: Your Honor, I'm going to show the  
24 witness Defendant's Exhibit 533 for identification purposes  
25 only at this time. It is not --

1 THE COURT: Exhibit 533?

2 MR. DRESSLER: It's not -- it's an impeachment  
3 document and it's not on my --

4 MS. HARRIS: Objection, your Honor. I object to any  
5 characterization of the document.

6 MR. DRESSLER: I apologize. I apologize. I withdraw  
7 that.

8 THE COURT: Any objection to showing the witness this  
9 document?

10 MS. HARRIS: No, your Honor.

11 THE COURT: Go ahead.

12 (Whereupon, document was tendered to the witness.)

13 BY MR. DRESSLER

14 Q Why don't you take a moment and read it. I believe that  
15 it starts -- the email chain starts on the second page.

16 THE COURT: Do you have a copy for the Court?

17 MR. DRESSLER: I do, your Honor.

18 (Whereupon, document was tendered to the Court.)

19 BY MR. DRESSLER

20 Q All right. If you look at the first -- those two pages  
21 contain, and tell me if I'm wrong, two emails that you sent to  
22 Mr. Murray and then his response to those two emails, correct?

23 A Yes.

24 Q Okay. And the first one is dated Saturday, May 30th,  
25 2009, correct?

1 A Yes.

2 Q At 2:39 p.m.?

3 A Yes.

4 Q All aright. And you say:

5 "Thanks for understanding. Pensco" --

6 MS. HARRIS: Objection, your Honor. I object to any  
7 reading from the email.

8 THE COURT: Sustained.

9 MR. DRESSLER: All right. All right.

10 BY MR. DRESSLER

11 Q In that email -- is that, in fact, an email that you sent  
12 to Mr. Murray?

13 A Yes.

14 Q Does that email indicate that you told Pensco that -- told  
15 Mr. Murray that you told Pensco to put a hold on the rollover?

16 A Correct.

17 Q So, in fact -- in fact, you did put a stop on the  
18 Pensco --

19 A It's all a part of the process. It is -- it's my decision  
20 process to open the account. It wasn't opened yet. A "hold"  
21 means it wasn't opened. It means I was deciding: Wait a  
22 minute. There's other fees I didn't know about.

23 It's the process of making a decision, and in that process  
24 I had more information that I didn't have before. Now I found  
25 out new information, so I wanted to think about it. That's all

1 it means.

2 Q Okay. Fair enough.

3 In that same email you indicated to Mr. Murray that you  
4 were considering keeping your money at Fidelity in a Levi's  
5 401(k) program?

6 A It wouldn't have been Levi's. It's the Fidelity account,  
7 that it could roll over into my own trading. I was asking him  
8 to trade it, since I didn't have the capacity to trade it on my  
9 own. I didn't know how to trade on my own.

10 Q Didn't you say:

11 "If I keep it at Fidelity in a Levi's 401(k),  
12 maybe you can help me figure out how to balance my  
13 portfolio and I can pay you a consulting fee for  
14 making suggestions every quarter once a year."

15 A That's a label. Levi's 401(k) is just what I'm calling  
16 it. I was no longer part of Levi's. I was let go. It can't  
17 be a 401(k) with Levi's any more. That's the reason I  
18 approached him.

19 Q Did you put those words in your email that I just read?

20 A No. But the email is also short. I'm not going to  
21 explain everything. I'm explaining it to you now.

22 Q I'm not asking for an explanation now --

23 A It's a label. It's what I called it, the Levi's 401(k),  
24 because that's what it was --

25 Q I'm just asking you --

1           **THE COURT:** All right. Hold on. He's asking you a  
2 specific question. You can explain it, but he's asking you a  
3 specific question.

4           Ask the question again.

5 **BY MR. DRESSLER**

6 **Q**     (As read)

7           "If I keep it at Fidelity in Levi's 401(k), maybe  
8 you can help me figure out how to balance my  
9 portfolio and I can pay you a consulting fee for  
10 making suggestions every quarter or once a year."

11          Did you put those words in the email? That's what the  
12 email says, correct?

13 **A**     Yes. But you're insinuating that that means something  
14 different than it does. That's what I would like to clarify.

15 **Q**     Fine.

16           **THE COURT:** So the answer is "yes" and you've already  
17 explained the reasoning. Let's move on.

18           **MR. DRESSLER:** Okay.

19 **BY MR. DRESSLER**

20 **Q**     And so you were -- at this point you're telling Mr. Murray  
21 that you're considering not investing with him and suggesting a  
22 different possibility of -- just let me finish the question.

23          You're considering a different way of having Mr. Murray  
24 help you?

25 **A**     Correct.



1 Q And the second email you sent to Mr. Murray at 3:50 p.m.,  
2 correct?

3 A Pardon? Which one?

4 Q There was a second email. The first one we have been  
5 talking about was at 2:39 p.m. The second one was at  
6 3:50 p.m. on the same day.

7 MS. HARRIS: Objection, your Honor. That  
8 mischaracterizes the document and it's not in evidence.

9 The email that Mr. Dressler is referring to is dated  
10 May 30th, 2009. That's the second one.

11 MR. DRESSLER: I'm sorry. That's correct.

12 THE COURT: You're talking about Page 1?

13 MR. DRESSLER: I have it backwards. I apologize.

14 BY MR. DRESSLER

15 Q The first email you sent was May 29 at 3:50 p.m., correct?

16 A Correct.

17 Q That one also talked about keeping your money at Fidelity?

18 A I believe the fees of \$800 and .025 of the market is for  
19 Pensco.

20 Q All right. Do you see in that email:

21 "Maybe to keep it at Fidelity and to put in a  
22 couple good options there," question mark.

23 This is the May 29th, 3:50 p.m. email.

24 A Correct. But I'm still asking Jim to help me invest in  
25 Fidelity. I wasn't going to keep it there if I had to invest

1 it myself.

2 Q Did I correctly represent what the -- what the words were  
3 in the email there?

4 A I'm sorry. I'm not understanding your question.

5 Q In other words, did you say in that email:

6 "Maybe to keep it at Fidelity and to put it in a  
7 couple good options there."

8 Calls for a "yes" or "no" answer. Did you say that in the  
9 email?

10 A Yes.

11 Q And then -- so on that same day, May 29th, at 4:58  
12 Mr. Murray responded --

13 MS. HARRIS: Objection, your Honor. This is going to  
14 be hearsay. The document is not in evidence.

15 MR. DRESSLER: I move it into --

16 THE COURT: Are you intending to read from it?

17 MR. DRESSLER: I'll move it into evidence now.

18 THE COURT: All right. Any objection?

19 MS. HARRIS: No.

20 THE COURT: All right. Admitted. 533 is admitted.

21 Now you can read it.

22 MR. DRESSLER: Yes.

23 (Trial Exhibit 533 received in evidence.)

24 BY MR. DRESSLER

25 Q On Friday, May 29, 2009 at 4:58 p.m. Mr. Murray responded:

1 "And, yes, if it's too expensive, you can, of  
2 course, keep it at Fidelity. Have a great weekend,  
3 Jim."

4 Correct?

5 A Yes.

6 Q And so there he was telling you, if you don't like what  
7 I'm suggesting, keep it at Fidelity and invest your money some  
8 other way. He wasn't saying you had to invest with him,  
9 correct?

10 A No.

11 MS. HARRIS: Objection, your Honor. That question is  
12 compound and it misstates exactly what's in there.

13 THE COURT: Well, it's compound. Rephrase it.

14 MR. DRESSLER: All right.

15 BY MR. DRESSLER

16 Q He was telling you, was he not, that you could keep your  
17 money at Fidelity and not send it to Pensco?

18 A I already had given him the 90,000. Now I'm asking to  
19 help me with my IRA. So he already had 90,000.

20 Now we're going through the Fidelity process, and it's a  
21 back-and-forth until I made my decision. And if I kept it at  
22 Fidelity, I was going to have him help me.

23 So he's still involved. I was not excluding him from the  
24 decision.

25 Q I appreciate that, all right, but he wasn't -- at

1 So it's to help me manage it, and I would pay him.

2 Q Okay. But you didn't do the Fidelity -- that particular  
3 option that you were considering didn't happen, did it?

4 A Correct.

5 Q But you considered that at one time?

6 A Correct.

7 Q And Mr. Murray was saying: Fine, whatever you --  
8 basically, what he was saying: Whatever you want to do. If  
9 you want my help fine. If you don't want my help, fine.

10 A Correct.

11 MR. DRESSLER: May I approach the witness?

12 THE COURT: Yes.

13 (Whereupon document was tendered to the witness.)

14 THE COURT: Do you have a copy for the Court?

15 (Whereupon, document was tendered to the Court.)

16 BY MR. DRESSLER

17 Q All right. I've placed before the witness a document  
18 entitled Defendant's Exhibit 534.

19 Would you take a look at that?

20 A Yes.

21 Q All right. That's dated May 15, 2009 the first page?

22 (Brief pause.)

23 Q Is there an email from Jim Murray to you dated May 15th,  
24 2009 on the first page?

25 A Yes.

**RESPONDENT'S**

**EXHIBIT 5**

1 it's the middle of 2010.

2 Q So, you -- you approached him, correct?

3 A I sent him an email. Yeah. Someone referred me to him,  
4 yeah. A marketer, his marketer referred me to him.

5 Q You were soliciting business from -- strike that.

6 You wanted him to hire you to do marketing for him.

7 Correct?

8 A Yes.

9 Q Okay. And --

10 A Well, at first -- at first glance. I was just doing  
11 initial research. And I said, you know, "I'm interested in --  
12 someone referred me to you. Can I receive information?"

13 And based on that information, I form an opinion. And if  
14 I'm interested, that usually takes a couple months.

15 Q And so, whatever information you got was information which  
16 was sufficient to interest you in maybe getting Mr. Murray to  
17 employ you for whatever -- the services that you did.

18 A Yes. Maybe.

19 Q Is that -- okay. And, did he indicate to you that he was  
20 interested in obtaining -- and correct me, I always have a  
21 problem with the names that are used in your industry, but a  
22 separate management agreement where -- what I mean by that is  
23 where someone hires a trader, someone like Mr. Murray, and  
24 gives them control of certain assets, and then that person --  
25 person trades the assets for the owner of the assets?

**RESPONDENT'S**

**EXHIBIT 6**

1 Q Is this the meeting she testified to where she showed up  
2 at your office?

3 A It is.

4 Q Okay. And she indicated that she saw computer screens lit  
5 up and that you seemed to still be in business?

6 A Yes.

7 Q All right. Is -- you heard her version of what transpired  
8 at that meeting?

9 A Yes.

10 Q All right. Is her version what happened?

11 MS. HARRIS: Objection, your Honor. That's not a  
12 proper question.

13 THE COURT: Sustained.

14 BY MR. DRESSLER

15 Q Did you at any time tell her that: Don't worry if you  
16 lose your money, your daddy is a doctor?

17 A Never.

18 Q As you sit here right now, do you know whether or not all  
19 her money is gone?

20 A I know for a fact it's not gone.

21 Q And are you saying that you believe that part of the funds  
22 that were seized by the Government contain some of her monies?

23 A Yes.

24 Q Okay.

25 MR. DRESSLER: I think this would be a good time to



1 Q Did he ask for copies of prior audits?

2 A Like?

3 Q By whoever audited your company?

4 A Yes.

5 Q And did you give them to him directly? Or did he get them  
6 by some other method?

7 A No. I had Jones Moore send it directly to him.

8 Q And prior to engaging his services, did you have a  
9 discussion with him about whether or not those audits should be  
10 used as a marketing tool to attract individual investors who  
11 wanted to invest directly into MNT?

12 A Prior to him receiving those audits?

13 Q Yes.

14 A Did we have a conversation immediately -- not prior to.  
15 He had asked me after he received them, I believe he noted that  
16 there was a disclaimer in the email from JMA saying this is not  
17 marketing material. And this is not confirmation of historical  
18 performance, not to be distributed. A legal disclaimer.

19 He talked to me about it. And at that point I explained  
20 to him the details of why the audit is not a marketing tool.

21 Q Okay. Mr. Murray, you were in the courtroom --

22 MR. DRESSLER: Can you turn the ELMO on?

23 THE CLERK: Sure.

24 BY MR. DRESSLER:

25 Q You were in the courtroom when I questioned Mr. Eckel and

1 weighted return and should be in line with the  
2 factsheet. I assume that there are a) no side  
3 pockets, b) different fee structures, and c) no  
4 different portfolios for different investors. I.e.  
5 eligible for hot issues or not?"

6 BY MR. DRESSLER:

7 Q All right. And then, does it outline the difference  
8 between the factsheet performance and the audited performance  
9 for various years?

10 A It does.

11 Q And in terms of factsheet performance, can you tell the  
12 jury where this investor would have gotten that information?

13 A Off of Mr. Eckel's one-page summary.

14 Q Okay. And then the last paragraph, can you read that?

15 A (As read)

16 "Why does the manager calculate and report  
17 different - always better - performance numbers? I  
18 would expect that he would or should use the same  
19 calculation method as the administrator and auditor.  
20 Can you please explain in detail where the difference  
21 comes from and why performance it is not reported as  
22 calculated by the auditor?"

23 Q Okay. Now, prior to receiving this email, Exhibit 166,  
24 Page 6 and 7, from Mr. Eckel, had you had discussions with him  
25 about whether or not the audits should be used as a marketing

1 tool?

2 A Yes.

3 Q And what did you tell him?

4 A I told him that they should not be used as a marketing  
5 tool.

6 Q Because?

7 A And went -- and I explained this, what I'm explaining  
8 here, to Paul.

9 Q Okay. And you explained that to him?

10 A I explained it, yes.

11 Q And did you explain it to him before this email?

12 A Yes.

13 Q Did he continue -- did this email, when you received this  
14 email, did it indicate to you that he was not following your  
15 advice with regard to using the audits as a marketing tool?

16 A Yes. And it also indicates that he's misrepresenting what  
17 an audit is. An audit is not confirmation of historical  
18 performance.

19 Q Okay. So you called him after you received this email?

20 A Yes.

21 Q And what did you say to him?

22 A I -- we talked about this very subject, and I told him  
23 that, you know, we already went over this, and I thought we had  
24 decided that this is not a marketing tool.

25 Q Okay.

1 A And clearly, this is -- this investor has misunderstood  
2 what -- what, you know, this whole -- the difference between an  
3 audit and the historical performance, which, it led me to  
4 believe that Paul didn't understand what I was talking about.

5 Q Okay.

6 MR. DRESSLER: I'm going to return Exhibit 166.

7 THE CLERK: Thank you.

8 MR. DRESSLER: And I'm going to grab Exhibit 162.

9 BY MR. DRESSLER:

10 Q I'm going to show you Page 1 of 162 and ask if you have  
11 seen this document before.

12 (Document displayed)

13 A Yes. I believe it's the solic- -- the agreement I had  
14 with Paul Eckel.

15 Q I'm going to show you Exhibit 162 at Page 6.

16 (Document displayed)

17 Q Is that your signature on that page?

18 A It is.

19 Q Is that Paul Eckel's signature on that page?

20 A It is.

21 Q Now I'm going to go back to Page 1.

22 (Document displayed)

23 Q And I'm going to focus on No. 1 there. It says  
24 "Solicitation Activities."

25 A Yes.

1 Q And then there is Subparagraph B?

2 A Yes.

3 Q And then there's Subparagraph small-cap iii?

4 A Yes.

5 Q Do you see that?

6 A Yes.

7 Q Could you read that?

8 A (As read)

9 "Shall not deliver to prospective investors any  
10 written materials concerning the investment manager,  
11 the funds (other than copies of the offering..."

12 Q Stop there, and I'll go to Page 2.

13 (Document displayed)

14 A (As read)

15 "...memorandums) or managed accounts that have  
16 not been specifically approved in writing by the  
17 investment manager prior to such delivery."

18 MR. DRESSLER: I'm returning 162 to the clerk.

19 BY MR. DRESSLER:

20 Q Did you ever give Mr. Eckel oral authority -- bad term.

21 Did you ever tell Mr. Eckel during any conversation that  
22 you had with him that he was authorized to send the JMA audits  
23 to investors or show investors the JMA audits?

24 A No.

25 Q Did you ever give him written authorization to give or

1 show those audits to investors?

2 A No.

3 Q All right. Did you make arrangements for JMA to provide  
4 those audits to Mr. Eckel?

5 A Yes.

6 Q All right. And how did you do that?

7 A By email.

8 Q Did you create these audits? Or did JMA?

9 Strike that.

10 When I refer to "JMA" I'm talking about, for you and for  
11 the jury, Jones Moore & Associates. Okay?

12 Did you cause JMA to send -- I asked you that. Did you --  
13 did you create these audits? Or did JMA create these audits?

14 A I did not create these audits.

15 Q And you did make arrangements to have those audits sent to  
16 Mr. Eckel. Correct?

17 A Yes.

18 Q And what was your purpose in sending those audits to  
19 Mr. Eckel?

20 A To show that there is no qualified -- that the audit is  
21 unqualified, which directly relates to startup costs being  
22 amortized. So that -- some funds, they have a large cost that  
23 they need to -- that they will amortize and carry forward to  
24 their investors. So some investors when they buy into the fund  
25 are responsible for those expenses.

1 A It is a bad thing.

2 Q And why is that?

3 A Because it indicates less interest in the investment,  
4 rather than more interest.

5 Q Okay.

6 MR. DRESSLER: Are we up and running? Can we go to  
7 Exhibit 140, please, Government Exhibit 140?

8 (Document displayed)

9 BY MR. DRESSLER:

10 Q Okay. Can you see Exhibit 140, Page 1?

11 A I see -- yes, I do.

12 Q Okay. Let me ask you a preliminary question. Why did you  
13 hire CCS Financial in 2009?

14 A One of my partners had an existing business relationship  
15 with them, and requested that I use them.

16 Q Okay. Now, the highlighted section of Exhibit 140 shows  
17 September, October, November, December, a sudden and  
18 significant decrease in the performance of the fund.

19 Would that be a correct characterization?

20 A It is.

21 Q Okay. And why does that exhibit show that decrease in  
22 performance?

23 A At the time, that represents a new class. A new share  
24 class of investing.

25 Q And, could you explain that further?

1 A There were two or three partners that wanted to do  
2 self-directed trades with their capital account. So, this  
3 class was created.

4 Q And was it that class that lost significant amounts of  
5 money?

6 A Yes.

7 Q Okay. And were you required to report those losses as  
8 part of the performance of the fund as a whole?

9 A Yes.

10 Q Okay. All right.

11 A And those are -- those are -- these losses are included.

12 Q Okay. Thank you. I'll move on now. I'm going to ask you  
13 some questions about David Lowe.

14 When did you first meet David Lowe, either in person or  
15 electronically?

16 A Um, I met him over the phone in late 2007 or early 2008.

17 Q Okay. And did you call him, or did he call you?

18 A Called me.

19 Q And did you indicate -- had someone referred him to you?

20 A Yes.

21 Q And who was that?

22 A It was miss -- Gianluca de Francisci.

23 Q And, can you just give the jury a brief summary of what  
24 that initial conversation entailed?

25 A It was about investing. He was interested in my trading.



1 Q And during that first conversation, did you discuss your  
2 trading strategy?

3 A Yes. Generally.

4 Q Okay. And did you have followup calls with him after that  
5 initial telephone call?

6 A Yes, I did. Several.

7 Q Okay. And, did you -- during those subsequent calls, did  
8 you continue to discuss your trading strategy?

9 A Yes.

10 Q All right. And during the subsequent calls, did he tell  
11 you who he was and what his business background was, what his  
12 profession was, that type of thing?

13 A He did. He told me he was the ex-president of -- excuse  
14 me -- Orion Pictures, based in Los Angeles. And he was  
15 currently the CEO of Eurovision, PLC, which traded publicly on  
16 the London Stock Exchange.

17 And he told me he was an attorney, a British attorney, and  
18 he represented several wealthy, large wealthy families. He  
19 mentioned the Saudi royal family, and an Israeli, and then some  
20 European banking families.

21 Q Okay. And did you believe him?

22 A I did.

23 Q And did he also talk to you about -- did he indicate  
24 whether or not he had a group of investors in Europe?

25 A Yes, he did.

1 Q Okay. And what did he tell you about those investors?

2 A He said there's large pool of capital that's been managed,  
3 and I think during that time period, had lost a substantial  
4 amount of money. And they were looking for new -- new ideas.

5 Q I take it -- let me ask you this.

6 During these conversations, at some point did he indicate  
7 he was interested in you actually having these investors --  
8 having these European investors invest in your -- in MNT?

9 A He did, yes.

10 Q And did he indicate to you the amount of money that these  
11 investors had to invest?

12 A Well, he didn't specify the ceiling. The amount he was  
13 talking about with me was 20 million.

14 Q Okay. And were you interested in having 20 million  
15 invested in MNT at that time?

16 A I was, of course.

17 Q Okay. And did you then discuss conditions and -- let me  
18 withdraw that.

19 Did you discuss the mechanics of how that kind of  
20 investment would be made?

21 A Yes.

22 Q Okay. Did -- did Mr. Lowe indicate that there was some  
23 conditions that he would require to make his investors  
24 comfortable in investing in the United States?

25 A Yes. In 2000- -- yes, he did.

1 Q And what were those conditions?

2 A The conditions were that there was a -- a large concern in  
3 the market at that time in 2000- -- 2007, 2008. The worldwide  
4 banking system was under a lot of pressure. And there was  
5 concern --

6 MS. HARRIS: Your Honor, I move to strike. This is a  
7 narrative, not --

8 THE COURT: Sustained. There was a specific  
9 question. Answer the specific question.

10 MR. DRESSLER: Okay.

11 THE WITNESS: All right.

12 BY MR. DRESSLER:

13 Q So, what were one of the conditions that he indicated  
14 would make his investors feel more comfortable?

15 A At the time I had no auditor and I had no administrator.  
16 He needed that to happen.

17 Q Okay. Let me ask you this, while we're at this point.  
18 You didn't have any auditing firm?

19 A No.

20 THE COURT: You need to set a time frame.

21 MR. DRESSLER: At the end of 2007, beginning in 2008.

22 THE WITNESS: Correct. And --

23 BY MR. DRESSLER:

24 Q Okay. Same time period, end of 2007, beginning of 2008,  
25 you didn't have a fund administrator?

1 A No. It's not required.

2 Q Okay. All right. So, let me ask you this question.

3 There are JMA audits for 2007 --

4 MS. HARRIS: Objection, Your Honor. This is leading.

5 THE COURT: Sustained.

6 MR. DRESSLER: Okay.

7 BY MR. DRESSLER:

8 Q The JMA audit for 2006 that's been referred to in this  
9 case, you have seen that?

10 A Yes, I have seen that.

11 Q Okay. When was the that audit actually done?

12 A In 2000- -- the middle of 2009.

13 Q And, same question with regard to the 2007 audit. When  
14 was that done?

15 A I believe 2006, -7 and -8 were done in the middle part of  
16 2009.

17 Q Okay. Did you tell Mr. Lowe that you didn't have -- did  
18 you indicate to him whether or not you had -- during that  
19 conversation you had with him, end of 2007, beginning of 2008,  
20 did you indicate to him that you did not have an auditor?

21 A I told him that, yes.

22 Q Did you -- same time period, did you indicate to him you  
23 did not have a fund administrator?

24 A I did.

25 Q Okay. How did he respond to that?

1 A He told me that in order for this to happen, I would need  
2 to get one.

3 Q Okay. And were you willing -- did you tell him you would  
4 agree to do that?

5 A Yes. No problem.

6 Q Did he make a proposal to you with regard to who would be  
7 the auditor and who would be the hedge fund arbitrator?

8 A He did.

9 Q Again, this is in conversations during the end of 2007,  
10 beginning of 2008? These conversations I just asked you about?

11 A Yes.

12 Q Let me rephrase it -- all right. Did he make a proposal  
13 to you at the end of 2007, beginning of 2008, with regard to  
14 obtaining an auditor and a hedge fund administrator?

15 A He did.

16 Q Okay. And what did he -- what did he propose?

17 A He proposed that he would have direct oversight and  
18 control of the audit and administration firm.

19 Q And what did you say to that?

20 A I said that sounds reasonable.

21 Q Okay. Were you concerned about the fact that he was --  
22 would be doing -- having that control, and at the same time be  
23 advising people to invest in your fund?

24 A No. It -- during the time, in 2007, 2008, there was a  
25 concern about the banking industry. Worldwide. I mean,

1 everyone who's been reading the newspapers for the -- since  
2 that time knows about that.

3 MS. HARRIS: Your Honor, I move to strike. That's  
4 totally unresponsive.

5 THE COURT: Right. I'm going strike the response as  
6 non-responsive.

7 You need to answer the question specifically.

8 THE WITNESS: Repeat the question.

9 THE COURT: And then afterwards you can --

10 MR. DRESSLER: I'm going to ask a different question.  
11 All right?

12 THE COURT: Okay.

13 BY MR. DRESSLER:

14 Q Were you concerned -- based on his indication that he  
15 wanted to have some control over the auditor and hedge fund,  
16 were you concerned that that created a conflict of interest for  
17 him?

18 A No. Because he wasn't -- he wasn't going to be an  
19 investor.

20 Q Okay. After the conversation that we are talking about  
21 now where he made this suggestion, all right, did you have a  
22 conference call with him and some other individuals?

23 A I did.

24 Q Okay. And when did that occur?

25 A A few months later.

1 Q And this was a conference call, correct?

2 A Correct.

3 Q Okay. And, you were on one end of the conference call?

4 A Yes.

5 Q And who was on the other end of the conference call?

6 A Mr. Lowe, and a gentleman named Richard Jones, another man  
7 named Joseph Moore, and Gary Anderson. And there was also a  
8 female, Eve Nelson.

9 Q Okay. And did these individuals identify what their  
10 occupation was?

11 A Yes.

12 Q Would you tell the jury, for each of the individuals you  
13 just described, with their occupation was. What they told you  
14 their occupation was.

15 A They told me -- Richard told me he was a Certified Public  
16 Accountant in the state of Delaware. Joseph said he was a  
17 Certified Public Accountant in Delaware, also. And so did  
18 Mr. Anderson. The same state.

19 And Eve Nelson was not certified, but she has accounting  
20 experience.

21 Q And could you briefly summarize what was discussed during  
22 that conference call?

23 A They were at the time asking me, getting some background  
24 information on me and my -- my business, and my trading style.  
25 Typical questions an accountant would ask about a trader's

1 business, such as number of trades traded per day, the  
2 instruments traded. The reporting. Just some general  
3 background.

4 Q Okay. And were there followup conference calls with  
5 Mr. Lowe and these same individuals?

6 A Yes.

7 Q Okay. And when did those occur, over what period of time?

8 A Over the next couple of months.

9 Q Okay. At some point after these conference calls, did you  
10 have a telephone conversation with Mr. Lowe -- strike that.

11 After these conference calls, did you have a conversation  
12 with you on one side of the line and Mr. Lowe on one side of  
13 the line, involving the kinds of issues that were discussed  
14 during these conference calls?

15 A Yes.

16 Q Okay. Did Mr. Lowe make a proposal with regard to setting  
17 up an auditing firm and a hedge fund administration firm?

18 A He did.

19 Q Okay. What was that proposal?

20 A He proposed that I help and assist with the initial  
21 startup, obtaining the -- reserving the domain names, doing --  
22 getting the virtual office set up. Just general startup  
23 activities. While he would work on coordinating the other --  
24 you know, agreements between everyone.

25 Q Did you find that an unusual request?



1 MS. HARRIS: Objection, your Honor. That's leading  
2 and improper.

3 THE COURT: Sustained.

4 MR. DRESSLER: Okay.

5 BY MR. DRESSLER

6 Q What was your purpose in doing this?

7 A Well, to convert the credit lines that I had into cash.

8 Q And what did you intend to do with the cash?

9 A To invest it into MNT.

10 Q And did you invest it into MNT?

11 A I did.

12 Q Let's go to January and February of 2011. In terms of --  
13 have you reviewed the JMA merchant account documents in  
14 preparation for this case?

15 A Yes.

16 Q And would it be fair to state that in January and February  
17 of 2011 the amount of money -- strike that, the amount of  
18 charges that you made through the JMA Paymentech account  
19 increased dramatically?

20 A Yes.

21 Q Okay. And can you tell the jury why there was a dramatic  
22 increase in the amount of transactions that you were putting  
23 through the JMA Paymentech DDA account?

24 A Yes. I was expecting a wire payment in March.

25 Q Okay. From whom?

- 1 A From Mr. Lowe.
- 2 Q And when were you expecting that?
- 3 A The last week of March.
- 4 Q Okay. On March 30th did you issue a very large amount of  
5 refunds through the JMA Paymentech account, on March 30th?
- 6 A Yes, I did.
- 7 Q And why did you do that?
- 8 A Because I was told the wire transfer for 608,000 had been  
9 sent.
- 10 Q Okay. Within a few days of issuing those refunds, did you  
11 receive a telephone call from Chase Paymentech?
- 12 A I did.
- 13 Q And did you have a conversation with someone from Chase  
14 Paymentech?
- 15 A I did.
- 16 Q What was the subject of that call?
- 17 A It was someone from Chase, a woman. She said that they  
18 had -- she had stopped the refunds and that she needed to  
19 verify funds in the Demand Deposit Account that they were  
20 debiting before she could process the refunds.
- 21 Q And what was your response there?
- 22 A I said that's fine with me. I don't want you to put them  
23 through if there is no funds.
- 24 Q Okay. Did you receive another call a day or two later?
- 25 A I did.

1 Q And was that from the same person?

2 A It was.

3 Q And what was the substance of that call?

4 A She told me that she had verified funds with the bank and  
5 she was releasing the refunds from hold status.

6 Q And when she told you there were funds in the bank, did  
7 you know where those funds came from?

8 A Yes.

9 Q Where?

10 A From Mr. Lowe's control.

11 Q Okay. After that conversation, what happened in terms of  
12 the refunds?

13 A Well, you mean what happened --

14 Q In other words --

15 A They were released.

16 Q -- did you learn at some point when the -- when the  
17 refunds -- did you learn that the refunds that you issued on  
18 March 30th went through?

19 A Yes.

20 Q At some point -- so after those refunds, you were aware of  
21 that, correct?

22 A Correct.

23 Q That those refunds went through?

24 A Correct.

25 Q And after those refunds went through, did you issue

**RESPONDENT'S**

**EXHIBIT 7**

CROSS EXAMINATION

1  
2 BY MR. DRESSLER:

3 Q Your company does not do audited returns of hedge funds,  
4 correct?

5 A CCS did not do any audit work.

6 Q Okay. And would it be fair to state that to do an audited  
7 return of a hedge fund is somewhat different than what you were  
8 doing?

9 A Yes.

10 Q Much more complicated?

11 A Um, I wouldn't say complicated, but more involved.

12 Q When you say "more involved," what do you mean?

13 A There would be confirmations from banks and brokerage  
14 statements directly on the balances.

15 Q And, with regard to Exhibit 142, Page 13 --

16 MR. DRESSLER: If you want to put it up, that would  
17 be fine.

18 (Document displayed)

19 THE WITNESS: Okay.

20 BY MR. DRESSLER:

21 Q I believe you were asked if you saw the name Corinna  
22 Seibt, S-E-I-B-T, there. And you indicated you didn't.  
23 Correct?

24 A Correct.

25 Q Do you see below the last name, "Guernsey," it says "Total

1 for A Class?

2 A Uh-huh.

3 Q Would it be fair to state that Exhibit 142 was based on a  
4 class of the managing member and three other individuals or  
5 entities?

6 A Yes.

7 Q Okay. So, you didn't do a financial compilation for a  
8 Class B, did you?

9 A No. To our knowledge, there was only a Class A.

10 Q Okay.

11 THE COURT: Counsel, I'm going to have to take a  
12 break for a moment.

13 MR. DRESSLER: Certainly.

14 THE COURT: Let's take a ten-minute break.

15 (Whereupon there was a recess in the proceedings  
16 from 9:21 a.m. until 9:26 a.m.)

17 (The following proceedings were held outside of the  
18 presence of the Jury)

19 MR. FARNHAM: Your Honor, we are waiting for our  
20 paralegal. This is a key part of our document presentation  
21 system. If we can have one more minute?

22 THE COURT: Okay. Is she on her way?

23 MR. FARNHAM: I'm sure she is.

24 MR. DRESSLER: While we are doing that, I need to put  
25 this on the record.

1 they want to, and if they don't want to, they don't really have  
2 to?

3 A I do not think that is fair to say. It depends on the  
4 products they're trading, and who they're registered with. If  
5 he was trading any futures products, it's very possible that  
6 would have been a requirement with a different agency.

7 Q You don't know if he was trading any futures, do you?

8 A I would have to look at his brokerage statements in  
9 detail.

10 Q Now, you were shown -- I don't remember the exact exhibit,  
11 but you were shown an email for from Jackie Melamed to  
12 Mr. Murray?

13 A Uh-huh.

14 Q All right. Your involvement, hands-on involvement in  
15 terms of Mr. Murray's -- the compilations that you have  
16 testified to, those were prepared -- strike that.

17 You indicated that your hands-on involvement was the first  
18 six months, approximately --

19 A Approximately, yes.

20 Q -- of 2009. Correct?

21 A Correct.

22 Q And after that, you were supervised -- strike that.

23 You reviewed work that other -- someone else did.

24 Correct?

25 A Correct.

1 Q And does CCS Services still exist as a company?

2 A Not to my knowledge.

3 MR. DRESSLER: Thank you. Oh, one second.

4 (Off-the-Record discussion between Defendant and  
5 Counsel)

6 MR. DRESSLER: No further questions. Thank you.

7 THE COURT: Okay, thank you.

8 Anything on redirect?

9 MR. FARNHAM: Briefly, Your Honor.

10 REDIRECT EXAMINATION

11 BY MR. FARNHAM:

12 Q Ms. Moran, why did CCS Financial go out of business, if  
13 you know?

14 A A lot of it had to do with the market conditions, and  
15 several companies losing quite a bit of money.

16 Q Mr. Dressler asked about your hands-on involvement with  
17 this, and you testified that ended in about the middle of 2009?

18 A It appears so.

19 Q And then, your review continued until when?

20 A It would have continued all the way through December,  
21 2009.

22 Q Did it continue after that?

23 A Not to my knowledge. I don't believe any further  
24 accounting was prepared.

25 Q Why is that?



**RESPONDENT'S**

**EXHIBIT 8**

1 based on the solicitation agreement that is Exhibit 162?

2 A Basically, introduce my investor contacts for potential  
3 investment into the Market Neutral Trading fund.

4 Q Okay. Did you also have a consultant proposal for Market  
5 Neutral Trading whereby you would serve as some type of  
6 consultant as to Market Neutral Trading?

7 A Yes, I did.

8 Q Can you take a look at Exhibit 163, and tell us if you  
9 recognize Exhibit 163.

10 (Request complied with by the Witness)

11 A Yes, I do.

12 Q What is Exhibit 163?

13 A Basically an outline, a consultant proposal, mainly to get  
14 paid for doing -- creating marketing materials, which is part  
15 of the capital-raising process.

16 Q And, did you create Exhibit 163 in September of 2010?

17 A Yes.

18 MS. HARRIS: Your Honor, I offer Exhibit 163 into  
19 evidence.

20 THE COURT: Any objection?

21 Any objection, Mr. Dressler?

22 MR. DRESSLER: No, Your Honor.

23 THE COURT: Admitted.

24 (Trial Exhibit 163 received in evidence)

25 MS. HARRIS: If we could bring up Page 1 of

1 would it be fair to state that it's not as simple as auditing  
2 certain other businesses?

3 MS. HARRIS: Objection, Your Honor. This witness is  
4 not an auditor. And there's no foundation laid for that.

5 THE COURT: Sustained. That means --

6 THE WITNESS: (Inaudible)

7 MR. DRESSLER: Well, the government has been asking  
8 him about audits, and what they mean, and what you expect. I'm  
9 just following up --

10 THE COURT: Well, yours is a very general question.

11 MR. DRESSLER: All right.

12 BY MR. DRESSLER:

13 Q One of the reasons -- strike that.

14 Would it be fair to state that early on in your  
15 relationship with Mr. Murray and MNT, you suggested that he  
16 obtain a new auditor?

17 A Yes.

18 Q Okay. And, in terms of your due diligence with regard to  
19 JMA, did you determine whether or not they were a SAS 70  
20 qualified auditing firm?

21 A No.

22 Q And one of the things that you told Mr. Murray was that  
23 you should have affirmed that was SAS 70 qualified. Correct?

24 A You are referring to the administration, not the auditor.

25 Q I'm sorry. The administration.

1 I have a document that I wasn't planning to use it right  
2 now, but I'm going to show it to the client and tentatively  
3 mark it as Defense, just to be safe, 247.

4 And I'm going to --

5 THE COURT: 247? That number's not been used?

6 MR. DRESSLER: I don't think so.

7 THE COURT: Okay.

8 (Trial Exhibit 247 marked for identification.)

9 MR. DRESSLER: And I'm writing on the back, "No. 247"  
10 by hand. And I will put it in the proper form when and if it's  
11 admitted.

12 May I approach?

13 THE COURT: Yes.

14 MR. DRESSLER: Let the record reflect that I have  
15 just handed the witness, for identification only, Defendant's  
16 Exhibit 247.

17 CROSS EXAMINATION RESUMED

18 BY MR. DRESSLER:

19 Q And, ask if you could just look through that.

20 (Request complied with by the Witness)

21 Q And let me know when you have had a chance to look through  
22 it.

23 A I have.

24 Q Okay. Does this appear to be the June marketing materials  
25 that you prepared? June of 2011?

1 A Yes.

2 Q Okay.

3 A Yes.

4 Q All right. And, if you go to Page 9 which is the -- and  
5 did you -- you did prepare these materials that we're looking  
6 at right now?

7 Yes?

8 A Yes, I did.

9 MR. DRESSLER: I'm going to offer this as Defendant's  
10 247. Offer it into evidence.

11 THE COURT: Any objection?

12 MS. HARRIS: No, Your Honor.

13 THE COURT: 247 admitted.

14 (Trial Exhibit 247 received in evidence)

15 BY MR. DRESSLER:

16 Q If you look at Page 9.

17 A 9 of the final presentation page?

18 Q 9 of the document you have in front of you, Page 9.

19 Bottom right-hand corner. It is the next-to-the-last page --  
20 not -- it's the third page from the end.

21 A Yes.

22 Q See that?

23 A (Nods head)

24 Q Okay.

25 A "Service Providers and Fund Terms."

1 Q Yes.

2 A I see it.

3 Q So, in that document, it still lists HF Administrators as  
4 the administrator for the hedge fund. Correct?

5 A Yes.

6 Q And it indicates that the auditor is Spicer Jeffries,  
7 correct?

8 A Yes.

9 Q And it indicates that the legal firm is Sadis and  
10 Goldberg. Correct?

11 A Yes. Correct.

12 Q So this would have been distributed, would it be fair to  
13 state, and correct me if I'm wrong, some time right after the  
14 end of -- end of June of 2011?

15 A Well, the one-page summary is definitely distributed. The  
16 front page (Indicating). This presentation, sometimes it's  
17 distributed and sometimes it's not.

18 Q So --

19 A Someone asks for it, "Can I get the presentation?" Yes,  
20 this would be sent.

21 Q Okay.

22 A But not everyone receives it.

23 Q Okay. Thank you. That's my question. So both, would it  
24 be fair to state, at least as far as you knew, back then,  
25 Spicer Jeffries and Sadis and Goldberg were retained before the

1 end of June, correct?

2 A Yes.

3 Q And, with regard to Spicer Jeffries in particular, the  
4 agreement between Mr. Murray and Spicer was signed in early  
5 June of 2011. Correct?

6 A I believe that's true. I don't have -- (Inaudible)  
7 (Reporter interruption)

8 THE WITNESS: I believe that's true.

9 (Off-the-Record discussion between Defendant and  
10 Counsel)

11 BY MR. DRESSLER:

12 Q And, would it be fair to state that the agreement with  
13 Spicer was that they would do the audit for 2011?

14 In other words, they would perform services after -- or  
15 during -- during and after the end of the 2011 year, after --

16 A After the year. After the year ends, yes.

17 Q Right. Okay.

18 MR. DRESSLER: And, I apologize to everyone. I was  
19 running around the building with a lot of this stuff and it got  
20 all mixed up.

21 So, I'm looking for one more thing. There it is.

22 BY MR. DRESSLER:

23 Q Now, with regard to Sadis and Goldberg, all right, you  
24 were not the client of Sadis and Goldberg, were you?

25 A Me? No.

1           There's many managers, I -- it takes a long time, and some  
2 people are shorter. Depends on if they have an audit or not.  
3 That changes things.

4 Q       All right. So, but you started soliciting investors in  
5 January, did you not, of 2011?

6 A       That's true.

7 Q       Okay.

8 A       This is five and a half years ago. I might have done a  
9 couple, via phone call. I might have sent Jim's material three  
10 or four months earlier.

11 Q       Did you send any of the -- starting, let's say -- do you  
12 remember when the first investor of yours invested in MNT?

13 A       I think it was early 2011.

14 Q       Okay. And, had you sent any marketing materials out at  
15 that point?

16 A       Yes.

17 Q       Okay. And, had you sent any audits out?

18 A       Probably not.

19 Q       And yesterday (sic) you were asked, with regard to Exhibit  
20 166, you were asked about an email that you sent on October 25,  
21 2010, to Mr. Murray. Correct?

22 A       Yes.

23 Q       And, you were asked (As read):

24               "Can you explain to us what you were trying  
25               figure out with the email you sent on October 25th?"



1 Q Okay. Well, let me ask you this: Would it be fair to  
2 state that you had a little trouble understanding what he was  
3 saying about the difference between the two?

4 A No, I'm familiar with that.

5 Q Okay.

6 Well, your email, and this is Exhibit 166, Page 6, said  
7 (As read):

8 "Can you explain to me again the reason for the  
9 difference?"

10 Which would -- remember that in the email?

11 A Um, yes.

12 Q Okay. So, you were asking for another or a further  
13 explanation, correct?

14 A Yeah, more information. Yeah.

15 Q Okay. All right. And he was trying to give you that  
16 information.

17 A Yes, he was.

18 Q Correct? All right. Are you saying that it never came --  
19 there was never a conversation between you and Mr. Murray about  
20 whether or not and how the audit materials should be depicted  
21 to potential investors?

22 A No. It's not used as a marketing tool. It is usually  
23 just per investor request. That would be strange to use it as  
24 a tool, an initial tool to --

25 Q Well, in Exhibit 166, Page 7, the email that you got was

1 Q Yeah.

2 A Okay. And the question is? I'm sorry.

3 Q The question was: He had two different ones because he  
4 had two different MNTs. One was MNT, LLC and one was MNTB,  
5 correct?

6 A That sounds reasonable. I don't remember if that's  
7 actually the case or if he had more. I don't remember.

8 Q Okay.

9 A If he had two entities and you wanted to get two numbers,  
10 you'd have two numbers, yeah.

11 THE COURT: He's asking about your recollection, not  
12 your opinion.

13 Do you recall that?

14 THE WITNESS: Oh. Yes.

15 THE COURT: If you don't recall it -- you do recall  
16 it? Okay. Thank you.

17 (Discussion held off the record between the defendant  
18 and his counsel.)

19 MR. DRESSLER: I have no other questions. Thank you.

20 THE COURT: All right. Thank you, Mr. Dressler.

21 Any redirect?

22 MS. HARRIS: Very briefly, your Honor.

23 REDIRECT EXAMINATION

24 BY MS. HARRIS

25 Q Good morning -- I guess it's good afternoon, Mr. Eckel.

1 mean, that's the way administrators work. The individual  
2 investor gets exactly their return sent to them monthly from  
3 the administrator.

4 Q Okay. I just want to be clear. This appears to be an  
5 audited return?

6 A No. That's not the question.

7 THE COURT: You said not --

8 A You said asset weighted. It's asset weighted.

9 BY MR. DRESSLER

10 Q Okay. Thank you.

11 One of the communications that you had with -- do you  
12 remember an email with Mr. Murray where you asked him why there  
13 were two different employee identification numbers submitted to  
14 you?

15 A I don't remember the exact date or push an email, four and  
16 a half years ago, button, but it sounds like that would be a  
17 question that would come up.

18 Q Right, right. But would it be fair to state that he had  
19 two different employee identification numbers for two different  
20 classes or -- of -- two different --

21 A Entity or employment?

22 Q Two different entities.

23 A Employment number or entity?

24 Q Entity employment number.

25 A EIN?

**RESPONDENT'S  
EXHIBIT 9**

1 Q You still have the same telephone number throughout the  
2 last -- well, starting -- on the exhibits that you were showed  
3 that had an address that you had moved from, there was a  
4 telephone number.

5 Do you still have the same telephone number?

6 A Yes, I do.

7 Q Okay. And, do you know what FINRA is?

8 A I do.

9 Q And as opposed to me butchering it, could you tell me what  
10 that stands for?

11 A Stands for the Financial Industry Regulatory Authority.

12 Q And you are an arbiter for FINRA from time to time,  
13 correct?

14 A That is correct.

15 Q Okay. And you also do complex securities disputes,  
16 including civil litigation relating thereto, correct?

17 MR. FARNHAM: Objection. Relevance, and beyond the  
18 scope.

19 MR. DRESSLER: Well, he's --

20 THE COURT: Overruled.

21 THE WITNESS: Yes, I do.

22 MR. DRESSLER: I have no other questions. Thank you.

23 THE COURT: Thank you.

24 Anything further on redirect?

25 MR. FARNHAM: Briefly, Your Honor.

**RESPONDENT'S**

**EXHIBIT 10**

**SJ** SPICER JEFFRIES LLP  
Certified Public Accountants

5251 SOUTH QUEBEC STREET, SUITE 200  
GREENWOOD VILLAGE, COLORADO 80111  
TELEPHONE: (303) 753-1959  
FAX: (303) 753-0338  
[www.spicerjeffries.com](http://www.spicerjeffries.com)

June 2, 2011

Mr. Jim Murray  
Market Neutral Trading, LLC  
*Via email*

Dear Jim:

We are pleased to confirm our understanding of the services we are to provide to MNT Master Fund, LTD and MNT Fund, LP (the "Partnerships") for the year ended December 31, 2011. We will audit the Partnerships' statements of financial condition and condensed schedules of investments as of December 31, 2011 and the related statements of operations, changes in partners' capital and cash flows (if necessary) for the year then ended.

We will also prepare the Partnerships' federal and appropriate state income tax returns, including partner schedule-K-1s, for the year ended December 31, 2011.

Our audits will be made in accordance with U.S. generally accepted auditing standards and will include tests of the Partnerships' accounting records and other procedures we consider necessary to enable us to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. If our opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit, we will not issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence that support the transactions recorded in the accounts and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to that inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, rather than absolute, assurance of detecting misstatements that, in our judgment, could have a material effect on the financial statements, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Partnerships or to acts by management or employees acting on behalf of the

16 11/11/11

TX<sup>1</sup>  
SEC\_SJEFFRIES 000001

SECMNT-0005984

JM-SEC-0005962

EXH 508-0001

Mr. Jim Murray  
June 2, 2011  
Page 2

Partnerships. An audit is not designed, however, to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Consequently, given the inherent limitations in an audit, there is a risk that material misstatements may exist and not be detected by us. However, we will inform you of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. In addition, we will inform you of any violations of laws or governmental regulations that come to our attention, unless they are clearly inconsequential. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

By your signature below, you acknowledge that you are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Partnerships that involves management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Partnerships received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Partnerships comply with applicable laws and regulations. You agree that you will confirm your understanding of your responsibilities as defined in this letter to us in your management representation letter. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our audits will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. Our audit is not specifically designed and cannot be relied on to provide assurance on internal control or to identify deficiencies in internal control. During the course of our audit, however, we will communicate internal control related matters to you as required under professional standards.

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. You acknowledge that management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Other management responsibilities include maintaining adequate records, establishing and maintaining internal controls, including monitoring ongoing activities, selecting and applying accounting principles, and safeguarding assets. We understand that your employees will locate any documents or invoices selected by us for testing.

At the end of our audit engagement, Spicer Jeffries LLP agrees to prepare the Partnerships' federal and state income tax returns, including partner schedule K-1s. Your Partnerships agree to perform the following functions in connection with this engagement: make all management decisions and perform all management functions, assign a member of management suitably skilled to oversee the tax services and to evaluate the adequacy and results of the services, accept

28 1/31/12

IX 21

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JM-SEC-0005963

EXH 508-0002



Mr. Jim Murray  
June 2, 2011  
Page 3

responsibly for the results of the tax services and establish and maintain internal controls over the tax return preparation. Spicer Jeffries LLP will perform the services in accordance with applicable professional standards, including the statements on Standards for Tax Services issued by the American Institute Certified Public Accountants. This engagement is limited to tax services outlined above, and Spicer Jeffries LLP reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or performing management functions. Spicer Jeffries LLP will advise your Partnerships with regard to any tax positions taken in the preparation of the tax return, but you must make all decisions with regard to those matters.

The parties to this engagement agree that any dispute that may arise regarding the meaning, performance or, enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. All mediations initiated as a result of this engagement shall be administered by the American Arbitration Association. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceeding shall shared equally by both parties.

Our charges to the Partnership for the audit of the financial statements as of December 31, 2011 and the preparation of appropriate income tax returns and investor K-1's will be \$17,000. A retainer will be billed at the conclusion of our preliminary work with a final billing to be rendered upon completion of all work. If payment is not made on a timely basis we reserve the right to cease work.

We appreciate the opportunity to be of service to the Partnerships and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,  
Spicer Jeffries LLP

*Spicer Jeffries LLP*

This letter correctly sets forth the understanding of MNT Master Fund, LTD and MNT Fund, LP.

ACKNOWLEDGED:

By *Jim Murray* Date 6-2-11

K6 1/3/12

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SEC\_SJEFFRIES 000003

SECMNT-0005986

JM-SEC-0005964

EXH 508-0003

**Kyle Beckert**

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**From:** Travis Thomason <TThomason@SpicerJeffries.com>  
**Sent:** Friday, December 30, 2011 10:27 AM  
**To:** jmurray@marketneutraltrading.com  
**Cc:** Kyle Beckert  
**Subject:** 2011 Year End Audit Requist List for Market Neutral Trading  
**Attachments:** Valuation Memo.doc

Good Morning,

I hope you have had a wonderful 2011! I wanted to send you this general request list so that we can start our year-end audit and related tax (if applicable) fieldwork for your fund. We have compiled a detailed year-end request list below so that we can proceed with our year-end procedures. Please provide us with the following items at your earliest convenience so we can get you on our busy season schedule:

**Audit Related Items**

- Most recent Offering Docs for the fund. If the documents have not changed since 2010 or if you previously sent them to us during our interim requests, this is not necessary.
- Monthly (or quarterly if applicable) financial statements through December 31, 2011. If you previously sent interim items we requested over the past couple of months, only forward us with the months not already provided.
- Open position report as of December 31, 2011, including the cost of the open positions.
- Condensed schedule of investments separated by industry/sector and country.
- Monthly (or quarterly if applicable) partner allocations through December 31, 2011, including management and performance fees allocated to each (if applicable). If you previously sent interim items we requested over the past couple of months, only forward us with the months not already provided.
- LP contact info (names, addresses, Tax ID#) - please be sure to check the addresses of the LPs to avoid any mailing issues.
- Monthly bank statements (if applicable) for 2011 as well as the January 2012 statement, when available.
- Monthly brokerage statements for 2011 as well as the January 2012 statement, when available; if we are sent duplicate statements or have been granted online access to the various brokerage account(s), this is not necessary.
- Please provide me with a list of any and all related parties to the fund, as well as any related parties in investments that may be held.
- Does the fund hold any investments where:
  1. The fund/GP is deemed to have insider status with regards to the investment?
  2. The fund/GP, or affiliate(s) of the fund/GP, serve on the Board of Directors of the investment?
- I am also attaching a valuation memo that I need the manager to complete if the fund holds any Level 2 or Level 3 securities (ex. privately held securities; thinly traded securities; pink sheet securities, etc.). We will need a memo for each of the Level 2 or Level 3 securities held at December 31, 2011. Please let me know if you have any questions on the attachment.
- If this is the first year that we are auditing the fund, and the fund was subsequently audited by another firm, we need a copy of the 2010 signed audit report as well as the contact info for the previous auditor (name, phone, and email). Please note that we may need additional items related to this and an associate will be in touch with you if/when that is necessary.
- If this is your initial audit, please let us know what date the fund commenced operations.

**Tax Related Items (if applicable)**

- Any 1099s received for the fund for 2011, when available.
- Realized gain/loss report for 2011.
- Wash sale report, if applicable.
- Any LP changes with regards to tax classifications, etc. that may affect their K-1.
- If the fund had tax returns prepared by another firm for 2010, we need the following items from the previous tax preparer:
  1. Copy of the 2010 federal and state tax returns including Schedules K-1.
  2. Copy of the 2010 book to tax reconciliation.

SEC\_SJEFFERIES 000018

SECMNT-0006001

JM-SEC-0005979

EXH 508-0018

3. Schedule of partners' tax basis as of December 31, 2010.

The above list is not all encompassing and it may include items that are not relevant to your fund, so feel free to ignore those items if necessary. Also if you have more than one fund that we are working on, please send the items back to me in separate emails titled by fund.

As you are probably aware, we utilize this email address ([funds@spicerjeffries.com](mailto:funds@spicerjeffries.com)) as an initial email box to receive the above year-end information. We have tentatively assigned your job to one of our Client Service Teams ("CST"); however, this assignment may change due to timing and other reassigned work. We will do our best to maintain the same CST that you worked with for interim work, if applicable. Please send all initial responses to this email address and we will facilitate assigning a CST to the engagement. After the CST has been assigned, the Audit Supervisor of the CST will be in direct contact with you on obtaining additional items that may come up after looking at the year-end items that are provided. At that point, please address all responses to those subsequent inquiries directly with the assigned CST (and not to this email address).

If you have indicated that you are utilizing an administrator for the fund accounting, we have also sent this request list to them if we have their contact email (if not please provide that to us and we will contact them directly) so that they may be able to facilitate forwarding us the various items that they maintain for the fund. If the administrators copied to this email need to know which fund we need the above items for, please respond to this email and I will give you the fund name(s).

Please let us know if you have any questions. Thanks so much for your help and I would like to wish you and yours a Prosperous New Year!

Travis Thomason, CPA  
Spicer Jeffries LLP  
5251 S. Quebec Street, Suite 200  
Greenwood Village, CO 80111  
Office | (303) 753-1959 | Ext. 16  
Fax | (303) 753-0338  
[www.spicerjeffries.com](http://www.spicerjeffries.com)

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Any tax advice included in this written or electronic communication (or any attachment) was not intended or written to be used, and it cannot be used by the taxpayer for the purpose of avoiding any penalties that may be imposed on the taxpayer by any governmental taxing authority or agency.

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**Kyle Beckert**

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**From:** Kyle Beckert <kbeckert@spicerjeffries.com>  
**Sent:** Thursday, January 05, 2012 8:04 AM  
**To:** 'Jim Murray'; 'Travis Thomason'  
**Subject:** RE: 2011 Year End Audit Request List for Market Neutral Trading

Jim,

I just set you up on our ShareFile website. You can use this to upload and download items. You should have received or will receive an email shortly explaining the process. Feel free to contact me if you have any questions.

Thanks and have a great day and Happy New Year.

**Kyle Beckert**  
Spicer Jeffries LLP  
5251 S. Quebec Street, Suite 200  
Greenwood Village, CO 80111  
Office | (303) 753-1959 | Ext. 46  
Fax | (303) 753-0338  
[www.spicerjeffries.com](http://www.spicerjeffries.com)

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**From:** Jim Murray [mailto:jmurray@marketneutraltrading.com]  
**Sent:** Thursday, January 05, 2012 7:55 AM  
**To:** Travis Thomason  
**Cc:** Kyle Beckert  
**Subject:** Re: 2011 Year End Audit Request List for Market Neutral Trading

Hi Travis,

Is it ok if we set up an FTP file site where these documents can be uploaded and accessed?

**Jim Murray, CIO**  
Market Neutral Trading, LLC  
580 California Street 12th Floor  
San Francisco, Ca 94104  
415-393-4507  
415-634-2782 fax

On Dec 30, 2011, at 9:26 AM, "Travis Thomason" <[TThomason@SpicerJeffries.com](mailto:TThomason@SpicerJeffries.com)> wrote:

Good Morning,

I hope you have had a wonderful 2011! I wanted to send you this general request list so that we can start our year-end audit and related tax (if applicable) fieldwork for your fund. We have compiled a detailed year-end request list below so that we can proceed with our year-end procedures. Please provide us with the following items at your earliest convenience so we can get you on our busy season schedule:

**SEC\_SJEFFERIES 000012**

SECmnt-0005995

JM-SEC-0005973

**EXH 508-0012**

**RESPONDENT'S  
EXHIBIT 11**

1 business record that doesn't belong to Chase.

2 MR. DRESSLER: Correct.

3 THE COURT: Well, let me hear what the question is,  
4 and I'll keep your objection in mind.

5 BY MR. FARNHAM:

6 Q One question: Can you tell the entity account holder for  
7 this document? And what is it?

8 A According to this document --

9 THE COURT: Hold on. So is your objection --

10 MR. DRESSLER: Yes.

11 THE COURT: Well, unless you lay a foundation, that's  
12 not an appropriate question. So, sustained.

13 MR. FARNHAM: Thank you. No further questions.

14 THE COURT: All right. Thank you.

15 Cross examination, Mr. Dressler?

16 CROSS EXAMINATION

17 BY MR. DRESSLER

18 Q Good afternoon.

19 A Good afternoon, sir.

20 Q I just have a couple questions.

21 A Yes, sir.

22 Q With regard to the refunds that were processed -- I'm  
23 referring to Exhibit 43 just generally, all right? You don't  
24 have to look at it right now. It's a general question. But  
25 the March 30th refunds.

1 A Yes, sir.

2 Q Between the time that those refunds were picked up -- in  
3 realtime, those refunds were picked up in realtime by your  
4 internal software, correct?

5 Does that question make any sense?

6 A If you could rephrase? I think I know where you're going,  
7 but...

8 Q Okay. Well, maybe you could tell me? No. Joking...

9 The March 30th refunds, my understanding is that this  
10 batch detail report, that is what I'm referring to, all right,  
11 that picks up those refunds in realtime, correct?

12 A Correct. When they are swiped.

13 Q When they are swiped?

14 A Yes, sir.

15 Q And then at some point an analyst, an analyst reviewed  
16 those, correct?

17 A At the point that the batch was submitted to Chase  
18 Paymentech, that is when the internal system would generate a  
19 case and that would be the point that the analyst would review  
20 it.

21 Q Okay. And, in fact, that's what happened, correct?

22 A Correct.

23 Q Okay. And this all occurred before you were notified or  
24 brought into this investigation?

25 A Yes, sir. That's correct.

1 Q Okay. And how much time transpired between the batch  
2 report information generating an investigation and an analyst  
3 looking at the -- at the file?

4 A I don't know specifically.

5 Q How many days after March 30th did you get called?

6 A I came in approximately on April the 4th.

7 Q That's about five days?

8 A Yes, sir.

9 Q Okay. And had -- when you got called in, had the refunds  
10 been processed already?

11 A The initial set of refunds from March the 30th had, yes,  
12 sir.

13 Q Okay. And part of your investigation, I take it, was  
14 determining the due diligence that was conducted by the  
15 analyst?

16 A That was a portion, yes.

17 Q Okay. And did you identify that person?

18 A Yes, I did.

19 Q You knew who that was?

20 A Yes, I do.

21 Q Okay. And do you remember her name?

22 A I do.

23 Q What's her name?

24 A Latanya Jackson.

25 Q And did you determine what her due diligence was?



1 A Yes, I did.

2 Q And that involved a telephone conversation?

3 A As I understand it, yes.

4 Q And that involved a telephone conversation with  
5 Mr. Murray, correct?

6 A I'm aware of a telephone conversation with a bank  
7 representative.

8 Q Okay. And that was a bank representative of the bank  
9 that -- where the merchant account was, correct?

10 A That is correct.

11 Q And, in fact, it was an inquiry into the availability of  
12 funds -- it was an inquiry to determine whether there was  
13 sufficient funds in the merchant account to process those  
14 March 30th refunds, correct?

15 A In the bank account, yes, sir.

16 Q Yes. And, in fact, and that was -- that was between  
17 Paymentech and the bank itself, correct?

18 A That's correct.

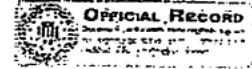
19 Q And the bank said there were sufficient funds, correct?

20 A As I was informed, yes.

21 Q And then how much time elapsed between the bank verifying  
22 sufficient funds and the attempt to collect those funds from  
23 that bank account?

24 A It would have been at the point that the transactions were  
25 released and then the settlement process begins.

**RESPONDENT'S  
EXHIBIT 12**



FEDERAL BUREAU OF INVESTIGATION

Date of entry 10/06/2014

DAVID LOWE Esq., Lombard Lowe LLP, United Kingdom telephone number [REDACTED] France telephone number [REDACTED] Thailand telephone number [REDACTED] website www.lombardlowe.com, was interviewed at the United States Consulate in Milan, Italy. AVV. DARIA PESCE (DARIA), Attorney at Law, Milan, Italy email address info@avvocatodariapesce.it, and AVV. FRANCESCO PESCE (FRANCESCO), Attorney at Law, Milan, Italy, email address info@avvacatodariapesce.it, were present for LOWE's interview. DARIA and FRANCESCO do not represent LOWE. AUSA ROBIN HARRIS participated in LOWE's interview. Interpreter SHEILA MURPHY, email address murphytr@tin.it, was present for LOWE's interview but did not interpret because LOWE's interview was conducted in English. After being advised of the identity of the interviewing Agent and the nature of the interview, LOWE provided the following information:

LOWE has never given JAMES MURRAY (MURRAY) his passport. The only people who know both LOWE and MURRAY are GIAN LUCA DEFRANCISCI (GIAN LUCA) and GIOVANNI DEFRANCISCI (GIOVANNI). LOWE gave his passport to GIOVANNI in the past for a reason unrelated to MURRAY at a time when LOWE and GIOVANNI were attempting to open a joint brokerage account.

LOWE was shown a picture of a passport in his name with his picture (Exhibit 3). LOWE stated that the passport was legitimate and that it was his old expired passport. LOWE has no idea how MURRAY could have obtained the passport or a picture of the passport.

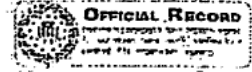
LOWE was shown a picture of the front of a Fidelity Investments checkbook (Exhibit 1). LOWE has never heard of Jones Moore & Associates,

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Investigation on 09/03/2014 at Milan, Italy (In Person)  
 File # 318D-SF-2805713 Date dictated 09/10/2014  
 by WEBER BRIAN C

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## FEDERAL BUREAU OF INVESTIGATION

Date of entry 10/03/2014

GIOVANNI DEFRANCISCI was interviewed via telephone. DEFRANCISCI provided the following information:

DAVID LOWE may have given JIM MURRAY a copy of his passport in order to participate in MURRAY's Netflix trade or possibly to participate more generally in other trades MURRAY was planning to execute such as Keurig Green Mountain. LOWE advises DEFRANCISCI's father and may have decided to participate in some of MURRAY's trades. LOWE never gave DEFRANCISCI a copy of his passport. LOWE would never have given DEFRANCISCI a copy of his passport, and would have given it to MURRAY directly. DEFRANCISCI has never had either a copy of LOWE's passport or LOWE's actual passport. It is possible that LOWE may have given MURRAY a copy of his passport in the past, prior to 2013, in order to participate in MURRAY's MNT trading activities.

DEFRANCISCI is currently in New York City.

Investigation on 10/02/2014 at San Francisco, California, United States (In Person)

File # 318D-SF-2805713

Date dictated 10/02/2014

by WEBER BRIAN C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

JM-021585  
JM-021585

**RESPONDENT'S**

**EXHIBIT 13**

Page 17

1 A. Not a valid California driver's license, no.  
2 Q. Can you briefly describe for us your  
3 educational background.  
4 A. I was educated at private school, what we in  
5 Brittain call public school, called Charterhouse. I  
6 then went to Cambridge University in England, where I  
7 took firstly English literature and then secondly law.  
8 I then did postgraduate studies at the Vrije  
9 Universiteit Brussel, the Brussels university, where I  
10 obtained a doctorate in international and comparative  
11 law.  
12 Q. Apart from the driver's license you described  
13 that you hold from Monaco, do you have any other  
14 current licenses? Any professional licenses?  
15 A. I do not.  
16 Q. Okay.  
17 Are you a certified public accountant?  
18 A. I am not.  
19 Q. Have you ever met someone named James Murray?  
20 A. I have.  
21 Q. Approximately when did you meet Mr. James  
22 Murray?  
23 A. I believe it was around about autumn period of  
24 2011. And I met him in Monaco once.  
25 Q. Can you describe for us the one time you met

Page 18

1 Mr. Murray in the autumn of 2011 in Monaco.  
2 A. I was staying on a friend's yacht, Mr. Kateeb  
3 (phonetic). The yacht's name is Prince Otifan  
4 (phonetic). And Mr. Kateeb gave a dinner party to  
5 which he invited a friend in common, a Mr. DiFrancisci.  
6 And Mr. DiFrancisci said could he bring a guest with  
7 him, and that guest turned out to be Mr. Murray.  
8 Q. Apart from this dinner party in Monaco on a  
9 yacht in the fall of 2011, had you ever met Mr. Murray  
10 at any time after that?  
11 A. I don't recall ever meeting him at any other  
12 time, no.  
13 Q. Have you ever been to James Murray's home in  
14 Larkspur, California?  
15 A. No.  
16 Q. Have you ever been to Larkspur, California?  
17 A. No.  
18 Q. Did you ever give James Murray a copy of your  
19 British passport?  
20 A. I did not.  
21 Q. Did you ever authorize James Murray to use  
22 your social security number for any purpose?  
23 A. No.  
24 Q. Did you ever authorize James Murray to use  
25 your passport for any purpose?

Page 19

1 A. No.  
2 Q. Do you know someone named Gian Luca  
3 DiFrancisci?  
4 A. I do.  
5 Q. Who is Mr. Gian Luca DiFrancisci?  
6 A. He's a friend of some 35 years' standing who I  
7 became friends with when he lived in London, when we  
8 both lived in London. Subsequently we both moved to  
9 Monaco, different times, and remained in contact. He  
10 is also a client. He's a banker.  
11 I don't know what else to tell you.  
12 Q. Did you ever give a copy of your British  
13 passport to Gian Luca DiFrancisci?  
14 A. I did.  
15 Q. Can you describe the circumstances under  
16 which you gave a copy of your passport to Mr. Gian  
17 Luca DiFrancisci?  
18 A. He and his son, Giovanni, were in discussions  
19 both between themselves and with me as to forming a  
20 Monaco company, a Monegasque company. And they invited  
21 me to join with them in the event that they did so form  
22 a company. In the event it didn't happen but in  
23 preparation for what might have occurred I provided a  
24 copy of my passport which would have been necessary in  
25 Monaco for the formation of the company.

Page 20

1 Q. And did I understand you correctly that the  
2 company was never formed?  
3 A. Not -- not to my knowledge, no. And I  
4 certainly -- if it was, I was not involved in it.  
5 Q. And you mentioned Mr. Gian Luca DiFrancisci's  
6 son. What is his name?  
7 A. Giovanni DiFrancisci.  
8 Q. Did you ever give a copy of your passport to  
9 Giovanni DiFrancisci?  
10 A. I don't recall so doing, no.  
11 Q. Did you ever give your social security number  
12 to Giovanni DiFrancisci for any purpose?  
13 A. Certainly not.  
14 Q. At any time from 2008 forward have you ever  
15 provided your British passport to any company in the  
16 United States to open an account for anything?  
17 A. I have not.  
18 Q. At any time after 2008 did you ever authorize  
19 James Murray to use your British passport for any  
20 purpose?  
21 A. I did not.  
22 Q. At any time after 2008 did you authorize  
23 anyone in the United States to use your British  
24 passport for any purpose, including bank -- opening  
25 bank accounts?

Page 109

1 Wachovia Mortgage.  
2 Have you ever had a mortgage with Wachovia?  
3 A. I've never heard of Wachovia. Never had a  
4 mortgage with them.  
5 Q. Okay. On March 1st, 2011, did you write a  
6 check for \$2,496.62 to Wachovia Mortgage?  
7 A. I did not.  
8 Q. Is any of the writing on page 83,  
9 Government's Exhibit 22, your writing?  
10 A. It is not.  
11 Q. Is that your signature on the check depicted  
12 on page 83 of--  
13 A. That is not my signature.  
14 Q. Okay. Did you authorize anyone to write a  
15 check to Wachovia Mortgage and sign your name on  
16 March 1st, 2011?  
17 A. I did not.  
18 Q. Have you ever seen this check that's at  
19 page 83 of Government's Exhibit 22 before today?  
20 A. No.  
21 Q. Drawing your attention to page 84 of  
22 Government's Exhibit 22.  
23 Have you ever seen the check that's at  
24 page 84 of Government's Exhibit 22 before today?  
25 A. I have not.

Page 110

1 Q. Did you write a check for \$85,000 on  
2 March 11th, 2011, to MNT B, LLC?  
3 A. I did not, certainly not.  
4 Q. Have you ever heard of MNT B, LLC, before  
5 today?  
6 A. Don't know who they are.  
7 Q. Okay. Is that your signature on the check  
8 that is depicted at page 84 of Government's  
9 Exhibit 22?  
10 A. That is not my signature.  
11 Q. Did you ever authorize anyone to write an  
12 \$85,000 check to MNT B, LLC, and sign your name to the  
13 check?  
14 A. I did not.  
15 Q. Drawing your attention to page 85 of  
16 Government's Exhibit 22, which is another Anderson &  
17 Associates check drawn on a Merrill Lynch account.  
18 And this one is dated April 1st, 2011. And it's a  
19 check for \$60,000 to MNT B, LLC.  
20 Is any of the handwriting on page 85 of  
21 Government Exhibit 22 your handwriting?  
22 A. None of that is my handwriting.  
23 Q. Did you on April 1st, 2011, write a check for  
24 \$60,000 to MNT B, LLC?  
25 A. I did not.

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1 Q. Is that your signature on the check that is  
2 Government's Exhibit 22, page 85?  
3 A. It is not.  
4 Q. Did you authorize anyone to write a check to  
5 MNT B, LLC, for \$60,000 and sign your name?  
6 A. No.  
7 Q. Drawing your attention to page 86 of  
8 Government's Exhibit 22, which is another Anderson &  
9 Associates check. And this one on a Merrill Lynch  
10 account. And this one is dated March 28th, 2011, and  
11 it's for \$22,000 to MNT B, LLC.  
12 Is any of the handwriting on Government's  
13 Exhibit 22, page 86, your handwriting?  
14 A. None of it.  
15 Q. Did you write the check that's page 86 of  
16 Government's Exhibit 22?  
17 A. I did not.  
18 Q. Have you ever seen this check that's page 86  
19 before today?  
20 A. I -- no.  
21 Q. Have you ever heard of MNT B, LLC before  
22 today?  
23 A. No.  
24 Q. Did you authorize anyone to sign your name on  
25 a check dated March 28, 2011, to MNT B, LLC?

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1 A. No.  
2 Q. Okay. Now drawing your attention to page 87  
3 of Government's Exhibit 22. And this is a check that  
4 says: Pay to the order of Stat Office Solutions.  
5 Have you ever heard of Stat Office Solutions?  
6 A. I have not.  
7 Q. Okay.  
8 And is the signature on page 87, the check on  
9 page 87 of Government's Exhibit 22, your signature?  
10 A. That is not my signature.  
11 Q. There's a memo in the left-hand corner of the  
12 check on page 87 of Government's Exhibit 22 that says:  
13 HF Admin.  
14 Do you know what that is?  
15 A. No.  
16 Q. Did you authorize anyone to write a check for  
17 \$350 on February 17th, 2011, and sign your name as  
18 depicted in page 87 of Government's Exhibit 22?  
19 A. I did not.  
20 MS. HARRIS: Might be a good place to take a  
21 break. Let's take a short break here and go off the  
22 record.  
23 (Off the record.)  
24 MS. HARRIS: Okay. We're back on the record.  
25 Q. And Mr. Lowe, I'm now gonna ask you some

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1 questions about what's been marked as Government's  
2 Exhibit 23 for identification, which is an Account  
3 Application with Morgan Stanley in the name of  
4 Anderson & Associates, purportedly opened by you.  
5 Have you ever had an account of any kind with  
6 Morgan Stanley?  
7 (Exhibit 23 having been previously marked was  
8 referenced.)  
9 A. No.  
10 Q. Did you ever authorize anyone to open an  
11 account for Anderson & Associates with Morgan Stanley  
12 using your name?  
13 A. No.  
14 Q. And did you ever open an account with  
15 Anderson & Assoc- -- an Anderson & Associates account  
16 with Morgan Stanley?  
17 A. No.  
18 Q. Showing you what's been marked as  
19 Government's Exhibit 23 for identification, I'd ask  
20 you to take a look at page 3 of Government's  
21 Exhibit 23.  
22 Is that your signature next to the date  
23 June 29th, 2010?  
24 A. It is not.  
25 Q. Okay. When you write a date, do you write

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1 the month first or the date first? What is your  
2 custom and practice?  
3 A. I write it the English way, which is to write  
4 the day, number of the day first, the number of the  
5 month second, and then the last two digits of the year.  
6 Q. So if you were to write June 29th, 2010, and  
7 it was truly you, how would you write that? Can you  
8 explain for us how you would write --  
9 A. Under normal circumstances, I would write --  
10 for example, this here, I'd write it 29-6-10 rather  
11 than as it here appears, 6-29-10.  
12 Although to be fair, if I were in the states,  
13 which I was not at this time, I might make an effort to  
14 make it comprehensible to the -- for the local usage  
15 and write it in this way. But normally I wouldn't.  
16 Q. Is the writing on page 3 of Exhibit 23 yours  
17 at all?  
18 A. It is not my writing.  
19 Q. And it is not your signature; is that  
20 correct?  
21 A. Not my signature.  
22 Q. Okay. Then drawing your attention to page 4  
23 of Government's Exhibit 23, this is an account  
24 application for a business called Anderson &  
25 Associates and it's an account application for

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1 Morgan Stanley. And it has your name, David Lowe, as  
2 the primary contact. And again, the address 40 Cragen  
3 Street, London, England.  
4 Can you confirm that you have never heard of  
5 that address before today?  
6 A. I have never heard of that address. And you  
7 wouldn't write: London, England, Great Britain. It's  
8 not a -- not normal usage to write that.  
9 Q. Drawing your attention to page 7 of  
10 Government's Exhibit 23, cardholder number two. This  
11 is for credit cards issued under the Anderson &  
12 Associates name. It has a David Lowe as cardholder  
13 number two.  
14 Is that your signature on page 7 of  
15 Government's Exhibit 23?  
16 A. That is not.  
17 Q. Did you authorize anyone to sign  
18 Government's -- page 7 of Government's Exhibit 23?  
19 A. I did not.  
20 Q. Do you know someone named Gary Anderson who's  
21 listed as cardholder number one?  
22 A. I don't believe so.  
23 Q. Do you know anyone named Jason Cohen who's  
24 listed as cardholder number three?  
25 A. I don't believe so.

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1 Q. Okay. And drawing your attention to page 8  
2 of Government's Exhibit 23, cardholder number four is  
3 a Stephen Johnson.  
4 Have you ever heard of someone named  
5 Stephen Johnson with a home phone number of  
6 302-295-5013?  
7 A. I have no memory of that.  
8 Q. Okay. Drawing your attention to page 9 of  
9 Government's Exhibit 23.  
10 Is that your signature in the lower left-hand  
11 corner of page 9 of Government's Exhibit 23?  
12 A. That is not my signature.  
13 Q. Okay. And it has you listed as a principle  
14 of Anderson & Associates.  
15 Have you ever been a principle of anything  
16 called Anderson & Associates?  
17 A. No.  
18 Q. Okay.  
19 Drawing your attention to page 11 of  
20 Government's Exhibit 23.  
21 Is that your signature on page 11 of  
22 Government's Exhibit 23?  
23 A. No, that's not my signature.  
24 Q. And then drawing your attention to page 17 of  
25 Government's Exhibit 23.



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1 A. To David Lowe.  
 2 Q. And again, what is the name of the business?  
 3 A. Underneath David Lowe is written: Jones Moore  
 4 & Associates.  
 5 Q. Have you ever seen Government's Exhibit 37  
 6 before today?  
 7 A. No.  
 8 Q. Mr. Lowe, have you in the years -- at any  
 9 time in the past ten years have you ever been  
 10 convicted of any crimes in the United Kingdom?  
 11 A. I have.  
 12 Q. Can you describe for us what the situation  
 13 was with regard to your conviction.  
 14 MR. DRESSLER: I object to that question as  
 15 vague and --  
 16 MS. HARRIS: Q: What were you convicted of?  
 17 A. I'm afraid I can't remember the technical  
 18 statute or criminal statute, but it was in respect of a  
 19 client who had --  
 20 MR. DRESSLER: I'm gonna object to going into  
 21 the facts underlying.  
 22 MS. HARRIS: Okay. So --  
 23 MR. DRESSLER: Well, actually --  
 24 MS. HARRIS: That's fine.  
 25 MR. DRESSLER: Actually, I withdraw that, my

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1 objection.  
 2 MS. HARRIS: Okay.  
 3 Q. What was the -- were you convicted of a crime  
 4 that was punishable by more than one year in prison?  
 5 A. That could have been given, yes, yes, I was.  
 6 Q. Okay. And when was that?  
 7 A. August 2009.  
 8 Q. Okay. And did you actually serve time in  
 9 prison for the crime that you were convicted of?  
 10 A. I did.  
 11 Q. Okay. How much time did you serve?  
 12 A. Five months.  
 13 Q. When did you serve that time?  
 14 A. From August -- sorry. I was convicted in July  
 15 but I served -- it was a period of time before  
 16 sentencing. And I went to prison in August and I came  
 17 out in 2010 January.  
 18 Q. So you went in in -- can you give us the  
 19 years again? August of 2009?  
 20 A. Correct. 2009 in August and then released in  
 21 January next year, 2010.  
 22 Q. Okay. So the total amount of time that you  
 23 served for your conviction was approximately five  
 24 months?  
 25 A. Approximately five months.

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1 MS. HARRIS: Can I have a moment, please. We  
 2 can go off the record now.  
 3 (Off the record.)  
 4 MR. DRESSLER: We're back on the record.  
 5 Mr. Murray, are you still there?  
 6 MR. MURRAY: Yeah.  
 7 MS. HARRIS: Mr. Lowe, I have no further  
 8 questions for you. Thank you.  
 9 MR. DRESSLER: Okay. All right. Why don't  
 10 we take a five-minute break so I can organize my  
 11 materials and figure out where I'm gonna sit when I  
 12 question him. Okay?  
 13 So we'll go off the record for five minutes.  
 14 MR. KARTAROV: It's off.  
 15 MR. DRESSLER: Okay.  
 16 (Off the record.)  
 17 MR. DRESSLER: All right. We're back on the  
 18 record.  
 19  
 20 CROSS-EXAMINATION  
 21 BY MR. DRESSLER:  
 22 Q. Mr. Lowe, my name is Alan Dressler and I  
 23 represent Mr. Murray.  
 24 You were interviewed -- I believe you stated  
 25 you were interviewed in September of 2014 by

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1 Mr. Weber.  
 2 A. Correct.  
 3 Q. And also a U.S. attorney was there.  
 4 A. Correct.  
 5 Q. Same U.S. attorney that's sitting here now?  
 6 A. The same two people.  
 7 Q. Okay.  
 8 And isn't it correct that at that interview  
 9 you stated that you thought that you gave the passport  
 10 to Giovanni DiFrancisci as opposed to Gian Luca  
 11 DiFrancisci. Remember that?  
 12 A. I -- I don't remember saying that. I --  
 13 Q. Okay.  
 14 A. What I do remember is saying that I gave it to  
 15 them both. Giovanni may have had access to it via his  
 16 father. Definitely gave it to his father.  
 17 Sorry if there was a miscommunication.  
 18 Q. So if you said -- your memory now is that you  
 19 said you gave it -- let me stop. All right.  
 20 Today you said your memory is you gave it  
 21 to -- by the way, the way that Giovanni and Gian Luca  
 22 pronounce their last name is "DiFrancisci," correct?  
 23 A. It depends with whom they are speaking because  
 24 it's sometimes easier for non-Italians to understand  
 25 "DiFrancisci," but in fact it's "DiFrancisci."

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1 You have correctly read out what it says.  
2 Q. You recognize that as a page from your  
3 website for Lombard Lowe, correct?  
4 A. I believe -- I believe that would be -- that  
5 would be fair, yes.  
6 Q. Okay.  
7 You testified today that the only time that  
8 you have ever met Mr. Murray was in 2011 on a boat in  
9 Monaco?  
10 A. I believe my testimony -- at least my  
11 testimony was or should have been I can only recollect  
12 meeting him that one time. I do understand that he was  
13 in Monaco at other times and appeared and I may have  
14 met him, but I don't recollect meeting him.  
15 Q. Okay.  
16 And when you met him on the boat did you have  
17 conversation with him?  
18 A. Yes. It was -- I can't remember any specifics  
19 that we talked about.  
20 Q. And when you met him on the boat had you ever  
21 heard of him before?  
22 A. Yes, I had.  
23 Q. Okay. And what had you heard? What had you  
24 heard?  
25 MS. HARRIS: Objection. Hearsay.

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1 MR. DRESSLER: Q: Did you understand him to  
2 be a stockbroker?  
3 MS. HARRIS: Objection. Foundation.  
4 MR. LOWE: I understood him to be a trader.  
5 I'm not sure that's the same thing as a stockbroker.  
6 It's not really my field.  
7 MR. DRESSLER: Q: All right. Prior to your  
8 meeting him on the boat had you ever talked to him on  
9 the phone?  
10 A. I believe I had, yes.  
11 Q. And when would that have been?  
12 A. Oh, I can't -- I can't recall the time but it  
13 would have -- it was substantially before.  
14 Q. One year? Two years? Three years? Can you  
15 give us a range?  
16 A. I'm afraid -- I don't wish to be unhelpful but  
17 I really can't remember. I -- but it's conjecture. I  
18 would say a year.  
19 MS. HARRIS: I'm gonna object to any  
20 speculation.  
21 MR. DRESSLER: Q: But you may have spoken to  
22 him.  
23 A. No, no, I didn't -- it wasn't may have. I  
24 did.  
25 Q. Okay.

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1 A. I did. I do remember speaking to him.  
2 Q. You don't remember when?  
3 A. No, I don't remember when.  
4 Q. And you don't remember how many times?  
5 A. Not many times but I do remember in connection  
6 general conversation.  
7 Q. And do you remember the content of the  
8 general conversation, the subject matter?  
9 A. I remember the subject, the general subject  
10 matter.  
11 Q. And what was that?  
12 A. His genius, if that's the -- used in the  
13 literal sense of the word, his expertise, was being  
14 promoted by Giovanni DiFrancisci. That's the son of  
15 the two, who lived mostly at the time in the states,  
16 and who apparently knew Mr. Murray well and was  
17 promoting his services to both his father as a  
18 potential partner and also generally looking for  
19 clients who might be interested in providing funds for  
20 Mr. Murray to trade.  
21 Q. Okay.  
22 Did you ever have any email correspondence  
23 with Mr. Murray?  
24 A. I may have. I can't recollect.  
25 Q. How about did you ever send him any documents

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1 by any electronic means?  
2 A. Well, that -- that would be email. And I  
3 can't remember whether I would have sent him anything  
4 directly or not. Certainly sent some documents  
5 relating to that relationship that I just outlined.  
6 But (unintelligible) --  
7 Q. Let me stop you there. What relationship?  
8 A. Well, the promotion of his services as a  
9 trader. And I certainly asked questions, wanted to  
10 find out more. I may have done that to Giovanni or I  
11 may have done it even directly with him  
12 (unintelligible).  
13 Q. When I say electronic correspondence, I'm  
14 talking about documents by fax.  
15 A. I can't recollect anything.  
16 Q. Documents by Skype.  
17 A. By Skype, no, definitely not. I've never used  
18 that.  
19 Q. Okay. Were you -- were you -- whatever  
20 documents you --  
21 (Telephone busy signal.)  
22 (Off the record.)  
23 MR. DRESSLER: We're back on the record. And  
24 we lost connection with Mr. Murray for a few minutes.  
25 We have reestablished the connection.

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1 Q. Okay. And --  
2 A. Regulated by the London Stock Exchange.  
3 Q. Okay. And you were its chief executive  
4 officer, correct?  
5 A. At some stage, yes.  
6 Q. Okay.  
7 And isn't it a fact that that company was  
8 founded in 2006, correct?  
9 A. I can't recall but that would be --  
10 Q. That sound about right?  
11 A. That sounds about right.  
12 Q. And when it was founded, a few days after it  
13 was registered you became the chairman of the board,  
14 correct?  
15 A. I -- I can't recall.  
16 Q. But were you chairman of the board of any  
17 other companies that traded on any stock exchanges?  
18 A. No.  
19 Q. All right.  
20 So you founded that company?  
21 A. No.  
22 Q. Okay. But you became the chief executive  
23 officer shortly after it was founded, correct?  
24 A. Correct.  
25 Q. Okay.

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1 A. I had a small stockholding, but.  
2 Q. And prior to becoming the CEO of Europe  
3 Vision PLC you were on the board of an organization  
4 called Tritel Media AB?  
5 A. That sounds right, yes.  
6 Q. Okay.  
7 And there was a reverse merger between Tritel  
8 Media AB and Europe Vision PLC?  
9 MS. HARRIS: Objection. Relevance.  
10 THE WITNESS: A company that started on a  
11 small exchange in Denmark. It reversed itself into  
12 Swedish Exchange and then the transaction that you --  
13 as the company grew in the business it accomplished  
14 the transaction you're referring to, which was a  
15 reverse from Sweden into the English Exchange  
16 (unintelligible) via Europe.  
17 MR. DRESSLER: Q: Okay.  
18 And when that -- when Europe Vision PLC began  
19 in 2006, 2007 -- is that about the right time period?  
20 A. I'm afraid that I'm -- it seems about right  
21 but I can't -- really can't recollect.  
22 Q. Okay. All right.  
23 Maybe I can refresh your recollection. Isn't  
24 it true that in December of 2007 you as chief  
25 operating officer called a meeting of the stockholders

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1 with the idea that the company would be delisted from  
2 the AIM submarket of the London Stock Exchange?  
3 Remember that?  
4 MS. HARRIS: Objection. Foundation,  
5 compound, and relevance.  
6 MR. DRESSLER: Okay.  
7 Q. Was your Europe Vision PLC delisted in  
8 December of 2007 from the London Stock Exchange?  
9 A. I can't recollect the date on which it --  
10 Q. You remember that Europe Vision PLC was in  
11 fact at some time delisted from the London Stock  
12 Exchange AIM?  
13 A. Yes. Oh, yes.  
14 Q. It was, correct?  
15 A. Oh, yes. Yes, yes.  
16 Q. Okay. And then what happened after that?  
17 Was it then did it become listed but on the Frankfurt  
18 Exchange?  
19 A. I believe the -- it was listed on the Berlin  
20 Exchange, which has a branch in Frank- -- which quotes  
21 in Frankfurt. That is my -- that is my memory.  
22 Q. Okay.  
23 You were on the -- not only were you the CEO  
24 of that company but you were also on their auditing  
25 committee?

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1 A. I was a member of the auditing committee, yes.  
2 Q. Okay. In terms of an auditing committee, the  
3 firm hired auditors, did they not?  
4 A. Correct.  
5 Q. Okay.  
6 And would you recollect that after you were  
7 convicted of money laundering in 2009 the auditors of  
8 that company resigned?  
9 A. You say that as though there was a connection.  
10 Q. I'm just asking you. I'm just asking a  
11 question, sir. Around the time, after -- strike that.  
12 After your conviction, on or about  
13 August 1st, 2009, the auditors filed a letter  
14 resignation.  
15 A. I have no idea as to the timing as to auditors  
16 resigning. There was a dispute and the -- yes, they  
17 resigned.  
18 Q. All right. And you don't remember whether  
19 that was -- that dispute arose after you were  
20 convicted --  
21 A. I --  
22 Q. -- for money laundering?  
23 A. I don't -- you seem to link the two. I don't  
24 believe there was any connection at all. The dispute  
25 was over their fees and their services.

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1 Q. Okay.  
2 In any event, I think the place where I  
3 started with all this was that when you got out of  
4 jail in January of 2010 you were reinstated as the  
5 chief executive officer of Eurovision PLC, correct?  
6 A. I can't remember if that was done. Chairman,  
7 I believe. In order to run its affairs down in an  
8 orderly fashion.  
9 Q. Did you send an email yesterday to FBI  
10 Agent Weber?  
11 A. I did.  
12 Q. Okay. And in that email didn't you say: I  
13 was immediately reinstated as the chairman of a public  
14 company quoted on the London Stock Exchange when I --  
15 when you were released from jail.  
16 Isn't that what you put in that email last  
17 night?  
18 A. I (unintelligible) that. That is a  
19 misrepresentation which I retracted. It had been  
20 quoted on the stock exchange. Was not at that time.  
21 Q. Could you repeat what you just said? I'm  
22 sorry.  
23 A. The way that I phrased the email --  
24 Q. Mm-hmm.  
25 A. -- as you just correctly quoted --

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1 Q. Mm-hmm.  
2 A. -- misrepresents the situation so I -- it had  
3 been quoted on the London Stock Exchange. Was no  
4 longer quoted at that time.  
5 Q. So was that an intentional misrepresentation?  
6 A. No.  
7 Q. You made a mistake?  
8 A. If you look at the time, the email was  
9 extremely late and I was trying to --  
10 Q. Okay.  
11 A. -- summarize bad things.  
12 Q. But, so what you're saying now is that when  
13 you said that it was you immediately were reinstated  
14 as the chairman of a public company quoted on the  
15 London Stock Exchange, the part of it that was wrong  
16 was that at the time you got out of jail it was -- was  
17 listed on the London Stock Exchange, correct?  
18 A. It was certainly not listed, as far as I can  
19 recall. In timing terms, it had already delisted from  
20 the London Stock Exchange, had been listed. And the  
21 point of that statement was not particularly that but  
22 was that I had not been prohibited from taking up a  
23 post in any company, private or public, because of the  
24 conviction.  
25 Q. Okay. What I'm asking you, sir, is the part

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1 of that email that said, "I was immediately reinstated  
2 as the chairman of a public company," that part was  
3 correct, wasn't it?  
4 A. Yes. It was a public company, yes, that's  
5 correct.  
6 Q. Okay.  
7 And in fact, right after you got out of jail  
8 you communicated with Mr. Murray, did you not?  
9 A. Please refresh my memory.  
10 Q. Do you have any memory of communicating with  
11 Mr. Murray within three or four weeks after getting  
12 out of jail?  
13 A. I have no memory of that timeframe  
14 communicating with him.  
15 Q. Okay.  
16 A. I'm not deny- -- I'm not saying no. I just  
17 can't remember the timeframe.  
18 Q. Okay. Well, maybe I can refresh your  
19 recollection, sir.  
20 A. Thank you.  
21 Q. Isn't it a fact that within three weeks of  
22 your being released from jail you agreed to invest  
23 \$3 million in Mr. Murray's company known as MNT B?  
24 A. You really have to refresh my memory then.  
25 Q. Well, I'm asking a question. Do you remember

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1 doing that?  
2 A. No.  
3 Q. When you got out of jail in January of 2010,  
4 all right, was your email address  
5 davidlowe@blmonaco.com?  
6 A. Yes.  
7 Q. Okay. You still have the same email,  
8 correct?  
9 A. I did.  
10 Q. All right. And you had it back in 2010, did  
11 you not?  
12 A. That is correct.  
13 Q. Okay. And your telephone number was at that  
14 time, 2010, 44 79 57 16 68 88. Correct?  
15 A. That is correct.  
16 Q. All right.  
17 And the principle office of Europe Vision PLC  
18 in January of 2010 was Craven Street 40, London.  
19 Correct?  
20 A. I've already commented about Craven Street.  
21 And that was used.  
22 Q. Okay. Let me stop you there, sir, all right?  
23 Did you understand the question I just asked  
24 you?  
25 A. Well, I'm trying to answer it. I apologize.

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1 Q. Okay. Could you answer it with a yes or a no  
2 and then you can explain.  
3 A. Well, I can't -- I can't recall.  
4 Craven Street was certainly used as the address. I  
5 can't recall if it was number 40.  
6 Q. Okay, all right. But Craven Street in London  
7 was the address for Europe Vision PLC, correct?  
8 A. Used as the address for the company.  
9 Q. Okay.  
10 And have you ever heard of EFG Bank in  
11 Geneva, Switzerland?  
12 A. Yes, I have.  
13 Q. Okay. In fact, is that a bank that you dealt  
14 with on behalf of Europe Vision PLC back in 2010?  
15 A. The bank was the primary bank of  
16 Europe Vision's largest shareholder.  
17 Q. Okay.  
18 A. And the shares in -- were his, well, his  
19 vehicle, were lodged, held by EFG.  
20 Q. Okay.  
21 A. In Geneva.  
22 Q. And in January of 2010 did Europe Vision PLC  
23 have over 4,000 shareholders?  
24 A. I don't know.  
25 Q. Well, you were the CEO at that time.

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1 A. I can't recollect at this time.  
2 Q. Did it have more than a thousand  
3 shareholders?  
4 A. I can't recollect. It certainly had a large  
5 number of shareholders.  
6 Q. That's because it was a publically-traded  
7 company, correct?  
8 A. It had been marketed both in England and also  
9 in Germany. A lot of German investors  
10 (unintelligible).  
11 Q. Okay. And do you know a person -- know a  
12 person by the name of Andrew Mackenzie?  
13 A. Yes, I do.  
14 Q. He was one of the -- when you were convicted  
15 of money laundering, there were three or four other  
16 codefendants, correct?  
17 A. Correct.  
18 Q. And one of those codefendants was a person by  
19 the name of Andrew Mackenzie, correct?  
20 A. Correct.  
21 Q. In fact, at the time -- the money laundering  
22 that was involved in the criminal case, you were  
23 accused of laundering money that Mr. Mackenzie gave  
24 you, correct?  
25 A. It was his ill-gotten gains that was --

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1 Q. Yes. And you actually knew it was his  
2 ill-gotten gains when you got it, didn't you?  
3 A. No. That wasn't the finding. It was I ought  
4 to have known.  
5 Q. Well, in fact, you -- you transferred -- he  
6 gave you 85,000 pounds, somewhere around that amount  
7 of money?  
8 A. Approximately.  
9 Q. All right. And he gave it to you in your  
10 capacity as a solicitor?  
11 A. No.  
12 Q. As a friend?  
13 A. He didn't give me that money. The money came  
14 from one of his -- one of the codefendants for  
15 Mr. Mackenzie. And Mr. Mackenzie said, please receive  
16 this money. The two of them were not talking to each  
17 other.  
18 Q. Mm-hmm.  
19 A. And please receive this money and transfer it  
20 on.  
21 Q. And you transferred it on to someplace in  
22 Florida, correct?  
23 A. To another attorney who was purchasing a house  
24 on Mr. Mackenzie's behalf.  
25 Q. Okay. In Florida, correct?

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1 A. Florida, yes, that's right.  
2 Q. Okay. And you also created a false document,  
3 did you not, on behalf of Mr. Mackenzie which -- I'll  
4 start over with that.  
5 You created a promissory note for 85 --  
6 approximately 85,000 pounds, which was a document that  
7 appeared to show that you had loaned Mr. Mackenzie  
8 85,000 pounds -- 85,000 pounds. Correct?  
9 A. That is all part of the trial, yes.  
10 Q. Okay. And that was part of the money  
11 laundering.  
12 A. (Unintelligible.)  
13 Q. That transaction, was it not?  
14 A. That is what the finding was.  
15 Q. And in fact, you didn't loan him 85,000  
16 pounds, correct?  
17 A. No.  
18 Q. Okay.  
19 You created a false -- acting as -- you  
20 weren't acting as a solicitor when you did that, you  
21 created that document?  
22 A. A document was created which at the time was  
23 intended to be bona fide. It didn't transpire in that  
24 way. And it was found as a matter of fact by the jury  
25 that it was money laundering, therefore that document

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1 did not have any value.  
2 Q. When you say money laundering, in the context  
3 of your trial that was money that Mr. Mackenzie had  
4 unlawfully taken from some funds that were used to try  
5 and save the Derby football team from going out of  
6 business? (Unintelligible.)  
7 A. He hadn't -- he hadn't -- you're categorizing  
8 it in a way. I would categorize it in a different way.  
9 He paid himself. They all paid themselves commission  
10 on monies that they arranged to save the football club.  
11 And they didn't declare that money. And nobody ever  
12 suggested that I knew that.  
13 Q. That wasn't my question. But the point is,  
14 the money that you created the promissory note for and  
15 the money that you sent to the lawyer in Florida, that  
16 was money that they were not entitled to.  
17 A. That was finding, absolutely.  
18 Q. All right.  
19 A. Correct.  
20 Q. I'm not suggesting that you were found guilty  
21 of -- that you were conspiring with them to steal  
22 money from the Derby football company, but you were  
23 accused of --  
24 A. Facilitating.  
25 Q. -- facilitating the --

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1 A. And had I made inquiry --  
2 Q. Let me -- let me finish my --  
3 A. Had I made inquiry, I should have known that  
4 it was ill-gotten gains. But I didn't.  
5 Q. All right.  
6 Well, you didn't suspect it was ill-gotten  
7 gains when you created a false promissory note?  
8 A. I ought to have known.  
9 Q. Well, you knew when you created the  
10 promissory note that it was false because you had not  
11 lent Mr. Mackenzie \$85,000.  
12 A. The note was cre- -- yes. You create lots of  
13 documents as a lawyer.  
14 I don't wish to be defensive because I was  
15 guilty, found guilty, and I remain guilty.  
16 MR. DRESSLER: Okay.  
17 I'm gonna mark a document for identification.  
18 All right? And --  
19 MS. HARRIS: Mark it "A."  
20 MR. DRESSLER: I'll make it Defendant's A,  
21 all right.  
22 (Defendant's Exhibit A was marked for  
23 identification.)  
24 MS. HARRIS: Do we have a copy?  
25 MR. DRESSLER: I'm gonna show you this

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1 document. (Unintelligible.)  
2 MS. HARRIS: No.  
3 Can we have a chance to look at it first?  
4 MR. DRESSLER: Sure.  
5 MS. HARRIS: Okay.  
6 MR. DRESSLER: Okay.  
7 Q. I'm gonna show you the last page of this  
8 document.  
9 That is your signature, is it not?  
10 A. That is indeed my signature, yes.  
11 Q. Okay. And it's signed: David Lowe, chairman  
12 of the board of directors --  
13 A. Correct.  
14 Q. -- Europe Vision PLC.  
15 A. Yes.  
16 Q. All right.  
17 And it also indicates here, it says: Social  
18 security or employer identification number. Correct?  
19 The last page. See where I'm pointing?  
20 A. Yeah, (unintelligible), yeah.  
21 Q. And that's your handwriting. It says: See  
22 docs provided. Correct?  
23 A. Correct, mm-hmm.  
24 Q. And by that, that means that you -- you  
25 provided various kinds of documents to Mr. Murray,

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1 correct?  
2 A. I know that this went to Mr. Murray. You're  
3 about to tell me. But I can't --  
4 Q. Well --  
5 A. -- I can't recollect when it went to  
6 Mr. Murray.  
7 Q. Okay, all right. Well, let me ask you this.  
8 Why don't you look at that. After you've had  
9 a chance to review it, let me know when you're done.  
10 A. Okay. Thank you for refreshing my memory.  
11 Q. Okay. Did that refresh your recollection?  
12 A. Yes, it does.  
13 Q. Okay. And in fact, this is an Investor  
14 Questionnaire and a Subscription Agreement signed by  
15 you to invest \$3 million in a company that you  
16 testified earlier you never heard of.  
17 MS. HARRIS: Objection.  
18 MR. DRESSLER: MNT B, LLC.  
19 MS. HARRIS: Objection. Misstates the  
20 testimony. There's nothing in the document that  
21 refers to a company called MNT B, LLC.  
22 MR. DRESSLER: Q: Referring to the last  
23 signature page, last page which is a signature page,  
24 it says: The undersigned desiring to enter into an  
25 operating -- into the operating agreement of Market

**RESPONDENT'S**

**EXHIBIT 14**

INVESTOR QUESTIONNAIRE

A. SUBSCRIBER INFORMATION

Subscriber further represents and warrants that the following information is true and complete:

Name of Subscriber: EUROPE VISION PLC Date of Birth: N/A

Name of Joint Subscriber, if any: / Date of Birth: /

Amount of Initial Capital Contribution: \$3,000,000 (Three million U.S. dollars)

Subscriber's Social Security, Taxpayer ID No, Foreign Tax ID/Certification of Tax Exemption: \_\_\_\_\_

*SEE DOCUMENTS SENT SEPARATELY.*

Type of owner or form of ownership:

- |                                      |   |                                     |
|--------------------------------------|---|-------------------------------------|
| <input type="checkbox"/> Individual  | <input checked="" type="checkbox"/> Limited Liability Company     | <input type="checkbox"/> IRA        |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Tenants in Common                        | <input type="checkbox"/> Keogh Plan |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Joint Tenants With Right of Survivorship |                                     |
| <input type="checkbox"/> Trust       | <input type="checkbox"/> Employee Benefit Plan                    | <input type="checkbox"/> Other      |

If "Other," specify: \_\_\_\_\_

Address (Principal State of Residence):  
Chemin Ste Eug 40  
London

Mailing Address, if different:  
\_\_\_\_\_  
\_\_\_\_\_

Telephone number: (44) 295 716888 Fax number: ( ) \_\_\_\_\_

Email: david.lowe@blmonaco.com / info@eurovision.com

Name of Remitting Bank: EFG Bank

Address: GENÈVE SWITZERLAND  
*SEE SEPARATE DOCS.*

SWIFT/ABA/CHIPS/UID: \_\_\_\_\_

Account name: \_\_\_\_\_

Account number: \_\_\_\_\_

Under Reference: \_\_\_\_\_

Value Date for Capital Contribution: \_\_\_\_\_

Unless notified otherwise, the Company will use the foregoing bank account details in the case of withdrawals.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

Case Number  
PLT ( ) DEPT EXHIBIT NO. 11

Date Admitted: \_\_\_\_\_

By: \_\_\_\_\_

Betty Lee, Deputy Clerk



If the Subscriber is a corporation, limited liability company, partnership or a trust, please provide the names and addresses of the officers, directors, partners, managers, members and principal beneficiaries as the case may be. To the extent the context permits, all of the information in this questionnaire is furnished on behalf of and is applicable to each of the persons listed below. The Manager may require any one of these individuals to complete a separate Investor Questionnaire.

Company Represented by its Active Chairman  
DAVID LANGE

THE COMPANY IS A PUBLICLY TRADED COMPANY IN GERMANY. IT HAS OVER 4000 SHAREHOLDERS. THE LARGEST

Business or professional education and the degree(s) received are as follows (Applicable to individual subscribers):

School	Degree	Year Received	
			IS AN INVESTMENT FUND OWNED BY 4 SWISS BANKS CALLED ALPHA SECURITIES.

Prior employment, positions or occupations during the past five years (and the inclusive dates of each) are as follows:

Employment Position or Occupation	From	To	Nature of Duties

Approximate number of years Subscriber has been investing: \_\_\_\_\_ Approximate current portfolio value: \$ \_\_\_\_\_

Please check frequency of Subscriber's (or custodian's) investments in:

	Often	Occasionally	Seldom	Never
Real estate, other than principal residence (directly or through partnerships or other entities managed by others)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax shelter programs (real estate, leasing, oil and gas, cattle breeding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketable securities (stocks, bonds, debentures, notes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commodity futures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Speculative or venture capital investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other private investment funds, including hedge funds and commodity pools	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Duplicate reports, including statements and quarterly letters should be sent to:

Attention A. MAXWELL AT THE COS ADDRESS

**B. ACCREDITED INVESTOR STATUS**

Unless otherwise determined by the Manager in its sole discretion, the Manager will accept subscription offers only from persons who are "Accredited Investors," as that term is defined in Regulation D under the Securities Act. PLEASE CHECK THE APPROPRIATE SPACE(S) IN THIS SECTION INDICATING THE BASIS ON WHICH YOU QUALIFY AS AN INVESTOR.

1. **Qualification as an Accredited Investor.** Please check the categories applicable to you indicating the basis upon which you qualify as an Accredited Investor for purposes of the Securities Act and Regulation D thereunder.

- INDIVIDUAL WITH NET WORTH IN EXCESS OF \$1.0 MILLION.** A natural person (not an entity) whose net worth, or joint net worth with his or her spouse, at the time of purchase exceeds \$1,000,000. (Explanation: In calculating net worth, you may include your equity in personal property and real estate, including your principal residence, cash, short-term investments, stock and securities. Your inclusion of equity in personal property and real estate should be based on the fair market value of such property less debt secured by such property.)
- INDIVIDUAL WITH A \$200,000 INDIVIDUAL ANNUAL INCOME.** A natural person (not an entity) who had an individual income of more than \$200,000 in each of the preceding two calendar years, and has a reasonable expectation of reaching the same income level in the current year.
- INDIVIDUAL WITH A \$300,000 JOINT ANNUAL INCOME.** A natural person (not an entity) who had joint income with his or her spouse in excess of \$300,000 in each of the preceding two calendar years, and has a reasonable expectation of reaching the same income level in the current year.
- CORPORATIONS OR PARTNERSHIPS.** A corporation, partnership, or similar entity that has in excess of \$5 million of assets and was not formed for the specific purpose of acquiring an interest in the Company.
- REVOCABLE TRUST.** A trust that is revocable by its grantors and each of whose grantors is an accredited investor. (If this category is checked, please also check the additional category or categories under which the grantor qualifies as an accredited investor.)
- IRREVOCABLE TRUST.** A trust (other than an ERISA plan) that (i) is not revocable by its grantors, (ii) has in excess of \$5 million of assets, (iii) was not formed for the specific purpose of acquiring an interest, and (iv) is directed by a person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of an investment in the Company.
- IRA OR SIMILAR BENEFIT PLAN.** An IRA, Keogh or similar benefit plan that covers a natural person who is an accredited investor. (If this category is checked, please also check the additional category or categories under which the natural person covered by the IRA or plan qualifies as an accredited investor.)
- PARTICIPANT-DIRECTED EMPLOYEE BENEFIT PLAN ACCOUNT.** A participant-directed employee benefit plan investing at the direction of, and for the account of, a participant who is an accredited investor. (If this category is checked, please also check the additional category or categories under which the participant qualifies as an accredited investor.)
- OTHER ERISA PLAN.** An employee benefit plan within the meaning of Title I of the ERISA Act other than a participant-directed plan with total assets in excess of \$5 million or for which investment decisions (including the decision to purchase an interest) are made by a bank, registered investment adviser, savings and loan association, or insurance company.

- GOVERNMENT BENEFIT PLAN.** A plan established and maintained by a state, municipality, or any agency of a state or municipality, for the benefit of its employees, with total assets in excess of \$5 million.
- NON-PROFIT ENTITY.** An organization described in Section 501(c)(3) of the Internal Revenue Code, as amended, with total assets in excess of \$5 million (including endowment, annuity and life income funds), as shown by the organization's most recent audited financial statements.
- OTHER INSTITUTIONAL INVESTOR (check one).**
  - A bank, as defined in Section 3(a)(2) of the Securities Act (whether acting for its own account or in a fiduciary capacity);
  - A savings and loan association or similar institution, as defined in Section 3(a)(5)(A) of the Securities Act (whether acting for its own account or in a fiduciary capacity);
  - A broker-dealer registered under the Exchange Act;
  - An insurance company, as defined in section 2(13) of the Securities Act;
  - A "business development company," as defined in Section 2(a)(48) of the ICA;
  - A small business investment company licensed under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended; or
  - A "private business development company" as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.
- EXECUTIVE OFFICER OR DIRECTOR.** A natural person who is an executive officer, director or manager of the Company or the Manager.
- ENTITY OWNED ENTIRELY BY ACCREDITED INVESTORS.** A corporation, partnership, private investment company or similar entity each of whose equity owners is a natural person who is an accredited investor. (If this category is checked, please also check the additional category or categories under which each natural person qualifies as an accredited investor.)

II. Qualification as a Qualified Client.

- The Subscriber has a net worth in excess of \$1,500,000. Each direct or indirect ultimate equity owner of the Subscriber has a net worth in excess of \$1,500,000, if the Subscriber is (1) a private investment company (a company that would be defined as an investment company under the ICA, but for the exception from that definition provided by ICA section 3(c)(1)), (2) an investment company registered under the ICA or (3) a business development company as defined in Advisers Act section 202(a)(22).

III. Qualification as a Sophisticated Person. Please check below, if applicable, indicating that you are a Sophisticated Person for purposes of the Securities Act and Regulation D thereunder.

- The Subscriber is a person with knowledge and experience in financial and business matters so as to be capable of evaluating the relative merits and risks of an investment in the Company. The Subscriber is not utilizing any other person to be its purchaser representative in connection with evaluating such merits and risks. The Subscriber offers as evidence of knowledge and experience in these matters the information requested hereinafter on this Investor Questionnaire and the representations set forth in the Subscription Agreement. If the Subscriber requires the use of the services of a Purchaser Representative, as defined in Regulation D, a separate questionnaire will be provided.

**C. ERISA PLANS**

If Subscriber is a qualified retirement plan subject to the fiduciary provisions of Title I of ERISA, or of Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), check the appropriate spaces below:

**TITLE TO UNITS TO BE REGISTERED AS FOLLOWS:**

Type of Plan (check one)

- CORPORATE PLAN                       IRA  
 KBOGH (H.R.-10) PLAN               OTHER: \_\_\_\_\_

Investment Discretion with respect to Invested Assets Exercised by (check one)

- INDIVIDUAL                               INDIVIDUAL FIDUCIARY  
 EMPLOYER                                 CORPORATE FIDUCIARY (bank, insurance company,  
investment broker, etc.)

NAME OF FIDUCIARY: \_\_\_\_\_

**D. REPRESENTATIONS AND WARRANTIES BY LIMITED LIABILITY COMPANIES, CORPORATIONS, PARTNERSHIPS, TRUSTS AND ESTATES**

If the Subscriber is a corporation, partnership or trust, the Subscriber and each person signing on behalf of Subscriber represents and warrants that:

1. Was the undersigned organized or reorganized for the specific purpose, or for the purpose among other purposes, of acquiring interests in the Company?

Yes                       No

2. Will the Subscriber, at any time, invest more than 40% of Subscriber's assets in the Company?

Yes                       No

3. Under the Subscribing entity's governing documents and in practice, are the Subscribing entity's investment decisions based on the investment objectives of the Subscribing entity and its owners generally and not on the particular investment objectives of any one or more of its individual owners?

Yes                       No

4. Does any individual shareholder, partner or member or group of shareholders, partners or members of the undersigned have the right to elect whether or not to participate in the investment of the Subscribing entity in the Company or to determine the level of participation of such partner or group therein?

Yes                       No

5. Is the Subscribing entity authorized and qualified to become a Member in the Company and does the Subscribing entity and the undersigned hereto further represent and warrant that such signatory has been duly authorized by the Subscribing entity to execute the Subscription Documents?

Yes                       No

6. Is the undersigned a private investment company which is not registered under the Company Act, as amended, in reliance on Section 3(c)(1) or Section 3(c)(7) thereof?

Yes

No

**E. TAXPAYER ID NUMBER; NO BACKUP WITHHOLDING; NON-U.S. FOREIGN PERSON OR ENTITY**

*PLEASE SEE DOCUMENTS SUPPLIED*

If Subscriber is a "non-U.S. person or entity," allocations of Company income may be subject to withholding and taxation under the Internal Revenue Code, as amended ("Code"). Subscriber acknowledges that it may be required to file U.S. income tax returns. If the Subscriber is a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Code and the regulations thereunder), please contact the Manager. The Subscriber understands that the information contained in this item may be disclosed to the Internal Revenue Service by the Company and that any false statement contained in this item could be punished by fine, imprisonment or both.

1. Subscriber certifies that the taxpayer identification number being supplied herewith by Subscriber is Subscriber's correct taxpayer identification number and that Subscriber is not subject to backup withholding under Section 3406 of the Code and the regulations thereunder?

Yes

No

2. Subscriber certifies that Subscriber is not a "Non-U.S. person" or, if an entity, that Subscribing entity is not a foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined the Code and the regulations thereunder?

Yes

No

3. If Subscriber's non-foreign status changes or if any other information in this item changes, Subscriber agrees to notify the Manager within 30 days thereafter.

Yes

No

**F. FINRA NEW ISSUE RULE**

To permit the Company to invest in initial public offerings in compliance with the New Issue Rule, please provide the information requested below. Terms that are in bold in this Part F are defined in section F(4). The Subscriber understands that if any representation in this Part F is or ever becomes untrue in any respect, the business of the Company may be materially and adversely affected thereby, and the Subscriber will be fully responsible for the consequences thereof. The Subscriber agrees to notify the Manager promptly in writing if any such representation is or ever is about to become or ever becomes untrue in any respect.

(1) **Restricted Person Categories.** Are you (or, if the Subscriber is an entity, any beneficial owner of the Subscriber) described in any of the following clauses (1)(a) through (i)?

Yes

(a) **A member of the NASD or otherwise a domestic or foreign broker/dealer.**

(b) **An officer, director, Manager, associated person or employee of a NASD member or any**

other broker/dealer (other than a limited business broker/dealer).

(c) An agent of a FINRA member or any other broker/dealer (other than a limited business broker/dealer) that is engaged in the investment banking or securities business.

(d) A finder or any person acting in a fiduciary capacity to the managing underwriter of New Issues, including, but not limited to, an attorney, an accountant or a financial consultant.

(e) A person who has authority to buy or sell securities for a bank, savings and loan institution, insurance company, investment company, investment adviser or collective investment account.

(f) A person listed, or required to be listed, in Schedule A or B of a Form BD (other than with respect to a limited business broker/dealer), except a person identified on Schedule A by an ownership code of less than 10% or a person whose listing on Schedule B relates to an ownership interest in a person listed on Schedule A identified by an ownership code of less than 10%.

(g) A person listed, or required to be listed, in Schedule C of a Form BD that meets the criteria of the preceding clause (1)(f).

(h) A person that directly or indirectly owns 10% or more of a public reporting company listed, or required to be listed, in Schedule A of a Form BD or 25% or more of a public reporting company listed, or required to be listed, in Schedule B of a Form BD (other than a reporting company that is listed on a national securities exchange or is traded on the Nasdaq National Market, or other than with respect to a limited business broker/dealer).

(i) An immediate family member of: (i) a person specified in any of the preceding clauses (1)(b) through (h) who materially supports, or receives material support from, that person; (ii) a person specified in clauses (1)(b) or (c) above who is employed by or associated with an NASD member or an affiliate of an NASD member that sells New Issues, or who has an ability to control the allocation of New Issues; or (iii) a person specified in any of clauses (1)(f) through (h) above who either is an owner of an FINRA member, or an affiliate of an NASD member, selling New Issues, or has the ability to control the allocation of New Issues.

(2) Entities and Investment Accounts. Is the Subscriber an entity, such as a corporation, partnership, trust, limited liability company or other collective investment account, in which one or more restricted persons described in any of clauses (1)(a) through (i) above has a beneficial interest?

Yes  No

If yes, answer each of the following questions:

(a) Indicate the total percentage beneficial interest in the Subscriber, directly or indirectly, of all such restricted persons: \_\_\_\_\_%.

(b) Do you have procedures to limit participation by restricted persons to not more than 10% of the profits and losses you receive from New Issues? Yes  No

(c) If you answered no to (2)(b) above, do you have and will you apply procedures to specially allocate profits and losses from New Issues between restricted persons and your other beneficial owners if those profits and losses are separately reported to you? Yes  No

(3) General Exemptions From New Issue Rule. If the Subscriber is described in one or more of the

or any other collective investment vehicle that is engaged primarily in the purchase and/or sale of securities. A "collective investment account" does not include a family investment vehicle or investment club.

"Family investment vehicle" means a legal entity beneficially owned solely by immediate family members.

"Finder" means a person who receives compensation for identifying potential investors in an offering.

"Immediate family member" means a person's parent, parent-in-law, spouse, sibling, brother-in-law, sister-in-law, son-in-law, daughter-in-law, child, or any other individual to whom the person provides material support.

"Investment club" means a group of friends, neighbors, business associates or others that pool their money to invest in stock or other securities and are collectively responsible for making investment decisions.

"Limited business broker/dealer" means any broker/dealer whose authorization to engage in the securities business is limited solely to the purchase and sale of investment company/variable contracts securities and direct participation program securities.

"Material support" means directly or indirectly providing more than 25% of a person's income in the prior calendar year. Members of the immediate family living in the same household are deemed to be providing each other with material support.

"Restricted person" means a person who generally is ineligible to receive New Issues under the rules and interpretations of the NASD.

#### G. COMPLIANCE WITH THE USA PATRIOT ACT

To comply with applicable anti-money laundering/U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") rules and regulations, you are required to provide the following information:

##### I. Payment Information.

1. Name of the bank from which your payment to the Company is being wired (the "Wiring Bank"):

FC Bank Geneva

2. Is the Wiring Bank located in the United States or another "FATF Country"?

Yes  No

If yes, please answer question (3) below.  
If no, please provide the information described in Item II below.

3. Are you a customer of the Wiring Bank?

Yes  No

<sup>1</sup> As of the date hereof, countries that are members of the Financial Action Task Force on Money Laundering (each an "FATF Country") are: Argentina, Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Luxembourg, Mexico, Kingdom of the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, Turkey, United Kingdom, and the United States. The list of FATF Countries may be expanded to include future FATF members and FATF compliant countries, as appropriate.

**SUBSCRIPTION AGREEMENT AND INVESTOR QUESTIONNAIRE SIGNATURE PAGE**

Date: 19/02/10

\$3000,000 (three million vs dollars)  
Amount of Initial Capital Contribution

**SIGNATURE FOR INDIVIDUAL SUBSCRIBER:  
(Including Individual IRA Account Holders)**

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

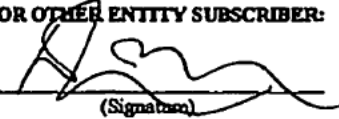
\_\_\_\_\_  
(Print Name of Joint Subscriber, if any)

\_\_\_\_\_  
(Signature of Joint Subscriber, if any)

- OR -

**SIGNATURE FOR PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY SUBSCRIBER:**

EUROPE VISION PLC  
(Print Name of Subscriber)

  
(Signature)

DAN LOWE  
(Print Name and Title of Person Signing)

CHAIRMAN OF THE BOARD

- OR -

**CUSTODIAN APPROVAL FOR AN IRA ACCOUNT:** By signing below, the undersigned, a qualified IRA custodian, is consenting to the IRA account being invested in the interests.

\_\_\_\_\_  
(Print Name of Custodian)

\_\_\_\_\_  
(Signature of Custodian Representative)

\_\_\_\_\_  
(Print Name and Title of Custodian Representative)



SIGNATURE PAGE

The undersigned, desiring to enter into the Operating Agreement of Market Neutral Trading B, LLC (the "Operating Agreement") of Market Neutral Trading B, LLC, a Delaware limited liability company (the "Company"), in or substantially in the form furnished to the undersigned with the Offering Memorandum for side pocket agreement dated February 18, 2010, hereby agrees to all of the terms of the Operating Agreement and agrees to be bound by the terms thereof and to become a Member thereunder, and the undersigned hereby joins in the execution and swears to this Operating Agreement and hereby authorizes this signature page to be attached thereto.

Witness the execution hereby by the undersigned as a member of the Company and individually.

Evolve Vision LLC  
Print Name of Subscriber

SEE JOBS PROVIDED  
Social Security or Employer  
Identification Number

Signature for Individual Subscribers\*  
(Including Individual IRA Account Holders)

\_\_\_\_\_  
Signature of Subscriber

\_\_\_\_\_  
Signature of Subscriber, if Joint

\_\_\_\_\_  
Date

Residence or Business Address of Subscriber:

ADMIN OFFICE AT  
17 BLVD des MARAIS  
Street  
MANASSAS 92000  
City State Zip Code

Signature for Subscribers Other Than  
Individuals:

By: [Signature]  
Signature of Authorized Signatory

DAVID LAMIS  
Print Name and Title of Authorized Signatory

CHAIRMAN OF THE BOARD  
OF DIRECTORS

CUSTODIAN APPROVAL FOR AN IRA  
ACCOUNT: By signing below, the undersigned, a  
qualified IRA custodian, is consenting to the IRA  
account being invested in the interests.

\_\_\_\_\_  
Print Name of Custodian

\_\_\_\_\_  
(Signature of Custodian Representative)

\_\_\_\_\_  
(Print Name and Title of Custodian Representative)

\*IRA subscriptions must be signed by the Individual IRA Account Holder and may have to be approved by the Custodian.

**RESPONDENT'S  
EXHIBIT 15**

SEALED  
BY COURT ORDER

UNITED STATES DISTRICT COURT  
for the  
Northern District of California

In the Matter of the Seizure of )  
(Briefly describe the property to be seized) )  
All funds and securities, up to and including ) Case No. 3 12 7 0 6 0 4  
\$2,059,900 held for the benefit or in the name )  
of MNT Master Fund, Ltd., in accounts at Interactive )  
Brokers, Chicago, Illinois, as further described below and in Exhibit A )

APPLICATION FOR A WARRANT  
TO SEIZE PROPERTY SUBJECT TO FORFEITURE

JCS  
LB

I, a federal law enforcement officer or attorney for the government, request a seizure warrant and state under penalty of perjury that I have reason to believe that the following property in the \_\_\_\_\_ District of \_\_\_\_\_ Illinois is subject to forfeiture to the United States of America under 18 U.S.C. § 5

81(a)(1)(A)&(C) (describe the property): \*28 U.S.C. § 2461(c).

All funds and securities, up to and including, \$2,059,900.00 held for the benefit or in the name of MNT Master Fund, Ltd. in accounts at Interactive Brokers, located in Chicago, Illinois, as follows (hereinafter "subject funds") --  
\$1,739,730.53 in account #U1014923  
\$37,371.14 in account #U1014921  
\$728.28 in account #U1014922  
\$227.85 in account #U1010240

The application is based on these facts:

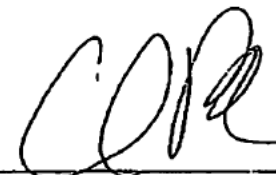
See Attached Affidavit

Continued on the attached sheet.

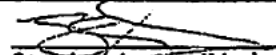
  
\_\_\_\_\_  
Applicant's signature  
Jordyn B. Kramer, USSS Special Agent  
\_\_\_\_\_  
Printed name and title

Sworn to before me and signed in my presence.

Date: 5/21/12

  
\_\_\_\_\_  
Judge's signature  
Laurel Beeler, U.S. Magistrate Judge  
\_\_\_\_\_  
Printed name and title

City and state: San Francisco, California

Approved as to form:   
Stephanie N. Hinds  
Assistant U.S. Attorney

1           4.     I make this affidavit in support of the issuance of a seizure warrant for the  
2 following property:

3           All funds and securities, up to and including, \$2,059,900.00 held for the benefit or in the  
4 name of MNT Master Fund, Ltd. in accounts at Interactive Brokers, located in Chicago,  
5 Illinois, as follows (hereinafter "subject funds"):

6                     \$1,739,730.53 in account [REDACTED] (balance as of 5/17/12)

7                     \$37,371.14 in account # [REDACTED] (balance as of 5/17/12)

8                     \$728.28 in account # [REDACTED] (balance as of 5/17/12)

9                     \$227.85 in account # [REDACTED] (balance as of 5/17/12)

10           -     (It should be noted that the funds originally invested in this scheme, have both gained  
11 and lost value due to the change in market values of the stocks in which they were  
12 invested.)

13           5.     The facts set forth in this affidavit are based on my own personal knowledge and  
14 information received from: Jessica Radd (USSS), and Enforcement Attorneys at the SEC.  
15 Additionally, I obtained information from other sources during my participation in this  
16 investigation, including from interviews of victims; my review of documents and computer  
17 records related to this investigation; communications with others who have personal knowledge  
18 of the events and circumstances described herein; and information gained through my training  
19 and experience. Because this affidavit is submitted for the limited purpose of establishing  
20 probable cause in support of the application for a seizure warrant, it does not set forth each and  
21 every fact that I or others have learned during the course of this investigation.

22  
23           6.     As set forth below, there is probable cause to believe that the subject property is  
24 subject to seizure and forfeitable to the United States pursuant to Title 18, United States Code,  
25 Section 981 and Title 28, United States Code, Section 2461, as property which constitutes  
26 proceeds and/or is traceable to proceeds of wire fraud. There is also probable cause to believe  
27 that the subject property is forfeitable, pursuant to Title 18, United States Code, Section  
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**EXHIBIT A**

**All funds and securities, up to and including, \$2,059,900.00 held for the benefit or in the name of MNT Master Fund, Ltd. in accounts at Interactive Brokers, located in Chicago, Illinois, as follows (hereinafter "subject funds") --**

**\$1,739,730.53 in account** [REDACTED]

**\$37,371.14 in account #** [REDACTED]

**\$728.28 in account #** [REDACTED]

**\$227.85 in account #** [REDACTED]

1                   **AFFIDAVIT IN SUPPORT OF APPLICATION FOR SEIZURE WARRANT**

2 I, Jordyn B. Kramer, being duly sworn, hereby declare as follows:

3                                   **Background, Training, and Experience**

4           1.       I am a Special Agent ("SA") with the United States Secret Service ("USSS") and  
5 have been so employed since July 2007. I hold a Bachelor's degree in American Studies from  
6 Stanford University, Stanford, California. I am currently assigned to the San Francisco Field  
7 Office. As part of my duties, I investigate offenses involving financial crimes including but not  
8 limited to access device fraud, bank fraud, identity theft, identity document fraud, wire fraud,  
9 mail fraud, and money laundering. In that capacity, I have become familiar with the  
10 investigation and prosecution of wire fraud, identity theft, and access device fraud, including the  
11 use of various criminal methods to perpetrate these frauds.

12           2.       I have completed training in the legal aspects and investigation of crimes against  
13 person and property at the Federal Law Enforcement Training Center in Glynco, Georgia, and  
14 the United States Secret Service Academy in Beltsville, Maryland. During the course of my  
15 employment as a Special Agent, I have participated in numerous investigations, to include cases  
16 involving wire fraud, access device fraud, food stamp fraud and identity theft, used to commit  
17 financial crimes and the seizure of evidence related to such crimes. I have participated in  
18 numerous criminal investigations and the execution of both Federal and State search and seizure  
19 warrants involving various crimes. Additionally, I have consulted with other law enforcement  
20 officers regarding wire fraud, access device fraud, food stamp fraud, and identity theft  
21 investigations.

22           3.       I am currently working with other agents of the USSS and representatives of the  
23 United States Securities and Exchange Commission ("SEC") and conducting an investigation  
24 into an investment fraud scheme, and its associated wire fraud, in violation of Title 18, United  
25 States Code, Section 1343, and money laundering, in violation of Title 18, United States Code,  
26 Section 1956.

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1 Pernell provides investment advice and makes investment decisions on behalf of advisory  
2 clients.

3 22. On or about December 22, 2010, John Pernell was contacted by Eckel, who  
4 provided him with information relating to MNT. John Pernell understood Eckel to be MNT's  
5 interim chief operating officer. Between December 22, 2010 and January 25, 2011, Eckel  
6 provided Pernell with documents regarding MNT. These documents included information  
7 regarding the Fund's historical performance.

8 23. To learn about MNT, Pernell reviewed the information Eckel provided to him  
9 regarding MNT. He also interviewed James MURRAY, who Pernell understood to be chief  
10 investment officer of MNT, on January 21, 2011. MURRAY confirmed that the information  
11 Pernell had received from Eckel regarding the Fund's historical performance was accurate.  
12 Pernell was also provided what purported to be audit reports of MNT prepared by JMA for fiscal  
13 years 2006, 2007, 2008, and 2009. Pernell was later provided with a document that purported to  
14 be an audit report of MNT prepared by JMA for fiscal year 2010. (As stated above, investigation  
15 in this case has revealed that JMA is not a legitimate accounting firm and was providing false  
16 audit reports of MNT).

17 24. Based on all of this information, on or about January 26, 2011, Pernell caused an  
18 advisory client to invest \$250,000.00 into MNT, in a wire transfer made from the client's  
19 account at First Federal Savings & Loan, to the MNT account at Barclays Wealth/Barclays  
20 Capital Inc (Acct #833-70677). Investigators have reviewed the bank records for the MNT  
21 account at Barclays which reflect that this account had a negative \$16,492.57 balance, prior to  
22 Pernell's \$250,000.00 investment. Additionally, though the Barclay's account was opened in  
23 May 2010, the first transactions occurred in January 2011.

24 25. Between January 31, 2011 and February 24, 2011, \$211,099.04 of this  
25 investment was transferred from the MNT account with Barclays Wealth/Barclays Capital Inc to  
26 the MNT account at Interactive Brokers (Acct # U988206).

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1           **INVESTOR Richard Gibson**

2           26.     Investor Richard Gibson provided the following information in a written  
3 declaration signed on April 26, 2012. In early 2011, investor Gibson was contacted by Eckel,  
4 who provided him, via email, with information relating to MNT. Gibson understood Eckel to be  
5 a marketer for MNT. Prior to April 7, 2011, Eckel provided Gibson with documents regarding  
6 MNT. These documents included information regarding the Fund's historical performance.  
7 Gibson also received and reviewed past audit reports of MNT prepared by JMA. Gibson  
8 reviewed the information Eckel provided to him regarding MNT. Based on this information, on  
9 or about April 7, 2011, Gibson signed a subscription agreement with MNT, and invested  
10 \$250,000.00 into MNT. On April 21, 2011, this \$250,000.00 investment by Gibson was  
11 transferred by wire from an account at Cole Taylor Bank, to the MNT account at JPMorgan  
12 Chase Bank (Acct # [REDACTED]). Investigators have reviewed the bank records for the MNT  
13 account at JPMorgan Chase which reflect that this account had a balance of \$2,688.29 prior to  
14 Gibson's \$250,000.00 investment on April 21. Further, JP Morgan Chase Bank account  
15 statements show that on April 21, 2011, \$245,000.00 of this investment was transferred from the  
16 MNT account at JPMorgan Chase Bank to the MNT account at Interactive Brokers (Acct #  
17 [REDACTED]).

18           27.     Based on this same information described in paragraph 26 above, Gibson caused a  
19 family partnership, Gibson GP, to invest \$250,000.00 into MNT on or around April 29, 2011.  
20 This \$250,000.00 was transferred via wire from the investors account at The Independent Bank,  
21 to the MNT account at JPMorgan Chase Bank (Acct # [REDACTED]). Investigators have reviewed  
22 the bank records for the MNT account at JPMorgan Chase which reflect that this account had a  
23 balance of \$40,343.17 prior to Gibson GP's \$250,000.00 investment on April 29. The bank  
24 records also reflect that on this same day -- April 29, 2011-- \$250,000.00 (which appears to be  
25 the funds Gibson GP invested) was transferred from the MNT account at JPMorgan Chase Bank  
26 to the MNT account at Interactive Brokers (Acct # [REDACTED]).

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1 28. Reviews of the MNT account at Citibank reveal that on December 23, 2011,  
2 Gibson caused Gibson GP to invest an additional \$75,000.00 in MNT. Statements show that  
3 these funds were wired from an account at The Independent Bank to the MNT account at  
4 Citibank (Acct # [REDACTED]). Investigators have reviewed the bank records for the MNT  
5 account at Citibank, which revealed that this account had a balance of \$204,313.81, prior to  
6 Gibson GP's \$75,000.00 investment on December 23. The bank records demonstrate that the  
7 \$204,313.81 is derived from the following transactions:

- 8 - On December 1, 2011, the Citibank MNT account balance was \$7,806.88.
- 9 - Between December 1 and December 6, 2011, MURRAY transferred  
10 \$450,000.00 of fraudulent funds from the MNT account at Interactive Brokers (Acct  
11 # [REDACTED]) to this MNT account at Citibank.
- 12 - On December 9, 2011, MURRAY transferred \$200,000.00 of this \$450,000.00  
13 back to the account at Interactive Brokers, leaving the Citibank MNT account with a  
14 balance of \$242,741.73.

15 On December 23, 2011, MURRAY transferred \$200,000.00 from the MNT Citibank account to  
16 an MNT controlled account at Northern Trust International / Cayman Inst'l Bank (Account  
17 # [REDACTED]).

18 29. Citibank MNT statements also show that on February 27, 2012 Richard Gibson  
19 caused Gibson GP to invest an additional \$50,000.00 in MNT, via a wire transfer from an  
20 account at the Independent Bank to the MNT account at Citibank (Acct # [REDACTED]).  
21 Investigators have reviewed the bank records for the MNT account at Citibank which reflect that  
22 this account had a balance of \$635.19, prior to Gibson GP's \$50,000.00 investment on February  
23 27. On this same day, MURRAY transferred \$50,000.00 from the Citibank MNT account to the  
24 MNT account at Northern Trust International / Cayman Inst'l Bank (Account # [REDACTED]).

25 30. On April 17, 2012, MURRAY transferred \$208,589.79 from the Northern Trust  
26 International / Cayman Inst'l Bank MNT Master Fund to the Interactive Brokers MNT Master  
27 Fund Account # [REDACTED], where these funds currently reside.

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**INVESTOR Richard Russell**

31. Investor Richard Russell provided the following information in a written declaration signed on May 3, 2012. On or about December 9, 2010, investor Russell was contacted by Eckel, who provided him with information relating to MNT. Russell understood Eckel to be a marketer for MNT.

32. Between December 9, 2010 and July 11, 2011, Eckel provided Russell with documents regarding MNT. These documents included information regarding the Fund's historical performance. As was the case with investors Pernell and Gibson, Russell turned over copies of the marketing materials given to him by Eckel, to the investigators working this case.

33. Russell reviewed the information Eckel provided to him regarding MNT. Based on this information, on or about July 14, 2011, Richard Russell signed a subscription agreement with MNT, and invested \$150,000.00 into MNT. On August 11, 2011, \$149,900.00 of this investment by Russell was transferred by wire from an account at Cole Taylor Bank, to the MNT account at JPMorgan Chase Bank (Acct # [REDACTED]). Investigators have reviewed the bank records for the MNT account at JPMorgan Chase which reflect that this account had a balance of \$3,750.36, prior to Russell's \$149,900.00 investment on August 11. The bank records further reflect that on the same day (August 11) \$148,000.00 (which appears to be the funds invested by Russell) was transferred from the MNT account at JPMorgan Chase Bank to the MNT account at Interactive Brokers (Acct # U988206).

**INVESTOR Vincent Onorato**

34. In an interview with an SEC Enforcement Division Attorney, investor Vincent Onorato said that he received a couple page marketing piece on MNT from Eckel, as well as what he referred to as an "extensive disclosure document" in this regard. Following the information he received on MNT from Eckel, on March 30, 2011, Onorato invested \$200,000.00 in MNT via wire transfer from his account at Wells Fargo Bank to the MNT account at

1 JPMorgan Chase Bank (Acct # [REDACTED]). The following day, March 31, 2011, Onorato  
2 invested an additional \$250,000.00 in MNT on behalf of the Alfait Living Trust, for which he  
3 serves as trustee, via wire transfer from an account at Wells Fargo Bank, to the MNT account at  
4 JPMorgan Chase Bank (Acct # [REDACTED]). Investigators have reviewed the bank records for the  
5 MNT account at JPMorgan Chase which reflect that this account had a balance of \$144,200.00,  
6 prior to Onorato's \$450,000.00 of investments on March 30 and 31, 2011. (An interview with an  
7 additional individual identified that \$144,000.00 was paid to the MNT account at JPMorgan  
8 Chase on March 24, 2011, via check.) Following the two investments by Onorato, on March 30  
9 and 31, 2011, MURRAY transferred \$500,000.00, which included Onorato's \$450,000.00, from  
10 the MNT JPMorgan Chase account to the MNT account at Interactive Brokers (Acct #U988206).

11 35. Onorato continued to make investments into MNT for both himself and the living  
12 trust throughout 2011. On May 27, 2011, he invested \$150,000.00 via wire transfer, from the  
13 living trust account at Wells Fargo, to the MNT account at JPMorgan Chase. Investigators have  
14 reviewed the bank records for the MNT account at JPMorgan Chase which reflect that this  
15 account had a balance of \$44,701.67 prior to Onorato's \$150,000.00 investment on May 27.  
16 Four days later, on May 31, 2011, MURRAY transferred those funds (actually \$175,000.00) to  
17 the MNT account at Interactive Brokers (Acct # [REDACTED]).

18 36. On August 30, 2011, Onorato invested another \$200,000.00 from the living trust  
19 account at Wells Fargo, via wire transfer, to the MNT account at JPMorgan Chase. Later that  
20 day, MURRAY transferred \$200,000.00 of this investment to the MNT account at Interactive  
21 Brokers (Acct # [REDACTED]). On the same day, Onorato invested an additional \$100,000.00 from  
22 his Wells Fargo account, via wire transfer to the MNT account at JPMorgan Chase.  
23 Investigators have reviewed the bank records for the MNT account at JPMorgan Chase which  
24 reflect that this account had a balance of \$9,192.40, prior to Onorato's investments on August  
25 30. That same day, MURRAY withdrew \$100,000.00 from the MNT JPMorgan Chase account  
26 and transferred it to an account MURRAY controls at Bank of New York Mellon (BNYM),  
27 under the account name Market Neutral Trading (Acct # [REDACTED]). Prior to this \$100,000.00

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1 deposit into the BNYM MNT account, the BNYM MNT account had a balance of \$0.14.  
2 Further, on November 18, 2011, MURRAY transferred \$314,314.17 from the BNYM MNT  
3 account to the MNT account at Citibank (Acct # [REDACTED]) leaving the BNYM MNT account  
4 with a balance of \$3,518.80. Continuing, on November 21, 2011 MURRAY transferred  
5 \$300,000.00 from the Citibank MNT account to the MNT account at Interactive Brokers (Acct  
6 # [REDACTED]).

7 37. On October 26, 2011, Vincent Onorato invested \$150,000.00 from the living trust  
8 via wire transfer from an account at Wells Fargo Bank to the MNT account at Citibank (Acct  
9 # [REDACTED]). Continuing on that day, MURRAY transferred \$135,000.00 of this investment to  
10 the MNT account at BNYM. Further on November 18, 2011, MURRAY transferred  
11 \$314,314.17 from the BNYM MNT account to the MNT account at Citibank (Acct  
12 # [REDACTED]), leaving the BNYM MNT account with a balance of \$3,518.80. On November 21,  
13 2011, MURRAY transferred \$300,000.00 from the Citibank MNT account to the MNT account  
14 at Interactive Brokers (Acct # [REDACTED]).

15 38. Further, on January 3, 2012, MURRAY transferred \$2,685,700.00 out of the  
16 Interactive Brokers MNT account (# [REDACTED]) to Citibank MNT (Acct # [REDACTED]). On the  
17 same date, MURRAY transferred via wire \$2,940,000.00 from Citibank MNT (Acct  
18 # [REDACTED]), to Northern Trust International / Cayman Inst'l Bank MNT Master Fund (Acct  
19 # [REDACTED]).

20 39. On January 5, 2012, MURRAY transferred \$2,600,000.00 from Northern Trust  
21 International / Cayman Inst'l Bank MNT Master Fund (Acct # [REDACTED]) to Interactive Brokers  
22 MNT Master Fund, Ltd (Acct # [REDACTED]). These funds were subsequently transferred  
23 internally within the Interactive Brokers MNT Master Fund sub-accounts:

24	DATE	AMOUNT	RECEIVING ACCOUNT
25	1/6/2012	\$50,000.00	[REDACTED]
26	1/9/2012	\$1,000.00	[REDACTED]
27	1/10/2012	\$29,000.00	[REDACTED]

28

1           1/19/2012     \$2,360,000.00     [REDACTED] (in 4 transactions on the same date)

2           1/27/2012     \$291,226.72     [REDACTED]

3           40.     On February 1, 2012, \$29,000.00 was transferred out of Interactive Brokers MNT  
4 Master Fund Account # [REDACTED] to Interactive Brokers MNT Master Fund Account

5 # [REDACTED]  
6           41.     On April 17, 2012, in response to a court order as terms for MURRAY's release  
7 under bond, MURRAY transferred \$208,589.79 from Northern Trust International / Cayman  
8 Inst'l Bank MNT Master Fund to Interactive Brokers MNT Master Fund Account #U1014923,  
9 where these funds currently reside.

10          42.     As of May 17, 2012, the current balances in the Interactive Brokers MNT Master  
11 Fund sub accounts are as follows:

12                     \$1,739,730.53 in account [REDACTED]

13                     \$37,371.14 in account [REDACTED]

14                     \$728.28 in account #U [REDACTED]

15                     \$227.85 in account #U [REDACTED]

16          43.     In sum, between January 2011 and February 2012, MURRAY, on behalf of MNT  
17 defrauded at least six different investors of \$2,074,900.00 by providing them with false and  
18 misleading data on MNT's performance. Investigators further believe that MURRAY conducted  
19 a series of complicated financial transactions with investors' funds utilizing various banks  
20 accounts, domestically and internationally, of the entities of which he controlled in an effort to  
21 conceal the source, location, nature, ownership and control of the funds. The government has  
22 traced the movement of \$2,059,900.00 of these funds from their origin with each investor, to  
23 their deposit at Interactive Brokers in accounts controlled by MURRAY. As of May 17, 2012,  
24 these accounts at Interactive Brokers contains the following:

25                     \$1,739,730.53 in account [REDACTED]

26                     \$37,371.14 in account [REDACTED]

27                     \$728.28 in account #U [REDACTED]

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**RESPONDENT'S  
EXHIBIT 16**

1 A That's correct.

2 Q But you don't know, as you sit here now, whether those --  
3 that money that was seized, that 1,700,000, all right, whether  
4 that was any of the assets that were pledged by Market Neutral  
5 Trading, Limited at the time this application was made.

6 A No, I don't.

7 Q Let me ask you another question here. Is there any -- the  
8 account information form does not ask whether you have ever  
9 been investigated -- the applicant, whether the applicant has  
10 ever been investigated by the SEC. Correct?

11 A Does not.

12 Q Doesn't ask whether the applicant has ever been  
13 investigated by the New York Stock Exchange?

14 A It does not.

15 Q And by the way, the New York Stock Exchange is what's  
16 called a self-regulating entity. It's not a governmental  
17 entity, correct?

18 A I'm not sure how to answer that question. New York Stock  
19 Exchange, actually, self-regulatory agency, is FINRA now. It  
20 used to be the New York Stock Exchange. It's a self-regulatory  
21 organization.

22 Q So FINRA is self-regulatory.

23 A That's correct.

24 Q And, you don't know whether the Stock -- New York Stock  
25 Exchange -- are you saying that FINRA replaced the New York

1 Stock Exchange?

2 **A** Yes.

3 **Q** So, all right. Fair enough.

4 The account information form does not ask whether the  
5 applicant has been accused of a crime. Correct?

6 **A** It does not. Not required by FINRA.

7 **Q** It doesn't ask whether the applicant has been convicted of  
8 a crime?

9 **A** Not required by FINRA.

10 **Q** And I'm sure you understand the accusation of a crime does  
11 not mean the person is guilty. Correct?

12 **A** Correct.

13 **Q** And Oppenheimer does not ask those questions, because  
14 Oppenheimer does its own background checks of applicants.  
15 Correct?

16 **A** That's correct.

17 **Q** All right. Because this is an offshore entity,  
18 Oppenheimer was required to do certain background checks with  
19 regard to both beneficial owners. Correct?

20 **A** Correct.

21 **MR. DRESSLER:** So, could we go to Exhibit 519, Page  
22 289?

23 We can't, because it's one of my exhibits. I apologize.

24 (Off-the-Record discussion between counsel)

25 **MR. DRESSLER:** May I approach?



1           **THE COURT:** Yes.

2 **BY MR. DRESSLER:**

3 **Q** All right. I'm going to show you a document.

4 And, does that appear to be a document from -- an  
5 Oppenheimer document in relationship to MNT Master Fund,  
6 Limited?

7 (Witness examines document)

8 **A** I'm not familiar with this document, sir. I don't show  
9 it's an Oppenheimer document.

10 **Q** Okay. All right.

11 (Off-the-Record discussion between counsel)

12 **MR. DRESSLER:** I'm going to offer this as -- I  
13 apologize. I left my marked copies at the office. So, this,  
14 I'm going to offer this as Defense Exhibit 570.

15 (Trial Exhibit 570 marked for identification.)

16 **THE COURT:** And what is the "this"?

17 **MR. DRESSLER:** It's a one-page document which shows  
18 that --

19 **THE COURT:** What is it?

20 **MR. DRESSLER:** Oh. It's a search. It apparently was  
21 done by Oppenheimer --

22 **MS. HARRIS:** Objection, Your Honor. I object to  
23 Mr. Dressler testifying.

24 **THE COURT:** All right. Then, then first of all, is  
25 there an objection?

1           **MS. HARRIS:** No objection to admission of the  
2 document. There is objection to questioning the witness about  
3 something he doesn't recognize.

4           **MR. DRESSLER:** Okay. I'll ask him some questions.

5           **THE COURT:** Then if there's no objection to  
6 admission, I'll admit 570.

7           (Trial Exhibit 570 received in evidence)

8 **BY MR. DRESSLER:**

9 **Q** You are the chief operating officer of Oppenheimer,  
10 correct?

11 **A** That's correct.

12 **Q** I believe you indicated earlier that Oppenheimer is  
13 required to do certain searches, certain background checks?

14 **A** That's correct.

15 **Q** All right. And, you have heard of FINRA, obviously.

16 **A** Yes, sir.

17 **Q** Okay. And to your knowledge, isn't it true that  
18 Oppenheimer is required to, for an offshore entity and the  
19 beneficial owners of the incident, do a background check  
20 through FINRA?

21 **A** Yes, that is required by the AML Department.

22 **Q** Okay. All right.

23           **MR. DRESSLER:** Could we go to Government Exhibit 283,  
24 Page 5.

25           (Document displayed)

1 BY MR. DRESSLER:

2 Q Do you recognize that as an Oppenheimer --

3 MR. DRESSLER: I believe this is already in evidence,  
4 isn't it?

5 MS. HARRIS: Yes.

6 MR. DRESSLER: So this is already in evidence, all  
7 right.

8 BY MR. DRESSLER:

9 Q This document indicates that -- I'm sorry.

10 MR. DRESSLER: 283, Page 5?

11 (Document displayed)

12 MR. DRESSLER: Sorry.

13 BY MR. DRESSLER:

14 Q I believe this is already -- also been admitted.

15 This is an email indicating that an AML review was done in  
16 connection with the application 8064 for a master -- MNT Master  
17 Fund, Limited. Correct?

18 A Correct.

19 Q And this indicates that the AML -- do you know what that  
20 stands for?

21 A Anti-money-laundering.

22 Q Okay. And that indicates that a search was, in fact,  
23 done. Correct?

24 A Correct.

25 Q Okay. And --

**RESPONDENT'S**

**EXHIBIT 17**

1 Q And would that be reflected in the -- in the ticket you  
2 testified to earlier?

3 A Um, that actual piece of the instruction?

4 Q Right.

5 A Probably not. It would be more -- what would be shown was  
6 that he gave the order. It was unsolicited. And, this is the  
7 price we ended up with.

8 Q Okay.

9 A How he actually worked it, the only thing that you would  
10 see is if I put partial confirmations in, so -- I know on some  
11 of these, it shows partials as the trade was finishing. Where,  
12 okay, short 50,000 shares. And I get a report back: We've  
13 done 10,000 so far; we're still working it. And I would report  
14 that back to him, and he would say: Keep going; change the  
15 price.

16 All those changes of his instructions wouldn't be there,  
17 but the -- as the trade accumulated toward 50,000, I was  
18 putting in notes: Okay, we did this many so far now, and this  
19 is the average price. Until we finished it, and then I would  
20 put the average price in.

21 Q Okay. And at the end of that process over two days,  
22 that's where the little less than 500,000 came from.

23 A Yes.

24 Q And Oppenheimer got about a 10,000 commission, based on  
25 that amount of profit? Sound about right?

1 A Ten cents per short -- on the short sale, and ten cents  
2 when we bought it back.

3 Q Okay.

4 A \$5,000 commission for each side of the trade.

5 (Reporter interruption)

6 THE WITNESS: \$5,000 commission for each side of the  
7 transaction.

8 BY MR. DRESSLER:

9 Q And, before the trade was actually made, you had to get  
10 approval from someone. And you think that was Mr. Sportelli?

11 A Approval for what?

12 Q For the short that was done on the --

13 A Are you talking about for the borrow?

14 Q Well, first, let's break it down into two questions. All  
15 right?

16 A Okay.

17 Q You have to get approval from someone for the borrow?

18 A Yes.

19 Q Okay.

20 A And then they gave me a code.

21 Q And that was in the ticket.

22 A Right.

23 Q And then for the short, would you have to get approval for  
24 that?

25 A No. The account had prior been approved for trading in

**RESPONDENT'S**

**EXHIBIT 18**

# BUSINESS DEPOSIT ACCOUNT APPLICATION



## BUSINESS INFORMATION

Business Name <b>EVENT TRADING GP LLC</b>		Doing Business As/DBA (if applicable)	
Business Entity Type (Select One) <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Partnership (General, limited or Law) <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Unincorporated Association <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Public Entity <input type="checkbox"/> Business Trust			Is the Entity a Not-For-Profit/Non-Government Organization? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Tax Identification Number	Type of Tax ID (Select One)	<input type="checkbox"/> Social Security Number <input checked="" type="checkbox"/> Employer ID Number	Business Start Date <b>04/01/2012</b>
Number of Locations <b>1</b>	Annual Gross Revenue <b>\$ 1,000,000.00</b>	Annual Net Profit <b>\$ 500,000.00</b>	Number of Employees/Agents <b>2</b>
Business Phone <b>415-294-1308</b>	Business Fax <b>NONE</b>	Is Business Home Based? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

## PORTFOLIO MANAGEMENT / PERSONAL INVESTMENTS

Primary Contact Name <b>GIOVANNI DEFRANCISCI</b>	Primary Contact Phone	Primary Contact Email
---	-----------------------	-----------------------

## PHYSICAL ADDRESS:

Street Number	Street Name	City	State	Zip
<b>FLOOR</b>	<b>SAN FRANCISCO</b>	<b>CA</b>		

## MAILING ADDRESS (if different than above)

Street Number	Street Name	City	State	Zip
---------------	-------------	------	-------	-----

## DEPOSIT PRODUCT SELECTION (Complete all fields for each account requested. Add additional pages, if needed.)

**Account 1**

Product (Select One)	<input checked="" type="checkbox"/> Checking Account	<input type="checkbox"/> Savings Account	<input type="checkbox"/> Money Market Account	<input type="checkbox"/> Certificate of Deposit (CD)
Intended Balance (Select One)	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> \$25,000-\$50,000	<input type="checkbox"/> \$50,000-\$1 million	<input type="checkbox"/> Greater than \$1 million
Source of Initial Deposit (Select One)	<input type="checkbox"/> Cash/Currency	<input checked="" type="checkbox"/> Check from Existing Bank	<input type="checkbox"/> Citibank Account	<input type="checkbox"/> Wire from Existing Bank
Purpose of Account (Select One)	<input checked="" type="checkbox"/> Operating	<input type="checkbox"/> Savings	<input type="checkbox"/> Payroll	<input type="checkbox"/> Investment
Checking Account Type	<input type="checkbox"/> Streamlined	<input checked="" type="checkbox"/> Flexible	<input type="checkbox"/> CitiBusiness®	<input type="checkbox"/> Interest Checking
CD Maturity Options (if applicable)	CD Term: _____	<input type="checkbox"/> Roll over CD at maturity	<input type="checkbox"/> Transfer principal and interest at maturity to account #: _____	
CD Interest Options (if applicable)	<input type="checkbox"/> Interest at maturity (terms less than 1 year)			
	<input type="checkbox"/> Post to Account			
	<input type="checkbox"/> Post Interest to Account #: _____			
	<input type="checkbox"/> Mail check to account address			

**Account 2**

Product (Select One)	<input type="checkbox"/> Checking Account	<input type="checkbox"/> Savings Account	<input type="checkbox"/> Money Market Account	<input type="checkbox"/> Certificate of Deposit (CD)
Intended Balance (Select One)	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> \$25,000-\$50,000	<input type="checkbox"/> \$50,000-\$1 million	<input type="checkbox"/> Greater than \$1 million
Source of Initial Deposit (Select One)	<input type="checkbox"/> Cash/Currency	<input checked="" type="checkbox"/> Check from Existing Bank	<input type="checkbox"/> Citibank Account	<input type="checkbox"/> Wire from Existing Bank
Purpose of Account	<input type="checkbox"/> Operating	<input type="checkbox"/> Savings	<input type="checkbox"/> Payroll	<input type="checkbox"/> Investment
Checking Account Type	<input type="checkbox"/> Streamlined	<input type="checkbox"/> Flexible	<input type="checkbox"/> CitiBusiness®	<input type="checkbox"/> Interest Checking
CD Maturity Options (if applicable)	CD Term: _____	<input type="checkbox"/> Roll over CD at maturity	<input type="checkbox"/> Transfer principal and interest at maturity to account #: _____	
CD Interest Options (if applicable)	<input type="checkbox"/> Interest at maturity (terms less than 1 year)			
	<input type="checkbox"/> Post to Account			
	<input type="checkbox"/> Post Interest to Account #: _____			
	<input type="checkbox"/> Mail check to account address			

## DEPOSIT ONLY CARDS:

Please Issue Deposit Only Card(s) How Many?: \_\_\_\_\_

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# BUSINESS DEPOSIT ACCOUNT APPLICATION



**ACCOUNT ACTIVITY-Select Yes or No for each question (complete Addendum A if any "Yes")**

Will you provide check cashing services (i.e. offer cash back from checks you receive), money transmission services or sell financial instruments such as money orders or travelers checks?  Yes  No

Will you send or receive funds to/from countries outside of the United States?  Yes  No

Will you deposit or withdraw more than \$120,000 in cash, travelers' checks or money orders each month?  Yes  No

Will you hold or transact any funds in this account that belong to one or more of your customers and are not part of your business' operating funds? (e.g., Will any funds be held as an investment for a client, or used to settle funds similar to an investment service or trust arrangement?)  Yes  No

**SIGNER INFORMATION - Complete for each signer. If more than 4 signers, add additional pages.**

Do any owners own 25% or more of the business but are not signers on the account? (complete Addendum B if "Yes")  Yes  No

**SIGNER 1**

First Name: GIOVANNI MI: Last Name: DEFRANCISCI Date of Birth: \_\_\_\_\_

Business Title: MANAGER/MEMBER Email Address: \_\_\_\_\_ Telephone Number: \_\_\_\_\_ % Company Owned: 50%

First School Attended: NEWTON Mother's Maiden Name: \_\_\_\_\_ Social Security Number/ITIN\*: \_\_\_\_\_ Issue Card:  Debit  ATM  None

Citizenship (Select One)  
 US Citizen  Resident Alien  
 Non Resident Alien (NRA) If Resident Alien or NRA, then complete A and B below:  
 A. Country of Citizenship: \_\_\_\_\_  
 B. Is Signer a Senior Public Figure (SPF) or related to an SPF?  Yes  No

Identification - Type: MADL Number: \_\_\_\_\_ Issue Date: 02/22/2011 Expiration Date: 03-23/2018

**SIGNER 2**

First Name: \_\_\_\_\_ MI: Last Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Business Title: \_\_\_\_\_ Email Address: \_\_\_\_\_ Telephone Number: \_\_\_\_\_ % Company Owned: \_\_\_\_\_

First School Attended: \_\_\_\_\_ Mother's Maiden Name: \_\_\_\_\_ Social Security Number/ITIN\*: \_\_\_\_\_ Issue Card:  Debit  ATM  None

Citizenship (Select One)  
 US Citizen  Resident Alien  
 Non Resident Alien (NRA) If Resident Alien or NRA, then complete A and B below:  
 A. Country of Citizenship: \_\_\_\_\_  
 B. Is Signer a Senior Public Figure (SPF) or related to an SPF?  Yes  No

Identification - Type: \_\_\_\_\_ Number: \_\_\_\_\_ Issue Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

**SIGNER 3**

First Name: \_\_\_\_\_ MI: Last Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Business Title: \_\_\_\_\_ Email Address: \_\_\_\_\_ Telephone Number: \_\_\_\_\_ % Company Owned: \_\_\_\_\_

First School Attended: \_\_\_\_\_ Mother's Maiden Name: \_\_\_\_\_ Social Security Number/ITIN\*: \_\_\_\_\_ Issue Card:  Debit  ATM  None

Citizenship (Select One)  
 US Citizen  Resident Alien  
 Non Resident Alien (NRA) If Resident Alien or NRA, then complete A and B below:  
 A. Country of Citizenship: \_\_\_\_\_  
 B. Is Signer a Senior Public Figure (SPF) or related to an SPF?  Yes  No

Identification - Type: \_\_\_\_\_ Number: \_\_\_\_\_ Issue Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

**SIGNER 4**

First Name: \_\_\_\_\_ MI: Last Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Business Title: \_\_\_\_\_ Email Address: \_\_\_\_\_ Telephone Number: \_\_\_\_\_ % Company Owned: \_\_\_\_\_

First School Attended: \_\_\_\_\_ Mother's Maiden Name: \_\_\_\_\_ Social Security Number/ITIN\*: \_\_\_\_\_ Issue Card:  Debit  ATM  None

Citizenship (Select One)  
 US Citizen  Resident Alien  
 Non Resident Alien (NRA) If Resident Alien or NRA, then complete A and B below:  
 A. Country of Citizenship: \_\_\_\_\_  
 B. Is Signer a Senior Public Figure (SPF) or related to an SPF?  Yes  No

Identification - Type: \_\_\_\_\_ Number: \_\_\_\_\_ Issue Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

\*Social Security number or ITIN required for Sole Proprietorships, Single Stockholder Corporations, Single Member LLCs and any Signer requesting a Debit Card.

# BUSINESS DEPOSIT ACCOUNT APPLICATION



## CITIBUSINESS<sup>SM</sup> ONLINE ENROLLMENT (SHORT FORM FOR BASIC SERVICES)

Create new enrollment for the following authorized users and apply this enrollment to all accounts on this application:

	Access Level/System Entitlements (See below for definitions)			
	System Administrator		Transactional Entitlements	
	Yes	No	Unlimited	View/Set-up Only
User 1 <u>GIOVANNI DEFRANCISCI</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
User 2 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User 3 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User 4 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

You must add at least one user during enrollment. All user passwords and tokens are sent to the primary contact at the address on file for the primary account.

If a checking account (business or personal) is linked to a savings account and/or a Checking Plus line with the same account number, those linked accounts will automatically be linked in CitBusiness Online and share the same entitlements as the checking account.

Do not enroll in CitBusiness Online at this time.

Enable Wire Transfers. (Provides ability to initiate domestic and foreign wire transfers.)

Enroll in cash manager suite of services (Includes Today's Activity Reporting, System Administrator levels, System Administrator Maker-Checker and Specialized Transfer Services. Monthly fee applies.)

Also enable System Administrator Maker-Checker. (This option provides audit control for administrative tasks such as adding or deleting users, issuing new passwords, etc. Each administrative task initiated by one System Administrator (a "Maker") must be approved by a different System Administrator (a "Checker").)

Optional: Link Personal Account number (for Sole Proprietorships, Single-Stockholder Corporations and Single-Member LLCs only)

Only owners of Sole Proprietorships, Single-Stockholder Corporations, and Single-Member LLCs may link their personal accounts to CitBusiness Online. If an owner opts to link a personal account, the owner must also list one individual who will have unlimited entitlement to that account. This account owner must sign below.

X

Personal Account Owner First and Last Name

Personal Account Owner Signature

### Access Levels/System Entitlements

System Administrators can view and change user account entitlements (including own); add, suspend, reactivate, change, delete users; issue new passwords, change system administrator level; change user menu options and business settings; view user information, user entitlement reports, audit reports, and business information. It is recommended that at least one user in the Business be set up as a System Administrator. Limiting assignment of System Administrator entitlement to an account signer is strongly recommended.

Unlimited entitlement authorizes a user to execute transactions of any amount for all linked business accounts without additional review or approval including internal transfers (including loan repayments) and line of credit draw-downs on select credit products), wire transfers, international checks and bill payments, and to submit Stop Payment requests.

View/Set Up Only entitlement authorizes a user to set up transactions for another user to approve and to submit stop payment requests. A user with View/Set Up Only entitlement is restricted from executing transactions and approving the transactions of others.

All users will initially have access to Information Reporting (including Recent Activity, Balance Summary, Incoming Wires, and Check Images) and Online Statements. Online Statements allow a user to view statements for ALL linked business accounts, including those for which the user has no transactional or other entitlement.

### Terms and Conditions

The Business and all users will comply with the terms of this enrollment form, the Maintenance/Custom Entitlement Form (as applicable), the CitBusiness Online User Agreement and those agreements governing the accounts and services accessed through CitBusiness Online.

Each user's delegated authority meets the security requirements of the Business.

Any individual listed as System Administrator may act on behalf of the Business with the initial entitlements defined by this enrollment form. A System Administrator's entitlements will apply equally to all accounts linked through CitBusiness Online.

Citibank can honor electronic instructions from any authorized user on behalf of the Business, including instructions to: (1) transfer money to other Citibank accounts/loans (including loan repayments and line of credit draw-downs on select credit products), (2) send wire transfers and foreign checks to designated third parties, (3) make bill payments to designated payees, (4) open new accounts, (5) view and transact on any linked credit card account, and (6) conduct any other financial transaction available through CitBusiness Online. Citibank follows these instructions when the User IDs and Passwords of users designated on this form or subsequently added on behalf of the Business have been entered.

For assistance with CBusOL, please call Customer Service at 1-800-285-1709, option 1

Banker (so only)

CitBusiness Online Maintenance/Custom Entitlement Form attached.

This page intentionally left blank separate CitBusiness Online enrollment documentation on file.

# BUSINESS DEPOSIT ACCOUNT APPLICATION



## ACCOUNT AGREEMENT AND AUTHORIZATION (TO BE COMPLETED BY CUSTOMER ONLY)

By signing below, I acknowledge and agree both individually, as applicable, and on behalf of the business identified in this application (the "Business"): (1) to be bound by any agreement governing any account and service for which I am applying for within including the terms and conditions of the Citibusiness® Client Manual and Schedule of Fees and Charges; (2) Citibank may obtain credit reports and make other inquiries it deems appropriate about both the Business and me individually; (3) any signer identified within this application may open additional accounts and enter into contracts for banking services on behalf of the Business.

Tax Certification for Foreign Businesses (which do not meet the IRS definition of U.S. Person)-Check Box  Complete applicable IRS Form W-8 and sign the "Authorized Signature" portion below. Do not complete the following "Tax Certification for U.S. Persons" section.

## TAX CERTIFICATION FOR U.S. PERSONS-SUBSTITUTE FORM W-9 (TO BE COMPLETED BY CUSTOMER ONLY)

Name (as shown on your income tax return)  
Event Trading GP LLC

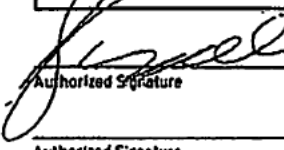
Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification (required):			<input type="checkbox"/> Check here if you are an Exempt Payee
<input type="checkbox"/> Individual/sole proprietor	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	
<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust/estate	<input type="checkbox"/> Other (see W-9 instructions)	
<input checked="" type="checkbox"/> Limited liability company. Enter the tax classification (if known) (S = S corporation, C = Corporation, P = Partnership): <u>P</u>			

Under penalties of perjury, I certify that:

- The number shown on this application is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined in the W-9 instructions)

Certification Instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.  
The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid backup withholding.

 \_\_\_\_\_  
 Authorized Signature Business Title (Capacity Acting In) Date Aug 15, 2012

## CREDIT MONITORING CONSENT

On behalf of the Business which I duly represent, by signing below, I authorize Citibank to obtain credit reports on the Business for the purpose of determining what, if any, additional products and services the Business may be eligible for.

\_\_\_\_\_ X  
 Print First and Last Name Signature

<b>BANK USE ONLY</b>	
Linking-List Related Account <input type="checkbox"/> Safety Check <input type="checkbox"/> Statement <input type="checkbox"/> Account Analysis	Card Access Card Access for signers designated in signer section? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Primary Account linked to Card? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Account Officer - Print Name <u>Anthony Sumpster</u>	Phone Number <u>617-956-0895</u>

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# BUSINESS DEPOSIT ACCOUNT APPLICATION (Addendum A-Additional Account Information)



### MAJOR SUPPLIERS - Provide the names and locations of your top three suppliers

Name <b>BLOOMBERG TERMINAL</b>	Location <b>NEW YORK, NY</b>
Name <b>OFFICE MAX ONLINE</b>	Location <b>WWW.OFFICEMAX.COM</b>
Name <b>AT&amp;T - PHONE &amp; INTERNET SERVICE</b>	Location <b>CALIFORNIA</b>

### MAJOR CUSTOMERS

Select one:  Retail - sells to general public  
 Other - list top three customers and locations in adjacent fields

Name	Location
Name	Location
Name	Location

### TRANSACTION DETAILS - Indicate types of transactions you intend to complete and provide details on each. Required for each account except standard CDs.

<b>Cash Deposits?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20 <input type="checkbox"/> \$25,000 - \$74,999 <input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more <input type="checkbox"/> \$75,000 - \$119,999 <input type="checkbox"/> \$120,000 or more	<b>Cash Withdrawals (Including ATMs)?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input type="checkbox"/> Under \$25,000 <input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20 <input type="checkbox"/> \$25,000 - \$74,999 <input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more <input type="checkbox"/> \$75,000 - \$119,999 <input type="checkbox"/> \$120,000 or more
<b>Deposit Official Checks, Money Orders or Travelers Checks?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input type="checkbox"/> Under \$10,000 <input type="checkbox"/> 1-5 <input type="checkbox"/> 6-10 <input type="checkbox"/> \$10,000 - \$25,000 <input type="checkbox"/> 11-20 <input type="checkbox"/> 20+ <input type="checkbox"/> \$25,001 - \$50,000 <input type="checkbox"/> Other: _____	<b>Purchase Official Checks, Money Orders or Travelers Checks?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input type="checkbox"/> Under \$10,000 <input type="checkbox"/> 1-5 <input type="checkbox"/> 6-10 <input type="checkbox"/> \$10,000 - \$25,000 <input type="checkbox"/> 11-20 <input type="checkbox"/> 20+ <input type="checkbox"/> \$25,001 - \$50,000 <input type="checkbox"/> Other: _____
<b>Receive Wire Transfers?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input checked="" type="checkbox"/> Under \$250,000 <input checked="" type="checkbox"/> 1-10 <input type="checkbox"/> 11-20 <input type="checkbox"/> \$250,000 - Under \$1 Million <input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more <input type="checkbox"/> \$1 Million - Under \$2.5 Million <input type="checkbox"/> \$2.5 Million or more	<b>Send Wire Transfers?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes: Dollar Range per Month:      Transactions Per Month <input checked="" type="checkbox"/> Under \$250,000 <input checked="" type="checkbox"/> 1-10 <input type="checkbox"/> 11-20 <input type="checkbox"/> \$250,000 - Under \$1 Million <input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more <input type="checkbox"/> \$1 Million - Under \$2.5 Million <input type="checkbox"/> \$2.5 Million or more

	Select One	Country (Non-US)	Frequency per Month	Approximate Amount per Wire	Purpose or Reason for Wire
Send/Receive Wire Transfers outside the United States? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, complete adjacent fields	<input type="checkbox"/> Send		<input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20		
	<input type="checkbox"/> Receive		<input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more		
	<input type="checkbox"/> Send		<input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20		
	<input type="checkbox"/> Receive		<input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more		
	<input type="checkbox"/> Send		<input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20		
	<input type="checkbox"/> Receive		<input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more		
	<input type="checkbox"/> Send		<input type="checkbox"/> 1-10 <input type="checkbox"/> 11-20		
	<input type="checkbox"/> Receive		<input type="checkbox"/> 21-50 <input type="checkbox"/> 51 or more		

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# BUSINESS DEPOSIT ACCOUNT APPLICATION (Addendum B-Owner/Non-Signer Information)



Complete a section for owners of 25% or more of the business that are not signers on the account.

### OWNER 1

First Name <b>JAMES</b>	MI	Last Name <b>MURRAY</b>
Date of Birth <b>7-31-69</b>	Business Title <b>MEMBER</b>	% Company Owned <b>50%</b>
Citizenship (Select One) <input checked="" type="checkbox"/> US Citizen <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non Resident Alien (NRA)	If Resident Alien or NRA, then complete A and B below A. Country of Citizenship: _____ B. Is Signer a Senior Public Figure (SPF) or related to an SPF? <input type="checkbox"/> Yes <input type="checkbox"/> No	

### OWNER 2

First Name	MI	Last Name
Date of Birth	Business Title	% Company Owned
Citizenship (Select One) <input type="checkbox"/> US Citizen <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non Resident Alien (NRA)	If Resident Alien or NRA, then complete A and B below A. Country of Citizenship: _____ B. Is Signer a Senior Public Figure (SPF) or related to an SPF? <input type="checkbox"/> Yes <input type="checkbox"/> No	

### OWNER 3

First Name	MI	Last Name
Date of Birth	Business Title	% Company Owned
Citizenship (Select One) <input type="checkbox"/> US Citizen <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non Resident Alien (NRA)	If Resident Alien or NRA, then complete A and B below A. Country of Citizenship: _____ B. Is Signer a Senior Public Figure (SPF) or related to an SPF? <input type="checkbox"/> Yes <input type="checkbox"/> No	

### OWNER 4

First Name	MI	Last Name
Date of Birth	Business Title	% Company Owned
Citizenship (Select One) <input type="checkbox"/> US Citizen <input type="checkbox"/> Resident Alien <input type="checkbox"/> Non Resident Alien (NRA)	If Resident Alien or NRA, then complete A and B below A. Country of Citizenship: _____ B. Is Signer a Senior Public Figure (SPF) or related to an SPF? <input type="checkbox"/> Yes <input type="checkbox"/> No	

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# BUSINESS-GENERAL DEPOSIT RESOLUTION



Corporation  Limited Liability Company (LLC)  Partnership  Limited Liability Partnership (LLP)  Unincorporated Association

Business Name  
**EVENT TRADING GP LLC**

Doing Business As/DBA (if applicable)

Authorization- The business identified in this Business Resolution (the "Business") acknowledges that all accounts now or hereafter established under this Business Resolution shall be governed by the rules and regulations of Citibank, N.A. (the "Bank") including those set forth in the Bank's Citibusiness® Client Manual, receipt of which is hereby acknowledged, and applicable state and federal laws. The Bank reserves the right to change its rules and regulations from time to time.

Each person who signs this Business Resolution is authorized on behalf of the Business to open deposit accounts at the Bank, sign checks and other orders with respect to any funds to the credit of the Business and to give the Bank instructions to withdraw funds, to endorse and deposit checks and other items that are payable or belonging to the Business and to otherwise transact on all accounts of the Business in any manner permitted by the Bank. In addition, each such person is authorized to assign, transfer or pledge any property of the Business, to execute on behalf of the Business indemnities, assignments, receipts and other documents, to contract for electronic access and cash management services (and delegate authority to designated persons) and to conduct any and all other lawful business with the Bank.

The Business agrees that the Bank assumes no responsibility for the payment of a check, draft or other item drawn on any Business account or for any withdrawal from any account which is nonrec and bears only a single signature of one of the individuals designated below. The Bank may rely on this authorization for each account until the Bank receives written notice revoking the authorization at the office where the account is maintained and until the Bank has had a reasonable time to act on such notice.

The Bank is authorized to pay any check, draft or other instrument for the payment of money drawn on any account of this Business which bears or appears to bear the signature or facsimile signatures provided below or such other signature later certified by the Business to be authorized, if such signature, regardless of how or by whom affixed, resembles a specimen signature provided to the Bank.

If the Limited Liability Company (LLC) box is checked, the person executing this Business Resolution on behalf of the Business (the "Undersigned") certifies that the manager(s) or all members with banking authority have signed below. If the Partnership or LLP box is checked, the Undersigned certifies that the persons whose names appear below are the owners or co-partners and constitute all general partners with banking authority of the above-mentioned partnership. The Undersigned certifies to the Bank that the Undersigned has taken all actions and obtained all authorizations, consents and approvals as are necessary to the Undersigned's authority to execute this Resolution on behalf of the Business.

Print First and Last Name	Signature/Facsimile Signature
GIOVANNI DEFRANCISCI	X
	X
	X
	X
	X
	X

RESOLVED, that this Business establish one or more deposit accounts with the Bank and that this Business adopts for each account the Authorization above. RESOLVED, that the person(s) whose names appear above are each authorized, acting singly to establish and operate for this Business one or more accounts now and additional accounts from time to time, and to designate persons to perform transactions with respect to each account. I certify that this Business Resolution was adopted by this Business in accordance with applicable law and its charter, bylaws or other organizational documents, and is now in full force and effect. I further certify that all of the signatures are originals or the actual facsimiles used when issuing or negotiating checks.

X   
Signature GIOVANNI DEFRANCISCI  
Print First and Last Name

MEMBER / Manager Aug 15, 2012  
Date

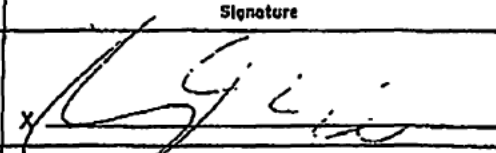
Title	Requirements:	Secretary or President	Date:
	Corporation, LLC:	Member or Manager	
	Partnership/LLP:	Partner	
	Association:	President	

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Financial Center #	704	Marketplace	DOWNTOWN BOSTON	Current Date	08/15/2012
Tax ID	[REDACTED]	Number of Signers required to transact		1	
Business Name	EVENT TRADING GP LLC				
Account # (\$)	Print Last Name, First Name		Signature		
[REDACTED]	Signer 1: GIOVANNI DEFRANCISI		X 		
	Signer 2:		X _____		
	Signer 3:		X _____		
	Signer 4:		X _____		

**RESPONDENT'S  
EXHIBIT 19**



## SOLICITATION AGREEMENT

AGREEMENT (this "Agreement") made as of September 1, 2010 by and between Market Neutral Trading, LLC, a Delaware limited partnership (the "Investment Manager"), and EMERGING MANAGER ADVISORS, LLC, a Delaware limited liability company (the "Solicitor").

### WITNESSETH:

WHEREAS, the Investment Manager and the Solicitor wish to enter into an agreement relating to the introduction by the Solicitor of potential investors to Market Neutral Trading, LLC. (each, a "Fund" and together, the "Funds"), as well as separate accounts managed by the Investment Manager ("Managed Accounts");

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Solicitation Activities.

A. The Solicitor shall use its commercially reasonable efforts to solicit and refer prospective qualified investors to the Investment Manager for the purpose of investing in a Fund or for establishing a Managed Account.

B. Any prospective investors introduced to the Investment Manager by the Solicitor must be "accredited investors" and "qualified purchasers;" provided, that prospective investors who are not U.S. persons (as defined in Regulation S promulgated under the U.S. Securities Act of 1933, as amended) or who are establishing Managed Accounts are not required to be "qualified purchasers." The Investment Manager shall have no responsibility or obligation to accept or maintain the investment or the Managed Account of any prospective investor referred by the Solicitor. The Solicitor shall be solely responsible for any and all of its actions and omissions in connection with its solicitations made hereunder. In performing these services, the Solicitor:

i) shall comply fully with the provisions of this Agreement, the Investment Manager's lawful instructions, and all applicable federal, state, local and foreign laws; including the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act") and the regulations thereunder;

ii) shall not make any representation regarding the Investment Manager, a Fund or a Managed Account that is false or misleading or in any way inconsistent with the written materials provided by the Investment Manager, including, without limitation, the Funds' respective Confidential Private Offering Memorandums (the "Offering Memorandums"); and

iii) shall not deliver to prospective investors any written materials concerning the Investment Manager, the Funds (other than copies of the Offering

Memorandums) or Managed Accounts that have not been specifically approved in writing by the Investment Manager prior to such delivery.

2. Non-Exclusive Arrangement. Nothing contained in this Agreement shall limit or restrict (a) the Investment Manager's authority to conduct marketing activities on its own behalf or on a Fund's behalf or to enter into arrangements with other persons or entities to conduct marketing activities on behalf of the Investment Manager or the Funds, or (b) the Solicitor's authority to enter into solicitation or marketing arrangements with any other party.

3. Solicitor's Representations. The Solicitor represents that: (a) it is duly registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and is qualified and licensed as required (or is otherwise exempt) in all applicable jurisdictions, including those jurisdictions that regulate the solicitation of investors for private investment funds, to engage in the solicitation activities described herein and that it is not prohibited from soliciting prospective investors for the Funds or Managed Accounts or from receiving compensation in connection therewith, and that it will continue to be so registered, licensed, qualified and authorized (or exempt) throughout the term of this Agreement; and (b) its entering into this Agreement and performing its obligations hereunder does not and will not conflict with or constitute a breach or violation of any law, rule, regulation, order or agreement to which it is a party or by which it is bound.

The Solicitor further represents and warrants that:

A. it is not subject to a SEC order issued under Section 203(f) of the Investment Advisers Act;

B. it has not been convicted within the previous ten years of any felony or misdemeanor involving conduct described in Section 203(e)(2)(A)-(D) of the Investment Advisers Act;

C. it has not been found by the SEC to have engaged, or have been convicted of engaging, in any of the conduct specified in paragraphs (1), (5) or (6) of Section 203(e) of the Investment Advisers Act; and

D. it is not subject to an order, judgment or decree described in Section 203(e)(4) of the Investment Advisers Act.

The Solicitor agrees to immediately advise the Investment Manager in writing if it comes within the provisions of "A" through "D" above, or if an inquiry or investigation is commenced that it believes could reasonably lead to any such results, or if it is unable to comply with any of the representations specified herein, at any time while this Agreement is in effect.

4. Compensation.

The Solicitor's compensation for successful referrals will be as follows:

A. The Investment Manager will pay (or cause the applicable Fund or the Investment Manager's affiliates to pay) to the Solicitor twenty percent (20%) of any incentive

fees, incentive allocations and management fees (less any rebates, discounts or other amounts returned to an investor) that it or its affiliates receive from the Funds and Managed Accounts with respect to the "Compensation Period" that are attributable to "Approved Prospects." Such compensation will be payable within fifteen (15) business days following the Investment Manager's (or its affiliate's) receipt of the corresponding incentive fee, incentive allocation or management fee from the applicable Fund. The Investment Manager shall be free to set and/or change its fees and other compensation rates for investors in its discretion.

B. As used in this Agreement, the following terms, when capitalized, shall be defined as follows:

(i) "Approved Prospect" means any prospective investor in a Fund or Managed Account: (x) who was introduced to the Investment Manager by the Solicitor and identified in writing to the Investment Manager by the Solicitor prior to or at the time of such introduction; (y) who the Investment Manager has accepted in writing as an Approved Prospect, which the Investment Manager may grant or withhold in its discretion; and (z) who invests in a Fund during the term of this Agreement or during the applicable Tail Period (as defined below).

(ii) "Compensation Period" means, with respect to any Approved Prospect, the period commencing on the date of such Approved Prospect's initial investment in a Fund or Managed Account (the "Initial Investment Date"), and ending on the earliest of the date on which (x) such Approved Prospect redeems all of its shares of, or withdraws all of its capital from, the Funds or Managed Account, whether voluntarily or involuntarily, (y) the Investment Manager terminates this Agreement with Cause (as defined below), and (z) the December 31<sup>st</sup> immediately following the fifth (5<sup>th</sup>) anniversary of the Initial Investment Date.

(iii) "Tail Period" means: (x) in the event that this Agreement is terminated by the Investment Manager at any time with Cause, the termination date of this Agreement; and (y) in the event this Agreement is terminated by the Investment Manager without Cause or by the Solicitor at any time for any reason, the twelve (12) month period immediately following the termination date of this Agreement.

C. Notwithstanding the above, the Investment Manager shall not be required to pay any compensation to the Solicitor to the extent that such payments are prohibited by applicable law or regulation.

5. Solicitor's Expenses. The Solicitor will be solely responsible for all of its expenses incurred in connection with performing its duties under this Agreement.

6. Term of the Agreement.

A. The initial term of this Agreement (the "Initial Term") shall commence on the Effective Date and expire on the twenty-four (24) month anniversary of the Effective Date. After the expiration of the Initial Term, this Agreement will remain in effect until terminated by either party hereto. A party may terminate this Agreement at any time during the Initial Term or thereafter by providing at least ninety (90) days prior written notice of such termination

(including whether it is a termination with or without Cause) to the other party; provided, that the Investment Manager may terminate this Agreement with Cause at any time effective immediately upon delivery to the Solicitor of written notice of such termination.

B. The Investment Manager shall have "Cause" to terminate this Agreement in the event that (i) the Solicitor materially breaches any of its duties or responsibilities under this Agreement and fails to cure such breach within ten (10) days of receiving written notice of such breach or (ii) any of the Solicitor's representations set forth in Section 3 above was not true and correct at the time it was made or ceases to be true and correct at any time during the term of this Agreement as if it were made by the Solicitor as of such time.

C. The parties' respective obligations pursuant to Sections 7 and 8 below and the Investment Manager's obligations pursuant to Section 7 below shall survive any termination of this Agreement. Following the termination of this Agreement the Solicitor will retain the right to compensation with regard to any Approved Prospects in accordance with the terms of this Agreement for the remainder of the Compensation Period with respect to each such Approved Prospect.

7. Indemnification.

A. The Solicitor shall indemnify and hold the Investment Manager and the Funds, and their respective managers, officers, directors, employees, shareholders, partners and agents, harmless from and against all costs, damages, expenses, losses and liabilities, including reasonable legal fees, arising from or in any way related to: (i) the Solicitor's breach of any of its duties or responsibilities under this Agreement; (ii) any inaccuracy in any of the Solicitor's representations or warranties under this Agreement; and (iii) the Solicitor's gross negligence, bad faith or willful misconduct in the conduct of its activities on behalf of the Investment Manager, the Funds or the Managed Accounts.

B. The Investment Manager shall indemnify and hold the Solicitor and its managers, officers, employees and agents harmless from and against all costs, damages, expenses, losses and liabilities, including reasonable legal fees, arising from or in any way related to the Investment Manager's breach of any of its duties or responsibilities under this Agreement.

8. Confidential Information. The Solicitor acknowledges that any confidential information concerning the Investment Manager's or the Funds' business, plans, policies, compensation amounts, portfolio composition or operations, including the names, contact information and financial information of any past, present or prospective investor in the Funds or a Managed Account, is proprietary in nature and belongs exclusively to the Investment Manager. The Solicitor agrees, on behalf of itself and its affiliates and employees, that unless otherwise required by applicable law or legal process, it will not disclose any such information to any person. Upon the termination of this Agreement, the Solicitor shall, upon request, return to the Investment Manager all materials belonging to the Investment Manager and any copies thereof other than that which the Solicitor is required to keep by applicable law and certify in writing to the Investment Manager that all such materials and copies have been returned. The Solicitor shall be responsible for any disclosures of confidential information by any of its affiliates or

employees. The Solicitor's obligations hereunder shall survive the termination of this Agreement and continue without limitation of time.

9. Independent Contractor. For the purposes of this Agreement, the Solicitor shall be an independent contractor and nothing herein shall be construed to create an agency or employment relationship with the Investment Manager, the Funds or any of their respective affiliates. Neither the Solicitor nor the Investment Manager shall have the authority to act for or obligate the other.

10. Assignment. This Agreement may not be assigned, in whole or in part, by a party without prior written consent of the other party, and any purported assignment in violation of this provision shall be void; provided, however, that the Investment Manager may assign this Agreement to an affiliate that agrees in writing to be bound by the terms hereof.

11. Applicable Law; Jurisdiction. The validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, and related matters shall be governed by the internal laws of the State of New York (without reference to choice of law doctrine). Any legal action or proceeding concerning the validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, or related matters shall be brought exclusively in the courts of the State of New York in the County of New York or of the United States of America for the Southern District of New York, and all parties consent to the exclusive jurisdiction of those courts, waiving any objection to the propriety or convenience of such venues.

12. Severability. If any part of this Agreement is found to be invalid or unenforceable, it will not affect the validity or enforceability of the remainder of the Agreement.

13. Entire Agreement; Modification. This Agreement (a) sets forth the entire understanding of the parties with respect to the subject matter hereof; (b) supersedes any and all previous agreements, understandings and communications, oral or written, with respect to the subject matter hereof; and (c) may not be modified or amended, or compliance with any of its terms waived, except by a specified written instrument executed by the party against whom such modification, amendment or waiver is sought to be enforced.

14. Notices.

A. Any notices or other communication to the Investment Manager in connection with or pursuant to this Agreement shall be in writing and delivered personally, sent by reputable overnight courier or U.S. registered mail, return receipt requested, or sent by e-mail to: Jim Murray, 505 Montgomery Street, San Francisco, CA 94111, JMurray@marketneutraltrading.com; or at such other address as the Investment Manager shall specify in writing to the Solicitor in accordance with the terms of this Section.

B. Any notices or other communication to the Solicitor in connection with or pursuant to this Agreement shall be in writing and delivered personally or sent by reputable overnight courier or U.S. registered mail, return receipt requested, or sent by e-mail to: 130 East 59<sup>th</sup> Street, 11<sup>th</sup> floor, New York, N.Y. 10022, Attn: Paul Eckel,

Paul.Eckel@EmergingManager.com or at such other address as the Solicitor shall specify in writing to the Investment Manager in accordance with the terms of this Section.

IN WITNESS, WHEREOF, the parties have each duly executed this Agreement as of the date first above written.

Market Neutral Trading, LLC

By: 

Jim Murray, Managing Member

Emerging Manager Advisors, LLC

By: 

Paul Eckel, Managing Member

**RESPONDENT'S**

**EXHIBIT 20**

Email

Mailbox:

Msg. Date (Eastern) Mon Oct 25, 2010 1:13PM ET  
From jmurray@marketneutraltrading.com  
To Paul.Eckel@EmergingManager.com  
Subject RE: Audit vs return report

The audit is asset weighted and done on the entity as a whole not on an individual who did not add or subtract dollars. The monthly number is based on a hypothetical investor who starts with \$1 and does not add or subtract.

If there had been no subtractions or withdrawals then the audited return would match exactly the performance report.

There were contributions and withdrawals made at various times during the year. On such a small asset base this accounts for the difference.

For example if a large amount of the return came when the asset base was higher than at the beginning of the year when the asset base was lower, the return would be lower for the fund than it would be for the investor who started on day one and did not add or subtract dollars. This is because the return for the fund is based on the average asset base relative to the return.

I believe it's noted in report that the audit is done for the fund as a whole and that returns for an individual would vary based on contributions or withdrawals.

In this case because our monthly performance report assumes the start of \$1 invested and no additions or subtractions this is the reason for the differences in numbers because I believe every year there were additions and or withdrawals for the fund.

## Jim Murray

415-874-3558 Direct

415-634-2782 Fax

CIO, Market Neutral Trading, LLC

505 Montgomery Street Ste 1122

San Francisco, Ca 94111

From: Paul Eckel [mailto:Paul.Eckel@EmergingManager.com]  
Sent: Monday, October 25, 2010 12:51 PM  
To: 'Jim Murray'  
Subject: Audit vs return report

Jim,

Can you explain to me again the reason for the difference? The performance report is AUM weighted



and the Audit is not?

Hi Paul

Thanks for the other Audit's and DDQ. I will review and revert with potential questions.

I do not understand why there can be a performance difference between factsheet and auditing. The auditing state's that the total return is based on the changes in value during the period of theoretical investment made at the beginning of the period. It is therefore clearly not an asset weighted return and should be in line with the factsheet. I assume that there are a) no side pockets, b) different fee structures and c) no different portfolios for different investors i.e. eligible for hot issues or not?

Year	Factsheet performance	Audited performance
2009	13.4%	12.5%
2008	21.9%	20.1%
2007	40.1%	35%
2006	21.2%	21%

Why does the manager calculate and report different – always better – performance numbers? I would expect that he would/should use the same calculation method as the administrator and auditor. Can you please explain in detail where the difference comes from and why performance it is not reported as calculated by the auditor?

**RESPONDENT'S  
EXHIBIT 21**

# IB Mobile

Activity Statement for August 01, 2012 - August 31, 2012

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- [Codes](#)
- [Notes/Legal Notes](#)

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## Account Information

Name Event Trading GP, LLC  
Account [REDACTED]  
Account Type Institution Master  
Customer Type Limited Liability Company  
Account Capabilities Portfolio Margin  
Trading Permissions Stocks,Options,Warrants,Forex  
Base Currency USD

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## Net Asset Value (NAV) In Base Currency

	Current Period		Prior Period		% Change
	Total	Long	Short	Total	
Cash	321,760.09	321,760.09	0.00	0.00	--
Interest Accruals	-133.70	0.00	-133.70	0.00	--
Total	321,626.38	321,760.09	-133.70	0.00	--

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## Net Asset Value (NAV) Time Series

### Net Asset Value (NAV) Distribution

- 656.9K

- 0
- -
- 377.5K

- Aug
- 10
- Aug

- 
- Cash
- 
- Stock
- 
- Accruals

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Mark-to-Market Performance Summary in Base

Symbol	Prior Quantity	Quantity	Prior Price	Mark-to-Market P/L					Total
				Price	Transaction	Prior Open	Commissions	Dividends	
Stocks									
ARUN	0	0	--	--	-27,226.42	31,720.00	-129.20	0.00	4,364.38
BBY	0	0	--	--	-13,418.42	0.00	-277.80	0.00	-13,696.22
CRM	0	0	--	--	-4,044.45	0.00	-39.80	0.00	-4,084.25
DE	0	0	--	--	2,908.00	0.00	-45.00	0.00	2,863.00
GES	0	0	--	--	-65,158.36	85,387.50	-135.25	0.00	20,093.89
GRPN	0	0	--	--	-6,312.00	8,364.00	-46.00	0.00	2,006.00
KORS	0	0	--	--	6,841.00	0.00	-21.50	0.00	6,819.50
NTAP	0	0	--	--	-4,835.82	0.00	-38.50	0.00	-4,874.32
SPLS	0	0	--	--	2,316.35	0.00	-122.01	0.00	2,194.34
URBN	0	0	--	--	4,358.36	0.00	-60.00	0.00	4,298.36
Total (Stocks)					-104,571.76	125,471.50	-915.06	0.00	19,984.68
Total (All Asset Classes)					-104,571.76	125,471.50	<del>915.06</del>	0.00	19,984.68
Total P/L for Statement Period									19,984.68
Time Weighted Rate of Return									19.18%

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Realized & Unrealized Performance Summary in Base

Symbol	Realized				Total	Unrealized				Total	Total
	S/T Profit	S/T Loss	L/T Profit	L/T Loss		S/T Profit	S/T Loss	L/T Profit	L/T Loss		
Stocks											
ARUN	4,364.38	0.00	0.00	0.00	4,364.38	0.00	0.00	0.00	0.00	0.00	4,364.38
BBY	0.00	13,696.22	0.00	0.00	13,696.22	0.00	0.00	0.00	0.00	0.00	13,696.22
CRM	0.00	-4,084.25	0.00	0.00	-4,084.25	0.00	0.00	0.00	0.00	0.00	-4,084.25
DE	2,863.00	0.00	0.00	0.00	2,863.00	0.00	0.00	0.00	0.00	0.00	2,863.00
GES	20,093.89	0.00	0.00	0.00	20,093.89	0.00	0.00	0.00	0.00	0.00	20,093.89
GRPN	2,006.00	0.00	0.00	0.00	2,006.00	0.00	0.00	0.00	0.00	0.00	2,006.00
KORS	6,824.00	-4.50	0.00	0.00	6,819.50	0.00	0.00	0.00	0.00	0.00	6,819.50
NTAP	0.00	-4,874.32	0.00	0.00	-4,874.32	0.00	0.00	0.00	0.00	0.00	-4,874.32
SPLS	2,385.33	-190.99	0.00	0.00	2,194.34	0.00	0.00	0.00	0.00	0.00	2,194.34
URBN	4,298.36	0.00	0.00	0.00	4,298.36	0.00	0.00	0.00	0.00	0.00	4,298.36
*Total (Stocks)	42,834.96	22,850.28	0.00	0.00	19,984.68	0.00	0.00	0.00	0.00	0.00	19,984.68
Total (All Asset Classes)	42,834.96	22,850.28	0.00	0.00	19,984.68	0.00	0.00	0.00	0.00	0.00	19,984.68

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Cash Report

	Total	Securities	Futures
<b>Base Currency Summary</b>			
Starting Cash	0.00	0.00	0.00
Commissions	<del>2,790.72</del>	-2,790.72	0.00
Deposits	310,882.65	310,882.65	0.00
Withdrawals	-38,000.00	-38,000.00	0.00
Net Trades (Sales)	95,923,036.55	95,923,036.55	0.00
Net Trades (Purchase)	-95,889,883.98	-95,889,883.98	0.00
Cash FX Translation	18,515.58	18,515.58	0.00
Gain/Loss			0.00
Ending Cash	321,760.09	321,760.09	0.00
Ending Settled Cash	314,032.86	314,032.86	0.00
<b>CAD</b>			
Starting Cash	0.00	0.00	0.00
Net Trades (Sales)	15,000,000.00	15,000,000.00	0.00
Net Trades (Purchase)	-15,000,000.00	-15,000,000.00	0.00
Ending Cash	0.00	0.00	0.00
Ending Settled Cash	0.00	0.00	0.00
<b>EUR</b>			
Starting Cash	0.00	0.00	0.00
Net Trades (Sales)	19,000,000.00	19,000,000.00	0.00
Net Trades (Purchase)	-19,000,000.00	-19,000,000.00	0.00
Ending Cash	0.00	0.00	0.00
Ending Settled Cash	0.00	0.00	0.00
<b>JPY</b>			
Starting Cash	0	0	0
Net Trades (Sales)	1,827,446,227	1,827,446,227	0
Net Trades (Purchase)	-1,827,139,200	-1,827,139,200	0
Ending Cash	307,027	307,027	0
Ending Settled Cash	307,027	307,027	0
<b>USD</b>			
Starting Cash	0.00	0.00	0.00
Commissions	-2,790.72	-2,790.72	0.00
Deposits	310,882.65	310,882.65	0.00
Withdrawals	-38,000.00	-38,000.00	0.00
Net Trades (Sales)	34,117,567.12	34,117,567.12	0.00
Net Trades (Purchase)	-34,069,820.63	-34,069,820.63	0.00
Ending Cash	317,838.43	317,838.43	0.00
Ending Settled Cash	310,111.20	310,111.20	0.00

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Change In Position Value

Stocks

Base Currency Summary

Prior Period Value	0.00
Transactions	-20,899.74
MTM P/L On Prior Period	125,471.50
MTM P/L On Transactions	-104,571.76
End Of Period Value	0.00

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Trades

Symbol	Date/Time	Exchange	Quantity	T. Price	C. Price	Proceeds	Comm/Tax	Basis	Realized P/L	MTM P/L	Code
Stocks											
USD											
ARUN	2012-08-23, 16:05:01	-	1,000	19.2000	16.9200	-19,200.00	-5.00	19,205.00	0.00	-2,280.00	P;O
ARUN	2012-08-23, 16:05:16	-	1,000	18.98571	16.9200	-18,985.71	-5.00	18,990.71	0.00	-2,065.71	P;O
ARUN	2012-08-23, 16:21:33	-	1,000	19.6000	16.9200	-19,600.00	-5.00	19,605.00	0.00	-2,680.00	O
ARUN	2012-08-23, 16:21:54	-	1,000	19.6690	16.9200	-19,669.00	-4.90	19,673.90	0.00	-2,749.00	P;O
ARUN	2012-08-23, 16:22:18	-	1,000	19.6900	16.9200	-19,690.00	-5.00	19,695.00	0.00	-2,770.00	P;O
ARUN	2012-08-23, 16:23:26	-	1,000	19.6490	16.9200	-19,649.00	-4.90	19,653.90	0.00	-2,729.00	P;O
ARUN	2012-08-23, 16:23:40	-	1,000	19.6000	16.9200	-19,600.00	-5.00	19,605.00	0.00	-2,680.00	P;O
ARUN	2012-08-23, 16:24:45	-	1,000	19.7500	16.9200	-19,750.00	-5.00	19,755.00	0.00	-2,830.00	P;O
ARUN	2012-08-23, 16:25:00	-	1,000	19.7400	16.9200	-19,740.00	-5.00	19,745.00	0.00	-2,820.00	P;O
ARUN	2012-08-23, 16:25:45	-	1,000	19.7500	16.9200	-19,750.00	-5.00	19,755.00	0.00	-2,830.00	P;O
ARUN	2012-08-23, 16:26:27	-	1,000	19.7000	16.9200	-19,700.00	-5.00	19,705.00	0.00	-2,780.00	P;O
ARUN	2012-08-23, 16:29:12	-	1,000	19.7900	16.9200	-19,790.00	-5.00	19,795.00	0.00	-2,870.00	P;O
ARUN	2012-08-23, 16:31:59	-	1,000	19.6500	16.9200	-19,650.00	-5.00	19,655.00	0.00	-2,730.00	P;O
ARUN	2012-08-24, 10:03:36	-	-1,000	19.8700	19.3600	19,870.00	-5.00	-19,205.00	660.00	510.00	P;C
ARUN	2012-08-24, 10:05:51	-	-1,000	19.9000	19.3600	19,900.00	-5.00	-18,990.71	904.29	540.00	C
ARUN	2012-08-24, 10:06:22	-	-1,000	19.9400	19.3600	19,940.00	-5.00	-19,605.00	330.00	580.00	P;C
ARUN	2012-08-24, 10:07:40	-	-629	19.9700	19.3600	12,561.13	-3.14	-12,374.52	183.46	383.69	C
ARUN	2012-08-24, 10:12:14	-	-1,000	19.9700	19.3600	19,970.00	-5.00	-19,687.53	277.47	610.00	P;C
ARUN	2012-08-24, 10:12:19	-	-1,000	19.9700	19.3600	19,970.00	-5.00	-19,668.79	296.21	610.00	C
ARUN	2012-08-24,	-	-1,000	19.9800	19.3600	19,980.00	-5.00	-19,623.50	351.50	620.00	C

ARUN	10:12:30 2012-08-24,	-	-1,000	19.9700	19.3600	19,970.00	-5.00	-19,699.35	265.65	610.00	C
•											
ARUN	10:13:22 2012-08-24,	-	-600	19.9700	19.3600	11,982.00	-3.00	-11,850.71	128.29	366.00	C
•											
ARUN	10:13:29 2012-08-24,	-	-771	19.9600	19.3600	15,389.16	-3.46	-15,223.40	162.31	462.60	P;C
•											
ARUN	10:14:36 2012-08-24,	-	-300	19.9700	19.3600	5,991.00	-1.50	-5,926.88	62.62	183.00	P;C
•											
ARUN	10:14:47 2012-08-24,	-	-1,000	19.9000	19.3600	19,900.00	-4.80	-19,739.62	155.58	540.00	P;C
•											
ARUN	10:17:30 2012-08-24,	-	-700	19.9200	19.3600	13,944.00	-3.50	-13,793.50	147.00	392.00	P;C
•											
ARUN	10:17:37 2012-08-24,	-	-1,000	19.9500	19.3600	19,950.00	-5.00	-19,739.00	206.00	590.00	P;C
•											
ARUN	10:17:52 2012-08-24,	-	-1,000	19.9500	19.3600	19,950.00	-5.00	-19,711.00	234.00	590.00	P;C
•											
ARUN	10:18:00	-	-1,000	19.9500	19.3600	19,950.00	-5.00	-19,711.00	234.00	590.00	P;C
•											
Total ARUN			0			4,493.58	-129.20	0.00	4,364.38	-27,226.42	
•											
BBY	2012-08-21,	-	-1,450	16.6500	17.9100	24,142.50	-7.25	-24,135.25	0.00	-1,827.00	O
•											
BBY	08:07:41 2012-08-21,	-	-3,550	16.58742	17.9100	58,885.34	-17.75	-58,867.59	0.00	-4,695.16	P;O
•											
BBY	08:07:53 2012-08-21,	-	-4,000	16.5700	17.9100	66,280.00	-20.00	-66,260.00	0.00	-5,360.00	O
•											
BBY	08:09:43 2012-08-21,	-	-2,000	16.4900	17.9100	32,980.00	-10.00	-32,970.00	0.00	-2,840.00	P;O
•											
BBY	08:15:44 2012-08-21,	-	-2,000	16.5300	17.9100	33,060.00	-10.00	-33,050.00	0.00	-2,760.00	P;O
•											
BBY	08:16:57 2012-08-21,	-	-5,000	16.6700	17.9100	83,350.00	-25.00	-83,325.00	0.00	-6,200.00	P;O
•											
BBY	09:37:40 2012-08-21,	-	-5,000	16.6500	17.9100	83,250.00	-25.00	-83,225.00	0.00	-6,300.00	P;O
•											
BBY	09:40:33 2012-08-21,	-	-5,000	16.8300	17.9100	84,150.00	-25.00	-84,125.00	0.00	-5,400.00	P;O
•											
BBY	09:42:09 2012-08-21,	-	5,631	17.0100	17.9100	-95,783.31	-28.16	92,776.74	0.00	5,067.90	P;C
•											
BBY	10:01:49 2012-08-21,	-	5,600	17.0900	17.9100	-95,704.00	-26.80	88,221.52	0.00	4,592.00	P;C
•											
BBY	10:04:22 2012-08-21,	-	4,100	17.1900	17.9100	-70,479.00	-20.20	63,374.98	0.00	2,952.00	P;C
•											
BBY	10:05:52 2012-08-21,	-	10,260	17.1300	17.9100	-175,753.80	-50.60	151,372.91	-8,006.16	8,002.80	P;C
•											
BBY	10:06:43 2012-08-21,	-	2,409	17.3500	17.9100	-41,796.15	-12.04	36,118.13	-5,690.06	1,349.04	P;C
•											
BBY	10:07:40	-									

Total BBY		0			-13,418.42	-277.80	-34,093.56	13,696.22	-13,418.42	
CRM	2012-08-23, 16:06:03	-1,000	138.5700	146.7700	138,570.00	-5.00	138,565.00	0.00	-8,200.00	P;O
CRM	2012-08-23, 16:18:17	1,000	140.0000	146.7700	-140,000.00	-5.00	138,565.00	-1,440.00	6,770.00	P;C
CRM	2012-08-23, 16:22:24	-1,000	137.0480	146.7700	137,048.00	-4.80	137,043.20	1,440.00	-9,722.00	P;O
CRM	2012-08-23, 16:23:15	-1,000	138.0000	146.7700	138,000.00	-5.00	137,995.00	0.00	-8,770.00	P;O
CRM	2012-08-23, 16:24:03	-1,000	138.7000	146.7700	138,700.00	-5.00	138,695.00	0.00	-8,070.00	P;O
CRM	2012-08-23, 17:01:45	3,000	138.787483	146.7700	-416,362.45	-15.00	406,741.32	-4,084.25	23,947.55	P;C
Total CRM		0			-4,044.45	-39.80	-6,991.88	-4,084.25	-4,044.45	
DE	2012-08-15, 07:09:23	-300	76.0000	75.1000	22,800.00	-1.50	-22,798.50	0.00	270.00	P;O
DE	2012-08-15, 07:33:44	-100	76.1500	75.1000	7,615.00	-1.00	-7,614.00	0.00	105.00	O
DE	2012-08-15, 07:34:23	-200	76.0000	75.1000	15,200.00	-1.00	-15,199.00	0.00	180.00	P;O
DE	2012-08-15, 07:35:00	-300	76.1000	75.1000	22,830.00	-1.50	-22,828.50	0.00	300.00	O
DE	2012-08-15, 07:37:07	-100	76.5000	75.1000	7,650.00	-1.00	-7,649.00	0.00	140.00	O
DE	2012-08-15, 07:38:49	-100	76.5000	75.1000	7,650.00	-1.00	-7,649.00	0.00	140.00	O
DE	2012-08-15, 07:39:01	-100	76.5000	75.1000	7,650.00	-1.00	-7,649.00	0.00	140.00	O
DE	2012-08-15, 07:39:15	-100	76.5000	75.1000	7,650.00	-1.00	-7,649.00	0.00	140.00	O
DE	2012-08-15, 07:39:51	-200	76.5000	75.1000	15,300.00	-1.00	-15,299.00	0.00	280.00	P;O
DE	2012-08-15, 07:40:03	-100	76.5000	75.1000	7,650.00	-1.00	-7,649.00	0.00	140.00	O
DE	2012-08-15, 07:51:46	-300	75.606667	75.1000	22,682.00	-1.50	-22,680.50	0.00	152.00	P;O
DE	2012-08-15, 08:00:00	-300	75.7000	75.1000	22,710.00	-1.50	-22,708.50	0.00	180.00	O
DE	2012-08-15, 09:02:44	-1,000	76.3380	75.1000	76,338.00	-5.00	-76,333.00	0.00	1,238.00	P;O
DE	2012-08-15, 09:04:01	-1,000	76.5010	75.1000	76,501.00	-5.00	-76,496.00	0.00	1,401.00	P;O
DE	2012-08-15, 09:31:00	2,000	75.5600	75.1000	-151,120.00	-10.00	152,234.00	1,104.00	-920.00	P;C



DE	2012-08-15, 09:31:06	-	2,200	75.544545	75.1000	-166,198.00	-11.00	167,968.00	1,759.00	-978.00	P;C
Total DE			0			2,908.00	-45.00	0.00	2,863.00	2,908.00	
GES	2012-08-22, 16:04:07	-	-1,000	30.0110	33.5400	30,011.00	-5.00	-30,006.00	0.00	-3,529.00	P;O
GES	2012-08-22, 16:04:26	-	-800	29.6300	33.5400	23,704.00	-4.00	-23,700.00	0.00	-3,128.00	O
GES	2012-08-22, 16:04:37	-	-1,000	29.2600	33.5400	29,260.00	-5.00	-29,255.00	0.00	-4,280.00	P;O
GES	2012-08-22, 16:05:11	-	-1,000	29.03607	33.5400	29,036.07	-5.00	-29,031.07	0.00	-4,503.93	P;O
GES	2012-08-22, 16:05:35	-	-201	28.8800	33.5400	5,804.88	-1.00	-5,803.88	0.00	-936.66	O
GES	2012-08-22, 16:06:25	-	-1,000	28.6300	33.5400	28,630.00	-5.00	-28,625.00	0.00	-4,910.00	P;O
GES	2012-08-22, 16:08:03	-	-799	28.5100	33.5400	22,779.49	-4.00	-22,775.50	0.00	-4,018.97	P;O
GES	2012-08-22, 16:08:32	-	-1,000	28.6230	33.5400	28,623.00	-5.00	-28,618.00	0.00	-4,917.00	P;O
GES	2012-08-22, 16:09:10	-	-1,000	28.9000	33.5400	28,900.00	-5.00	-28,895.00	0.00	-4,640.00	P;O
GES	2012-08-22, 16:09:19	-	-1,000	28.9400	33.5400	28,940.00	-5.00	-28,935.00	0.00	-4,600.00	P;O
GES	2012-08-22, 16:09:47	-	-1,000	28.9200	33.5400	28,920.00	-5.00	-28,915.00	0.00	-4,620.00	P;O
GES	2012-08-22, 16:10:44	-	-1,000	28.8200	33.5400	28,820.00	-5.00	-28,815.00	0.00	-4,720.00	P;O
GES	2012-08-22, 16:12:44	-	-1,000	29.3200	33.5400	29,320.00	-5.00	-29,315.00	0.00	-4,220.00	P;O
GES	2012-08-22, 16:13:38	-	-1,000	29.1500	33.5400	29,150.00	-5.00	-29,145.00	0.00	-4,390.00	P;O
GES	2012-08-22, 17:05:38	-	100	28.1900	33.5400	-2,819.00	-1.00	3,000.50	180.50	535.00	C
GES	2012-08-22, 17:06:19	-	100	28.0500	33.5400	-2,805.00	-1.00	3,000.50	194.50	549.00	C
GES	2012-08-22, 17:07:01	-	200	28.1000	33.5400	-5,620.00	-1.00	6,001.00	380.00	1,088.00	C
GES	2012-08-22, 17:10:18	-	400	28.0900	33.5400	-11,236.00	-2.00	12,003.00	765.00	2,180.00	P;C
GES	2012-08-22, 17:10:39	-	100	28.0800	33.5400	-2,808.00	-1.00	3,000.50	191.50	546.00	C
GES	2012-08-22, 17:12:01	-	100	28.0500	33.5400	-2,805.00	-1.00	3,000.50	194.50	549.00	C
GES	2012-08-22,	-	100	27.8500	33.5400	-2,785.00	-1.00	2,962.50	176.50	569.00	C

GES	17:17:23 2012-08-22,	-	100	27.8300	33.5400	-2,783.00	-1.00	2,962.50	178.50	571.00	C
GES	17:17:41 2012-08-22,	-	100	27.7500	33.5400	-2,775.00	-1.00	2,962.50	186.50	579.00	C
GES	17:18:05 2012-08-22,	-	50	27.7700	33.5400	-1,388.50	-1.00	1,481.25	91.75	288.50	C
GES	17:18:45 2012-08-22,	-	100	27.7900	33.5400	-2,779.00	-1.00	2,962.50	182.50	575.00	C
GES	17:19:36 2012-08-22,	-	100	27.7500	33.5400	-2,775.00	-1.00	2,962.50	186.50	579.00	C
GES	17:20:35 2012-08-23,	-	200	27.7500	25.9500	-5,550.00	-1.00	5,925.00	374.00	-360.00	C
GES	07:46:20 2012-08-23,	-	100	27.5900	25.9500	-2,759.00	-1.00	2,944.00	184.00	-164.00	C
GES	07:48:43 2012-08-23,	-	100	27.3700	25.9500	-2,737.00	-1.00	2,925.50	187.50	-142.00	C
GES	09:01:21 2012-08-23,	-	500	27.3000	25.9500	-13,650.00	-2.50	14,627.50	975.00	-675.00	P;C
GES	09:02:35 2012-08-23,	-	100	27.3200	25.9500	-2,732.00	-1.00	2,925.50	192.50	-137.00	C
GES	09:05:07 2012-08-23,	-	100	27.3200	25.9500	-2,732.00	-1.00	2,925.50	192.50	-137.00	C
GES	09:06:03 2012-08-23,	-	1,000	27.5500	25.9500	-27,550.00	-5.00	29,068.57	1,513.57	-1,600.00	P;C
GES	09:08:44 2012-08-23,	-	1,000	27.5500	25.9500	-27,550.00	-5.00	28,732.09	1,177.09	-1,600.00	P;C
GES	09:09:14 2012-08-23,	-	1,000	27.5500	25.9500	-27,550.00	-5.00	28,547.28	992.28	-1,600.00	P;C
GES	09:10:51 2012-08-23,	-	1,000	27.4500	25.9500	-27,450.00	-5.00	28,601.50	1,146.50	-1,500.00	P;C
GES	09:12:48 2012-08-23,	-	200	27.2900	25.9500	-5,458.00	-1.00	5,737.00	278.00	-268.00	P;C
GES	09:21:18 2012-08-23,	-	500	27.3000	25.9500	-13,650.00	-2.50	14,447.50	795.00	-675.00	C
GES	09:21:36 2012-08-23,	-	3,700	27.3000	25.9500	-101,010.00	-18.50	106,996.31	5,967.81	-4,995.00	P;C
GES	09:22:39 2012-08-23,	-	360	27.3300	25.9500	-9,838.80	-1.80	10,553.49	712.89	-496.80	P;C
GES	09:24:36 2012-08-23,	-	600	27.3800	25.9500	-16,428.00	-3.00	17,553.39	1,122.39	-858.00	P;C
GES	09:25:21 2012-08-23,	-	790	27.4000	25.9500	-21,646.00	-3.95	23,024.55	1,374.60	-1,145.50	P;C
GES	09:25:36 2012-08-	-	0			20,229.14	-135.25	0.00	20,093.89	-65,158.36	
Total GES											

GRPN	13, 16:12:07 2012-08-	-	-100	6.4600	7.5500	646.00	-1.00	-645.00	0.00	-109.00	O
GRPN	13, 16:12:14 2012-08-	-	-800	6.4600	7.5500	5,168.00	-4.00	-5,164.00	0.00	-872.00	O
GRPN	13, 16:12:22 2012-08-	-	-800	6.4800	7.5500	5,184.00	-4.00	-5,180.00	0.00	-856.00	P;O
GRPN	13, 16:14:57 2012-08-	-	-500	6.5900	7.5500	3,295.00	-2.50	-3,292.50	0.00	-480.00	P;O
GRPN	13, 16:15:24 2012-08-	-	-100	6.6000	7.5500	660.00	-1.00	-659.00	0.00	-95.00	O
GRPN	13, 16:17:34 2012-08-	-	-100	6.6600	7.5500	666.00	-1.00	-665.00	0.00	-89.00	P;O
GRPN	13, 16:17:41 2012-08-	-	-100	6.6500	7.5500	665.00	-1.00	-664.00	0.00	-90.00	O
GRPN	13, 16:17:45 2012-08-	-	-100	6.6500	7.5500	665.00	-1.00	-664.00	0.00	-90.00	O
GRPN	13, 16:18:00 2012-08-	-	-100	6.6200	7.5500	662.00	-1.00	-661.00	0.00	-93.00	O
GRPN	13, 16:18:07 2012-08-	-	-100	6.6400	7.5500	664.00	-1.00	-663.00	0.00	-91.00	O
GRPN	13, 16:18:12 2012-08-	-	-100	6.6300	7.5500	663.00	-1.00	-662.00	0.00	-92.00	O
GRPN	13, 16:19:03 2012-08-	-	-100	6.6200	7.5500	662.00	-1.00	-661.00	0.00	-93.00	O
GRPN	13, 16:19:10 2012-08-	-	-100	6.6500	7.5500	665.00	-1.00	-664.00	0.00	-90.00	O
GRPN	13, 17:40:39 2012-08-	-	-1,000	6.1000	7.5500	6,100.00	-5.00	-6,095.00	0.00	-1,450.00	P;O
GRPN	14, 08:06:08	-	4,100	5.9300	5.5100	-24,313.00	-20.50	26,339.50	2,006.00	-1,722.00	P;C
Total GRPN			0			2,052.00	-46.00	0.00	2,006.00	-6,312.00	
KORS	2012-08- 14, 07:02:04	-	1,000	45.0000	49.3300	-45,000.00	-5.00	45,005.00	0.00	4,330.00	P;O
KORS	2012-08- 14, 07:02:18	-	1,000	45.0000	49.3300	-45,000.00	-5.00	45,005.00	0.00	4,330.00	O
KORS	2012-08- 14, 08:05:12	-	100	48.4500	49.3300	-4,845.00	-1.00	4,846.00	0.00	88.00	O
KORS	2012-08- 14, 08:07:12	-	-2,100	48.421905	49.3300	101,686.00	-10.50	-94,856.00	6,819.50	-1,907.00	P;C
Total KORS			0			6,841.00	-21.50	0.00	6,819.50	6,841.00	
NTAP	2012-08- 15, 16:12:44	-	-1,900	31.761263	31.7480	60,346.40	-9.00	-60,337.40	0.00	25.20	P;O
NTAP	2012-08- 15, 16:12:59	-	-1,000	32.0840	31.7480	32,084.00	-5.00	-32,079.00	0.00	336.00	P;O
NTAP	2012-08- 15,	-	-1,000	32.09678	31.7480	32,096.78	-5.00	-32,091.78	0.00	348.78	P;O

NTAP	16:13:19 2012-08-15, 16:25:17	-	3,900	33.1700	31.7480	-129,363.00	-19.50	124,222.18	-4,874.32	-5,545.80	P;C
Total NTAP			0			-4,835.82	-38.50	-286.00	-4,874.32	-4,835.82	
SPLS	2012-08-15, 07:10:59	-	-1,000	11.6300	11.4900	11,630.00	-5.00	-11,625.00	0.00	140.00	P;O
SPLS	2012-08-15, 07:12:10	-	-1,000	11.7500	11.4900	11,750.00	-5.00	-11,745.00	0.00	260.00	P;O
SPLS	2012-08-15, 07:16:43	-	-1,000	11.8010	11.4900	11,801.00	-5.00	-11,796.00	0.00	311.00	P;O
SPLS	2012-08-15, 07:30:53	-	-500	11.8000	11.4900	5,900.00	-2.50	-5,897.50	0.00	155.00	O
SPLS	2012-08-15, 07:31:18	-	-1,000	12.0000	11.4900	12,000.00	-5.00	-11,995.00	0.00	510.00	P;O
SPLS	2012-08-15, 07:47:46	-	-1,000	11.8500	11.4900	11,850.00	-5.00	-11,845.00	0.00	360.00	O
SPLS	2012-08-15, 07:50:44	-	-1,000	11.6000	11.4900	11,600.00	-5.00	-11,595.00	0.00	110.00	P;O
SPLS	2012-08-15, 07:52:17	-	-1,000	11.6500	11.4900	11,650.00	-5.00	-11,645.00	0.00	160.00	O
SPLS	2012-08-15, 08:00:24	-	-1,000	11.8480	11.4900	11,848.00	-5.00	-11,843.00	0.00	358.00	P;O
SPLS	2012-08-15, 08:00:49	-	-702	11.8500	11.4900	8,318.70	-3.51	-8,315.19	0.00	252.72	O
SPLS	2012-08-15, 08:01:05	-	-1,000	11.83025	11.4900	11,830.25	-5.00	-11,825.25	0.00	340.25	P;O
SPLS	2012-08-15, 09:34:45	-	-1,900	11.4600	11.4900	21,774.00	-9.50	-21,764.50	0.00	-57.00	O
SPLS	2012-08-15, 10:06:36	-	1,900	11.5300	11.4900	-21,907.00	-9.50	22,195.50	279.00	-76.00	C
SPLS	2012-08-15, 10:06:42	-	5,200	11.5300	11.4900	-59,956.00	-26.00	61,290.00	1,308.00	-208.00	P;C
SPLS	2012-08-15, 10:06:53	-	5,000	11.5499	11.4900	-57,749.50	-25.00	58,383.03	608.53	-299.50	P;C
SPLS	2012-08-15, 10:07:07	-	2	11.5500	11.4900	-23.10	-1.00	22.91	-1.19	-0.12	C
Total SPLS			0			2,316.35	-122.01	0.00	2,194.34	2,316.35	
URBN	2012-08-20, 16:11:07	-	1,000	34.7800	31.2800	-34,780.00	-5.00	34,785.00	0.00	-3,500.00	P;O
URBN	2012-08-20, 16:11:14	-	1,000	34.77964	31.2800	-34,779.64	-5.00	34,784.64	0.00	-3,499.64	P;O
URBN	2012-08-20, 16:11:38	-	1,000	34.9500	31.2800	-34,950.00	-5.00	34,955.00	0.00	-3,670.00	P;O
URBN	2012-08-20, 16:11:53	-	1,000	34.7500	31.2800	-34,750.00	-5.00	34,755.00	0.00	-3,470.00	O

URBN	2012-08-20, 16:12:04	-	1,000	34.7500	31.2800	-34,750.00	-5.00	34,755.00	0.00	-3,470.00	P;O
URBN	2012-08-20, 16:22:55	-	1,000	34.9800	31.2800	-34,980.00	-5.00	34,985.00	0.00	-3,700.00	P;O
URBN	2012-08-20, 16:28:31	-	-1,000	35.4100	31.2800	35,410.00	-5.00	-34,785.00	620.00	4,130.00	P;C
URBN	2012-08-20, 16:28:50	-	-700	35.3500	31.2800	24,745.00	-3.50	-24,349.40	392.10	2,849.00	P;C
URBN	2012-08-20, 16:29:50	-	-1,000	35.4900	31.2800	35,490.00	-5.00	-34,903.74	581.26	4,210.00	C
URBN	2012-08-20, 16:30:06	-	-1,000	35.6000	31.2800	35,600.00	-5.00	-34,815.00	780.00	4,320.00	P;C
URBN	2012-08-20, 16:30:19	-	-1,000	35.6800	31.2800	35,680.00	-5.00	-34,755.00	920.00	4,400.00	P;C
URBN	2012-08-20, 16:30:32	-	-1,300	35.7100	31.2800	46,423.00	-6.50	-45,411.50	1,005.00	5,759.00	P;C
Total URBN			0			4,358.36	-60.00	0.00	4,298.36	4,358.36	
Total in USD						20,899.74	-915.06	-41,371.44	19,984.68	104,571.76	
<b>Symbol</b>	<b>Date/Time</b>	<b>Exchange</b>	<b>Quantity</b>	<b>T. Price</b>	<b>C. Price</b>	<b>Proceeds</b>	<b>Comm In Base</b>	<b>Basis</b>	<b>Realized P/L</b>	<b>MTM P/L</b>	<b>Code</b>
Forex											
JPY											
CAD.JPY	2012-08-20, 01:20:08	-	-1,500,000	80.3660	0.0000	120,549,000	-30.31	0	0	0	
CAD.JPY	2012-08-20, 01:53:49	-	-1,500,000	80.4000	0.0000	120,600,000	-30.32	0	0	0	
CAD.JPY	2012-08-20, 08:38:23	-	3,000,000	80.363667	0.0000	241,091,000	-60.61	0	0	0	P
CAD.JPY	2012-08-26, 20:20:28	-	4,000,000	79.4545	0.0000	317,818,000	-80.78	0	0	0	P
CAD.JPY	2012-08-26, 20:26:57	-	-4,000,000	79.4730	0.0000	317,892,000	-80.79	0	0	0	
CAD.JPY	2012-08-26, 21:21:00	-	4,000,000	79.43925	0.0000	317,757,000	-80.76	0	0	0	P
CAD.JPY	2012-08-26, 21:22:41	-	-4,000,000	79.462257	0.0000	317,849,027	-80.78	0	0	0	P
CAD.JPY	2012-08-26, 21:32:36	-	4,000,000	79.43675	0.0000	317,747,000	-80.76	0	0	0	P
CAD.JPY	2012-08-26, 21:43:25	-	-4,000,000	79.4720	0.0000	317,888,000	-80.79	0	0	0	
Total CAD.JPY			0			365,027	-605.90	0	0	0	
USD.JPY	2012-08-15, 07:32:07	-	5,000,000	78.9870	0.0000	394,935,000	-100.33	0	0	0	
USD.JPY	2012-08-15, 08:13:37	-	-5,000,000	78.99024	0.0000	394,951,200	-100.33	0	0	0	P

USD.JPY	2012-08-15, 08:14:20	-	205	79.0070	0.0000	-16,196.44	-2.50	0	0	0	
USD.JPY	2012-08-15, 23:25:49	-	3,000,000	79.172667	0.0000	237,518,000	-60.34	0	0	0	P
USD.JPY	2012-08-16, 00:17:50	-	-3,000,000	79.2390	0.0000	237,717,000	-60.27	0	0	0	
USD.JPY	2012-08-17, 11:30:24	-	2,502	79.5120	0.0000	-198,939.02	-2.50	0	0	0	
USD.JPY	2012-08-20, 13:47:46	-	731	79.3860	0.0000	-58,031.17	-2.50	0	0	0	
USD.JPY	2012-08-22, 18:01:03	-	0.4249	78.5470	0.0000	-33.37	0.00	0	0	0	
Total USD.JPY			3,438.4249			-58,000	-328.77	0	0	0	
Total in JPY						307,027	-	0	0	0	
Total in USD						3,906.08	-934.67	0.00	0.00	0.00	
USD											
EUR.USD	2012-08-13, 22:59:18	-	-1,000,000	1.23445	0.0000	1,234,450.00	-24.69	0.00	0.00	0.00	
EUR.USD	2012-08-13, 22:59:35	-	-1,000,000	1.23447	0.0000	1,234,470.00	-24.69	0.00	0.00	0.00	
EUR.USD	2012-08-13, 23:11:33	-	-1,000,000	1.23465	0.0000	1,234,650.00	-24.69	0.00	0.00	0.00	P
EUR.USD	2012-08-14, 00:46:50	-	-1,000,000	1.2350	0.0000	1,235,000.00	-24.70	0.00	0.00	0.00	P
EUR.USD	2012-08-14, 00:47:29	-	-1,000,000	1.235157	0.0000	1,235,157.00	-24.70	0.00	0.00	0.00	P
EUR.USD	2012-08-15, 00:59:53	-	5,000,000	1.23289	0.0000	6,164,450.00	-123.29	0.00	0.00	0.00	
EUR.USD	2012-08-17, 09:45:23	-	-5,000,000	1.232803	0.0000	6,164,016.00	-123.28	0.00	0.00	0.00	P
EUR.USD	2012-08-17, 09:54:11	-	5,000,000	1.23203	0.0000	6,160,150.00	-123.20	0.00	0.00	0.00	
EUR.USD	2012-08-17, 10:18:59	-	-5,000,000	1.2310	0.0000	6,155,000.00	-123.10	0.00	0.00	0.00	P
EUR.USD	2012-08-17, 10:21:32	-	5,000,000	1.230492	0.0000	6,152,461.90	-123.05	0.00	0.00	0.00	P
EUR.USD	2012-08-31, 08:08:40	-	-2,000,000	1.2608	0.0000	2,521,600.00	-50.43	0.00	0.00	0.00	P
EUR.USD	2012-08-31, 08:10:35	-	-2,000,000	1.26105	0.0000	2,522,100.00	-50.44	0.00	0.00	0.00	
EUR.USD	2012-08-31, 10:15:41	-	4,000,000	1.258993	0.0000	5,035,972.77	-100.72	0.00	0.00	0.00	P
Total EUR.USD			0			23,408.33	-940.99	0.00	0.00	0.00	
Total in USD						23,408.33	-940.99	0.00	0.00	0.00	

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Deposits & Withdrawals

Settle Date	Description	Amount	Code
USD			
2012-08-10	Electronic Fund Transfer	260,882.65	
2012-08-16	Electronic Fund Transfer	50,000.00	
2012-08-24	Disbursement Initiated by Giovanni De Francisci	-38,000.00	
Total in USD		272,882.65	

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Interest Accruals

Base Currency Summary

Starting Accrual Balance	0.00
Interest Accrued	-133.70
Accrual Reversal	0.00
Ending Accrual Balance	-133.70
EUR	
Starting Accrual Balance	0.00
Interest Accrued	-96.32
Accrual Reversal	0.00
Ending Accrual Balance	-96.32
Ending Accrual Balance in USD	-121.16
USD	
Starting Accrual Balance	0.00
Interest Accrued	-12.54
Accrual Reversal	0.00
Ending Accrual Balance	-12.54

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Security Information

Symbol	Description	Multiplier	Expiry	Delivery Month	Type	Strike	Issue Date	Maturity
Stocks								
ARUN	ARUBA NETWORKS INC	1	-	-	-	-	-	-
BBY	BEST BUY CO INC	1	-	-	-	-	-	-
CRM	SALESFORCE.COM INC	1	-	-	-	-	-	-
DE	DEERE & CO	1	-	-	-	-	-	-
GES	GUESS? INC	1	-	-	-	-	-	-
GRPN	GROUPON INC	1	-	-	-	-	-	-
KORS	MICHAEL KORS HOLDINGS LTD	1	-	-	-	-	-	-
NTAP	NETAPP INC	1	-	-	-	-	-	-
SPLS	STAPLES INC	1	-	-	-	-	-	-
URBN	URBAN OUTFITTERS INC	1	-	-	-	-	-	-

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Codes

Code Meaning

A	Assignment
Adj	Adjustment
Al	Allocation
Aw	Away Trade
B	Automatic Buy-in
Bo	Direct Borrow
C	Closing Trade
CD	Cash Delivery
Ca	Cancelled
Co	Corrected Trade
E	External Transfer
Ep	Resulted from an Expired Position
Ex	Exercise
G	Trade In Guaranteed Account Segment
HFI	Investment Transferred to Hedge Fund
HFR	Redemption from Hedge Fund
I	Internal Transfer
INV	Investment Transfer from Investor
L	Ordered by IB (Margin Violation)
LD	Adjusted by Loss Disallowed from Wash Sale
LI	Last In, First Out (LIFO) tax basis election
LT	Long Term P/L
Lo	Direct Loan
M	Entered manually by IB
ML	Maximize Losses tax basis election
MLG	Maximize Long Term Gain tax basis election
MLL	Maximize Long Term Loss tax basis election
MSG	Maximize Short Term Gain tax basis election
MSL	Maximize Short Term Loss tax basis election
O	Opening Trade
P	Partial Execution
PI	Price Improvement
Po	Interest or Dividend Accrual Posting
R	Dividend Reinvestment
RED	Redemption to Investor
Re	Interest or Dividend Accrual Reversal
SL	Specific Lot tax basis election
ST	Short Term P/L
T	Transfer

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### Notes/Legal Notes

#### Notes

1. Stock transactions settle on the trade date plus three days and securities options settle on the trade date plus one day. Ending settled cash reflects the cash which has actually settled.
2. Initial and maintenance margin requirements are available within the Account Window of the Trader Workstation.
3. Interactive Brokers LLC receives compensation from fund companies in connection with the purchase and holding of mutual fund shares by customers of Interactive Brokers LLC. Such compensation includes, but is not limited to, Rule 12b-1 fees which are paid out of the funds assets. The source and amount of any remuneration received by Interactive Brokers LLC in connection with a transaction will be furnished upon written request of the customer.
4. Quantities preceded by a "-" sign indicate sell transactions. Other transactions are purchases. The settlement date for stock transactions is trade date + 3 business days, except for transactions on XETRA, which settle on trade date + 2 business days. Option transactions and future transactions settle on trade date + 1 business day.
5. In case of partial executions, commissions are charged on the total quantity executed on the original order. The commission is displayed on the first partial execution only.
6. Each closed lot indicated above with a reference to note (6) was chosen by the end of the trading day to be sold versus



the specific opening purchase identified in that row.

7. Trade execution times are displayed in Eastern Time.
8. Applicable commodity Regulatory Fees for your transactions is available on the IB website at [www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php](http://www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php).
9. Borrow Fee Rate represents the cost to borrow stock expressed in percent per annum. It is applied to the cash collateral amount on the stock borrow contract and is separate from any interest earned on credit cash balances. Similarly, Loan Fee Rate represents the benefit to lend stock. A positive rate indicates a cost to the borrower/benefit to the lender and a negative rate indicates a benefit to the borrower/cost to the lender. In general, the fee rates for hard-to-borrow stocks are higher than for normal availability stocks.

#### Fixed Income Notes

1. Call features for bonds or preferred stocks may affect the yield. For zero coupon, compound interest and multiplier securities, there are no periodic payments and securities may be callable below maturity value without notice to holder unless registered. For asset-backed securities, the actual yield may vary depending on the speed at which the underlying note is pre-paid. For additional information regarding bond yield, please contact the IB Help Desk at: [help@interactivebrokers.com](mailto:help@interactivebrokers.com). If this debt security is unrated by a nationally recognized statistical rating organization, it may pose a high risk of default. You should consult a financial advisor to determine whether unrated bonds are appropriate for your portfolio in light of your goals and your financial circumstances.

#### Legal Notes

1. Please promptly report any inaccuracy or discrepancy in this statement, or in your account. Contact the IB Customer Service Department in writing using the form available on the IB website. You may also contact IB by phone, but if you report an error by phone, you should re-confirm such oral communication in writing in order to protect your rights, including rights under the Securities Investor Protection Act (SIPA).

Interactive Brokers LLC, [www.interactivebrokers.com](http://www.interactivebrokers.com), 877-442-2757 (U.S.)

Interactive Brokers (UK) (Ltd), [www.interactivebrokers.co.uk](http://www.interactivebrokers.co.uk), 00800-42-276537 (Intl)

Interactive Brokers Canada Inc., [www.interactivebrokers.ca](http://www.interactivebrokers.ca), 877-745-4222 (Can.)

2. Unless otherwise noted, Interactive Brokers acted as agent in the execution of the above transactions. For those exchanges where IB is not self-clearing, IB may use one of the following clearing agents: Interactive Brokers Securities Japan, Inc., Interactive Brokers (U.K.) Limited, Timber Hill Canada Company, Timber Hill Europe AG, Timber Hill LLC, Timber Hill Securities Hong Kong Limited, ABN Amro Clearing Singapore Pte. Ltd., ABN Amro Clearing Sydney Pty Ltd., BBVA Bancomer, S.A., BNP Securities Services, Milan Branch, Citibank International plc, Euroclear Bank S.A./N.V., Shinhan Securities Co., Ltd., Skandinaviska Enskilda Banken AB.
3. IB acts as agent or riskless principal in foreign currency exchange transactions. Such transactions are executed against an IB affiliate or a third party, which acts as principal in such transactions and may have a long or short position and may have profited or lost in connection with the transaction. Foreign currency exchange transactions executed by Customer through IB are not regulated or overseen by the SEC or the CFTC.
4. Trades marked with the exchange indicator of TMBR were effected by IB as agent through a market making affiliate, which acted as principal in the transaction and may have a long or short position in the security and may have profited or lost in connection with the transaction.
5. All VWAP trades are effected pursuant to an average price formula based on a reference price provided by a third-party data provider. Additional information and reference prices are available upon request. IB, as agent, effects VWAP transactions through a market making affiliate, which acts as principal in such transactions and may have a long or short position in the security and may have profited or lost in connection with the transaction.
6. IB accepts liquidity rebates from Alternative Trading Systems and exchanges for certain orders. IB receives payment for some option orders pursuant to exchange-mandated marketing fee programs or other arrangements. IB does not generally accept payment for order flow for security futures orders. To the extent permissible under exchange rules, IB may direct customer stock, option, futures, or security futures orders to its market making affiliate Timber Hill LLC, or to another affiliate, for execution. In such cases IB's affiliate may act as principal in the resulting transaction and may earn a profit or incur a loss in connection with the transaction. The source and nature of any compensation received by IB in connection with any transaction is available upon written request of the customer. For further information, check the IB website or email [help@interactivebrokers.com](mailto:help@interactivebrokers.com).
7. For security futures trades, if not already indicated on this statement, information about the time of any transaction, the identity of the counterparty to the transaction, and whether IB is acting as agent or principal, as agent for the counterparty, as agent for both parties to the contract, or as principal, and if acting as principal, whether the transaction was a block transaction or an exchange for physicals transaction, will be available upon written request of the customer.
8. Customer is requested to promptly advise Interactive Brokers of any material change in Customer's investment objectives or financial situation.
9. A financial statement of Interactive Brokers LLC is available for your personal inspection at [www.interactivebrokers.com](http://www.interactivebrokers.com) or at its offices, or a copy of it will be mailed upon your written request.
10. For All Options Trades Executed on the Stock Exchange of Hong Kong ("SEHK"): (a) Options can involve a high degree of

risk and may not be suitable for every investor. Investors should ensure they understand those risks before participating in the options market. (b) All options contracts executed on the SEHK were executed by Timber Hill Securities Hong Kong on behalf of Interactive Brokers LLC. (c) In the event of a default committed by Interactive Brokers LLC resulting in the client suffering any pecuniary loss, the client shall have a right to claim under the Investor Compensation Fund established under the Hong Kong Securities and Futures Ordinance, subject to the terms of the Investor Compensation Fund from time to time. (d) All Exchange Traded Options Business made for or on behalf of a client shall be subject to the relevant provisions of the constitution, Rules of The Stock Exchange of Hong Kong Limited ("SEHK Rules"), regulations, the Articles, customs and usages of SEHK, the Options Trading Rules, the Clearing Rules of SFO, the CCASS Rules and the laws of Hong Kong, which shall be binding on both Interactive Brokers LLC and the client.

11. Deposits held away from Interactive Brokers LLC may not qualify under SIPC protection.

SIPC Member

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JM-011628

# IB Mobile

Activity Statement for September 01, 2012 - September 30, 2012

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## Account Information

Name Event Trading GP, LLC  
Account U1090538  
Account Type Institution Master  
Customer Type Limited Liability Company  
Account Capabilities Portfolio Margin  
Trading Permissions Stocks,Options,Warrants,Forex  
Base Currency USD

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## Net Asset Value (NAV) In Base Currency

	Current Period		Prior Period		% Change
	Total	Long	Short	Total	
Cash	344,646.92	344,646.92	0.00	321,760.09	7.11%
Interest Accruals	-130.20	0.00	-130.20	-133.70	2.62%
Total	344,516.71	344,646.92	-130.20	321,626.38	7.12%

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## Net Asset Value (NAV) Time Series

### Net Asset Value (NAV) Distribution

- 746.3K

- 0
- -
- 486.6K

- Sep
- 3
- Sep

- 
- Cash
- Accruals
- 
- Stock
- 

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Mark-to-Market Performance Summary in Base

Symbol	Prior Quantity	Quantity	Prior Price	Mark-to-Market P/L					Total
				Price	Transaction	Prior Open	Commissions	Dividends	
Stocks									
FB	0	0	--	--	-16,992.36	30,020.00	-785.12	0.00	12,242.52
PAY	0	0	--	--	-66,721.06	66,407.67	-136.89	0.00	-450.28
PLL	0	0	--	--	701.20	0.00	-17.80	0.00	683.40
RIMM	0	0	--	--	6,568.84	0.00	-599.80	0.00	5,969.04
TIBX	0	0	--	--	-7,660.05	-1,873.20	-40.62	0.00	-9,573.88
Total (Stocks)					-84,103.42	94,554.47	-1,580.24	0.00	8,870.80
Total (All Asset Classes)					-84,103.42	94,554.47	-1,580.24	0.00	8,870.80
Broker Interest Paid and Received									-134.26
Other Fees									-122.00
Total P/L for Statement Period									8,614.54
Time Weighted Rate of Return									11.90%

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Realized & Unrealized Performance Summary in Base

Symbol	Realized				Total	Unrealized				Total	Total
	S/T Profit	S/T Loss	L/T Profit	L/T Loss		S/T Profit	S/T Loss	L/T Profit	L/T Loss		
Stocks											
FB	12,242.52	0.00	0.00	0.00	12,242.52	0.00	0.00	0.00	0.00	0.00	12,242.52
PAY	550.07	-1,000.35	0.00	0.00	-450.28	0.00	0.00	0.00	0.00	0.00	-450.28
PLL	683.40	0.00	0.00	0.00	683.40	0.00	0.00	0.00	0.00	0.00	683.40
RIMM	5,969.04	0.00	0.00	0.00	5,969.04	0.00	0.00	0.00	0.00	0.00	5,969.04
TIBX	0.00	-9,573.87	0.00	0.00	-9,573.87	0.00	0.00	0.00	0.00	0.00	-9,573.87
Total (Stocks)	19,445.03	10,574.23	0.00	0.00	8,870.80	0.00	0.00	0.00	0.00	0.00	8,870.80
Total (All Asset Classes)	19,445.03	10,574.23	0.00	0.00	8,870.80	0.00	0.00	0.00	0.00	0.00	8,870.80

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Cash Report

	Total	Securities	Futures
Base Currency Summary			
Starting Cash	321,760.09	321,760.09	0.00
Commissions	<del>6,770.39</del>	-7,770.39	0.00
Withdrawals	-15,000.00	-15,000.00	0.00
Broker Interest Paid and Received	-134.26	-134.26	0.00

Net Trades (Sales)	311,364,082.80	311,364,082.80	0.00
Net Trades (Purchase)	-311,307,758.42	-311,307,758.42	0.00
Other Fees	-122.00	-122.00	0.00
Cash FX Translation	-10,410.90	-10,410.90	0.00
Gain/Loss			0.00
Ending Cash	344,646.92	344,646.92	0.00
Ending Settled Cash	337,836.44	337,836.44	0.00
AUD			
Starting Cash	0.00	0.00	0.00
Net Trades (Sales)	27,500,000.00	27,500,000.00	0.00
Net Trades (Purchase)	-27,500,000.00	-27,500,000.00	0.00
Ending Cash	0.00	0.00	0.00
Ending Settled Cash	0.00	0.00	0.00
CAD			
Starting Cash	0.00	0.00	0.00
Net Trades (Sales)	2,000,000.00	2,000,000.00	0.00
Net Trades (Purchase)	-2,000,000.00	-2,000,000.00	0.00
Ending Cash	0.00	0.00	0.00
Ending Settled Cash	0.00	0.00	0.00
EUR			
Starting Cash	0.00	0.00	0.00
Broker Interest Paid and Received	-96.32	-96.32	0.00
Net Trades (Sales)	55,480,096.32	55,480,096.32	0.00
Net Trades (Purchase)	-55,480,000.00	-55,480,000.00	0.00
Ending Cash	0.00	0.00	0.00
Ending Settled Cash	0.00	0.00	0.00
JPY			
Starting Cash	307,027	307,027	0
Net Trades (Sales)	4,244,051,559.9	4,244,051,559.9	0
Net Trades (Purchase)	4,244,358,586.91	4,244,358,586.91	0
Ending Cash	-0	-0	0
Ending Settled Cash	0	0	0
USD			
Starting Cash	317,838.43	317,838.43	0.00
Commissions	-7,770.39	-7,770.39	0.00
Withdrawals	-15,000.00	-15,000.00	0.00
Broker Interest Paid and Received	-12.54	-12.54	0.00
Net Trades (Sales)	155,079,228.17	155,079,228.17	0.00
Net Trades (Purchase)	-155,029,514.75	-155,029,514.75	0.00
Other Fees	-122.00	-122.00	0.00
Ending Cash	344,646.92	344,646.92	0.00
Ending Settled Cash	337,836.44	337,836.44	0.00

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### Change In Position Value

#### Stocks

##### Base Currency Summary

Prior Period Value	0.00
Transactions	-10,451.04
MTM P/L On Prior Period	94,554.47
MTM P/L On Transactions	-84,103.43
End Of Period Value	0.00

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Trades

Symbol	Date/Time	Exchange	Quantity	T. Price	C. Price	Proceeds	Comm/Tax	Basis	Realized P/L	MTM P/L	Code
Stocks											
USD											
FB	2012-09-11, 17:36:28	-	1,000	20.2500	19.4300	-20,250.00	-5.00	20,255.00	0.00	-820.00	P;O
FB	2012-09-11, 17:37:31	-	1,000	20.3100	19.4300	-20,310.00	-5.00	20,315.00	0.00	-880.00	O
FB	2012-09-11, 17:37:57	-	2,000	20.3300	19.4300	-40,660.00	-10.00	40,670.00	0.00	-1,800.00	P;O
FB	2012-09-11, 17:38:12	-	2,000	20.3100	19.4300	-40,620.00	-10.00	40,630.00	0.00	-1,760.00	P;O
FB	2012-09-11, 17:38:26	-	1,000	20.3100	19.4300	-20,310.00	-5.00	20,315.00	0.00	-880.00	O
FB	2012-09-11, 17:38:43	-	1,000	20.3200	19.4300	-20,320.00	-5.00	20,325.00	0.00	-890.00	P;O
FB	2012-09-11, 17:38:56	-	1,000	20.2700	19.4300	-20,270.00	-5.00	20,275.00	0.00	-840.00	O
FB	2012-09-11, 17:39:05	-	1,000	20.2500	19.4300	-20,250.00	-5.00	20,255.00	0.00	-820.00	P;O
FB	2012-09-11, 17:39:24	-	1,000	20.2400	19.4300	-20,240.00	-5.00	20,245.00	0.00	-810.00	O
FB	2012-09-11, 17:39:39	-	1,000	20.2040	19.4300	-20,204.00	-5.00	20,209.00	0.00	-774.00	P;O
FB	2012-09-11, 17:39:49	-	1,000	20.1900	19.4300	-20,190.00	-5.00	20,195.00	0.00	-760.00	P;O
FB	2012-09-11, 17:39:58	-	1,000	20.1895	19.4300	-20,189.50	-5.00	20,194.50	0.00	-759.50	P;O
FB	2012-09-11, 17:40:19	-	1,000	20.1900	19.4300	-20,190.00	-5.00	20,195.00	0.00	-760.00	P;O
FB	2012-09-11, 17:40:29	-	1,000	20.2000	19.4300	-20,200.00	-5.00	20,205.00	0.00	-770.00	O
FB	2012-09-11, 17:40:40	-	1,000	20.2000	19.4300	-20,200.00	-5.00	20,205.00	0.00	-770.00	P;O
FB	2012-09-11, 17:40:53	-	1,000	20.1900	19.4300	-20,190.00	-5.00	20,195.00	0.00	-760.00	P;O
FB	2012-09-11, 17:42:15	-	1,000	20.2000	19.4300	-20,200.00	-5.00	20,205.00	0.00	-770.00	P;O
FB	2012-09-11, 17:42:20	-	1,000	20.1700	19.4300	-20,170.00	-5.00	20,175.00	0.00	-740.00	O
FB	2012-09-12,	-	-10,000	20.6000	02 20.9310	206,000.02	-40.90	-	2,919.12	-3,309.98	P;C

						203,040.00				
•	09:36:44									
FB •	2012-09-12, 09:36:56	-	-10,000	20.6300 20.9310	206,300.00	-50.00	202,023.50	4,226.50	-3,010.00	P;C
FB •	2012-09-14, 09:37:25	-	10,000	21.269413 22.0000	-212,694.13	-49.80	212,743.93	0.00	7,305.87	P;O
FB	2012-09-14, 09:49:40	-	-10,000	21.343022 22.0000	213,430.22	-45.80	212,743.93	640.49	-6,569.78	P;C
•	2012-09-14, 10:31:23	-	10,000	21.689996 22.0000	-216,899.96	-40.00	216,939.96	0.00	3,100.04	P;O
•	2012-09-14, 10:37:29	-	10,000	21.589998 22.0000	-215,899.98	-47.80	215,947.78	0.00	4,100.02	P;O
FB	2012-09-14, 10:38:20	-	-10,000	21.6700 22.0000	216,700.00	-49.50	216,939.96	0.00	-3,300.00	P;C
FB •	2012-09-14, 10:40:36	-	-10,000	21.7500 22.0000	217,500.00	-43.22	216,237.24	1,219.54	-2,500.00	P;C
FB	2012-09-14, 10:54:07	-	2,300	21.6200 22.0000	-49,726.00	-11.50	49,737.50	0.00	874.00	P;O
FB	2012-09-14, 10:54:16	-	500	21.6400 22.0000	-10,820.00	-2.50	10,822.50	0.00	180.00	P;O
•	2012-09-14, 10:54:55	-	2,800	21.649989 22.0000	-60,619.97	-11.20	60,631.17	0.00	980.03	P;O
•	2012-09-14, 10:55:07	-	2,800	21.6500 22.0000	-60,620.00	-13.90	60,633.90	0.00	980.00	P;O
FB	2012-09-14, 10:56:06	-	2,800	21.609993 22.0000	-60,507.98	-13.00	60,520.98	0.00	1,092.02	P;O
FB •	2012-09-14, 11:02:00	-	-2,800	21.670193 22.0000	60,676.54	-13.50	-60,560.00	103.04	-923.46	P;C
FB	2012-09-14, 11:02:26	-	-2,800	21.6800 22.0000	60,704.00	-14.00	-60,631.17	58.83	-896.00	P;C
FB	2012-09-14, 11:02:52	-	-2,800	21.6800 22.0000	60,704.00	-14.00	-60,633.90	56.10	-896.00	P;C
•	2012-09-14, 11:03:12	-	-2,800	21.6900 22.0000	60,732.00	-14.00	-60,520.98	197.02	-868.00	P;C
FB •	2012-09-18, 10:04:41	-	2,800	21.5900 21.8700	-60,452.00	-11.20	60,463.20	0.00	784.00	P;O
FB	2012-09-18, 10:05:07	-	2,800	21.5900 21.8700	-60,452.00	-14.00	60,466.00	0.00	784.00	P;O
FB	2012-09-18, 10:05:13	-	2,800	21.5800 21.8700	-60,424.00	-14.00	60,438.00	0.00	812.00	O
•	2012-09-18, 10:06:25	-	2,800	21.659968 21.8700	-60,647.91	-12.10	60,660.01	0.00	588.09	P;O
FB	2012-09-18, 10:06:34	-	2,800	21.649929 21.8700	-60,619.80	-11.20	60,631.00	0.00	616.20	P;O
	2012-09-									

FB	18, 10:06:50	-	2,800	21.6400	21.8700	-60,592.00	-14.00	60,606.00	0.00	644.00	O
FB •	2012-09-18, 10:12:22	-	2,800	21.6000	21.8700	-60,480.00	-14.00	60,494.00	0.00	756.00	O
FB	2012-09-18, 10:13:46	-	2,800	21.5600	21.8700	-60,368.00	-14.00	60,382.00	0.00	868.00	O
FB	2012-09-18, 11:02:39	-	-4,100	21.7300	23 21.8700	89,093.10	-17.80	-88,536.70	538.59	-573.90	P;C
•	2012-09-18, 11:07:07	-	-5,000	21.7400	21.8700	108,700.00	-23.40	107,995.67	680.93	-650.00	P;C
FB	2012-09-18, 11:07:41	-	-6,900	21.7500	21.8700	150,075.00	-33.20	149,415.84	625.96	-828.00	P;C
FB •	2012-09-18, 11:07:51	-	-6,400	21.7500	21.8700	139,200.00	-31.60	138,192.00	976.40	-768.00	P;C
Total FB			0			13,027.65	-785.12	-289.46	12,242.52	16,992.36	
PAY	2012-09-05, 16:03:08	-	-1,000	30.7900	35.3800	30,790.00	-5.00	-30,785.00	0.00	-4,590.00	P;O
PAY	2012-09-05, 16:07:04	-	-1,000	30.0800	35.3800	30,080.00	-5.00	-30,075.00	0.00	-5,300.00	O
PAY •	2012-09-05, 16:07:11	-	-1,000	30.0020	1 35.3800	30,002.01	-5.00	-29,997.01	0.00	-5,377.99	P;O
PAY	2012-09-05, 16:08:48	-	251	29.5000	35.3800	-7,404.50	-1.26	7,727.04	321.28	1,475.88	P;C
PAY •	2012-09-05, 16:10:42	-	-1,000	30.0100	35.3800	30,010.00	-5.00	-30,005.00	0.00	-5,370.00	P;O
PAY •	2012-09-05, 16:15:38	-	-1,000	30.1039	8 35.3800	30,103.98	-5.00	-30,098.98	0.00	-5,276.02	P;O
PAY	2012-09-05, 16:16:07	-	-1,000	30.4000	35.3800	30,400.00	-5.00	-30,395.00	0.00	-4,980.00	P;O
PAY	2012-09-05, 16:16:49	-	-1,000	30.5000	35.3800	30,500.00	-5.00	-30,495.00	0.00	-4,880.00	P;O
PAY •	2012-09-05, 16:17:27	-	-700	30.5300	35.3800	21,371.00	-3.50	-21,367.50	0.00	-3,395.00	P;O
PAY	2012-09-05, 16:17:28	-	-300	30.5000	35.3800	9,150.00	-1.50	-9,148.50	0.00	-1,464.00	O
PAY •	2012-09-05, 16:17:29	-	-1,000	30.6200	35.3800	30,620.00	-5.00	-30,615.00	0.00	-4,760.00	P;O
PAY •	2012-09-05, 16:17:48	-	-1,000	30.7000	35.3800	30,700.00	-5.00	-30,695.00	0.00	-4,680.00	P;O
PAY	2012-09-05, 16:18:02	-	-1,000	30.7300	35.3800	30,730.00	-5.00	-30,725.00	0.00	-4,650.00	O
PAY	2012-09-05, 16:18:48	-	-1,000	31.0620	35.3800	31,062.00	-5.00	-31,057.00	0.00	-4,318.00	P;O
•	2012-09-05,	-	-1,000	31.1000	35.3800	31,100.00	-5.00	-31,095.00	0.00	-4,280.00	P;O



PAY	16:19:40 2012-09-05,	-	-1,000	31.5000	35.3800	31,500.00	-5.00	-31,495.00	0.00	-3,880.00	P;O
PAY	16:22:39 2012-09-06,	-	800	30.5700	30.5500	-24,456.00	-4.00	24,591.79	157.29	-16.00	P;C
PAY	15:26:10 2012-09-06,	-	5,000	30.529786	30.5500	-152,648.93	-22.40	145,537.40	0.00	101.07	P;C
PAY	15:43:29 2012-09-06,	-	2,120	30.5100	30.5500	-64,681.20	-10.60	60,314.72	0.00	84.80	P;C
PAY	15:44:45 2012-09-06,	-	5,829	30.7500	30.5500	-179,241.75	-28.64	169,938.36	-928.85	-1,165.80	P;C
	15:51:48	-									
Tbtal PAY			0			-313.39	-136.89	-19,939.68	-450.28	66,721.06	
PLL	2012-09-13,	-	1,000	62.5988	62.8000	-62,598.80	-4.60	62,603.40	0.00	201.20	P;O
PLL	09:38:47 2012-09-13,	-	850	62.5600	62.8000	-53,176.00	-3.95	53,179.95	0.00	204.00	P;O
PLL	09:39:01 2012-09-13,	-	-1,850	62.9600	62.8000	116,476.00	-9.25	115,783.35	683.40	296.00	P;C
	09:40:55	-									
Tbtal PLL			0			701.20	-17.80	0.00	683.40	701.20	
RIMM	2012-09-27,	-	10,000	8.1500	7.1400	-81,500.00	-50.00	81,550.00	0.00	10,100.00	P;O
RIMM	16:06:26 2012-09-27,	-	10,000	7.9100	7.1400	-79,100.00	-50.00	79,150.00	0.00	-7,700.00	P;O
RIMM	16:06:46 2012-09-27,	-	10,000	8.1000	7.1400	-81,000.00	-50.00	81,050.00	0.00	-9,600.00	P;O
RIMM	16:10:32 2012-09-27,	-	-10,000	8.2400	7.1400	82,400.00	-50.00	-81,550.00	800.00	11,000.00	P;C
RIMM	16:15:37 2012-09-27,	-	-9,400	8.2500	7.1400	77,550.00	-47.00	-74,401.00	3,102.00	10,434.00	P;C
RIMM	16:16:09 2012-09-27,	-	-10,000	8.1103	7.1400	81,103.00	-49.80	-80,936.00	117.20	9,703.00	P;C
RIMM	16:18:12 2012-09-27,	-	-600	8.0700	7.1400	4,842.00	-3.00	-4,863.00	-24.00	558.00	P;C
RIMM	16:18:28 2012-09-27,	-	10,000	8.3783	7.1400	-83,783.00	-50.00	83,833.00	24.00	12,383.00	P;O
RIMM	16:36:53 2012-09-27,	-	10,000	8.3480	7.1400	-83,480.00	-50.00	83,530.00	0.00	12,080.00	P;O
RIMM	16:37:14 2012-09-27,	-	10,000	8.3000	7.1400	-83,000.00	-50.00	83,050.00	0.00	11,600.00	O
RIMM	16:44:00 2012-09-27,	-	-10,000	8.4100	7.1400	84,100.00	-50.00	-83,857.00	205.00	12,700.00	P;C
RIMM	16:47:58 2012-09-27,	-	-10,000	8.4100	7.1400	84,100.00	-50.00	-83,542.00	508.00	12,700.00	P;C
RIMM	16:49:01 2012-09-27,	-	-1,228	8.4600	7.1400	10,388.88	-6.14	-10,198.54	184.20	1,620.96	P;C

RIMM	16:52:11 2012-09-27, 16:52:45	-	-8,772	8.4300	7.1400	73,947.96	-43.86	-72,851.46	1,052.64	11,315.88	P;C
Total RIMM			0			6,568.84	-599.80	-36.00	5,969.04	6,568.84	
TIBX	2012-09-20, 16:47:18	-	-1,000	27.7040	29.8617	27,704.00	-5.00	-27,699.00	0.00	-2,157.70	P;O
TIBX	2012-09-20, 16:47:28	-	-1,000	27.7280	29.8617	27,728.00	-5.00	-27,723.00	0.00	-2,133.70	P;O
TIBX	2012-09-20, 16:48:04	-	-1,000	27.7800	29.8617	27,780.00	-5.00	-27,775.00	0.00	-2,081.70	O
TIBX	2012-09-20, 16:48:24	-	-1,000	28.1600	29.8617	28,160.00	-5.00	-28,155.00	0.00	-1,701.70	P;O
TIBX	2012-09-21, 08:37:37	-	75	30.0000	30.3300	-2,250.00	-1.00	2,077.12	0.00	24.75	C
TIBX	2012-09-21, 08:38:19	-	500	30.2000	30.3300	-15,100.00	-2.50	13,847.50	0.00	65.00	C
TIBX	2012-09-21, 08:39:20	-	1,000	30.2000	30.3300	-30,200.00	-5.00	26,289.62	0.00	130.00	P;C
TIBX	2012-09-21, 08:40:38	-	2,425	30.249588	30.3300	-73,355.25	-12.12	58,103.61	-9,573.87	195.00	P;C
Total TIBX			0			-9,533.25	-40.62	-11,034.14	-9,573.87	-7,660.05	
Total in USD						10,451.04	-1,580.24	-31,299.28	8,870.80	84,103.42	
<b>Symbol</b>	<b>Date/Time</b>	<b>Exchange</b>	<b>Quantity</b>	<b>T. Price</b>	<b>C. Price</b>	<b>Proceeds</b>	<b>Comm In Base</b>	<b>Basis</b>	<b>Realized P/L</b>	<b>MTM P/L</b>	<b>Code</b>
Forex											
JPY											
CAD.JPY	2012-09-26, 21:24:17	-	2,000,000	78.9500	0.0000	-157,900,000	-40.59	0	0	0	
CAD.JPY	2012-09-26, 21:25:38	-	-2,000,000	78.9660	0.0000	157,932,000	-40.60	0	0	0	
Total CAD.JPY			0			32,000	-81.19	0	0	0	
USD.JPY	2012-09-07, 08:30:35	-	-5,000,000	78.5700	0.0000	392,850,000	-99.60	0	0	0	P
USD.JPY	2012-09-07, 08:30:42	-	-5,000,000	78.62228	0.0000	393,111,400	-99.67	0	0	0	P
USD.JPY	2012-09-07, 08:33:43	-	5,000,000	78.5494	0.0000	-392,747,000	-99.57	0	0	0	P
USD.JPY	2012-09-07, 08:34:07	-	5,000,000	78.54464	0.0000	-392,723,200	-99.57	0	0	0	P
USD.JPY	2012-09-07, 08:34:25	-	10,162	78.5720	0.0000	-798,448.66	-2.50	0	0	0	
USD.JPY	2012-09-07, 08:54:59	-	-2	78.3260	0.0000	156.65	-2.50	0	0	0	
USD.JPY	2012-09-11, 18:01:56	-	-0.8363	77.7370	0.0000	65.01	0.00	0	0	0	

USD.JPY	14, 09:06:34	-	5,000,000	78.0960	0.0000	-390,480,000	-100.72	0	0	0	P
USD.JPY	14, 09:24:38	-	-5,000,000	78.1172	0.0000	390,586,000	-100.75	0	0	0	P
USD.JPY	14, 09:24:53	-	1,357	78.1270	0.0000	-106,018.34	-2.50	0	0	0	
USD.JPY	16, 20:56:43	-	6,000,000	78.3380	0.0000	-470,028,000	-119.92	0	0	0	P
USD.JPY	17, 06:18:17	-	-6,000,000	78.426833	0.0000	470,561,000	-120.05	0	0	0	P
USD.JPY	17, 06:30:58	-	6,797	78.4100	0.0000	-532,952.77	-2.50	0	0	0	
USD.JPY	18, 10:04:32	-	5,000,000	78.6450	0.0000	-393,225,000	-99.88	0	0	0	
USD.JPY	18, 13:14:41	-	-3,000,000	78.655333	0.0000	235,966,000	-59.93	0	0	0	P
USD.JPY	18, 13:15:16	-	-2,000,000	78.6520	0.0000	157,304,000	-39.95	0	0	0	
USD.JPY	18, 13:15:31	-	572	78.6600	0.0000	-44,993.52	-2.50	0	0	0	
USD.JPY	18, 14:25:18	-	6,000,000	78.81225	0.0000	-472,873,500	-120.11	0	0	0	P
USD.JPY	18, 14:28:48	-	-6,000,000	78.838667	0.0000	473,032,000	-120.15	0	0	0	P
USD.JPY	18, 14:29:03	-	2,011	78.8330	0.0000	-158,533.16	-2.50	0	0	0	
USD.JPY	18, 19:56:41	-	6,000,000	78.7625	0.0000	-472,575,000	-120.03	0	0	0	P
USD.JPY	18, 23:52:15	-	-6,000,000	79.000667	0.0000	474,004,000	-120.39	0	0	0	P
USD.JPY	19, 01:57:07	-	18,047	79.1640	0.0000	-1,428,672.71	-2.50	0	0	0	
USD.JPY	19, 19:42:57	-	6,000,000	78.388167	0.0000	-470,329,000	-119.32	0	0	0	P
USD.JPY	19, 19:49:10	-	-6,000,000	78.4050	0.0000	470,430,000	-119.35	0	0	0	P
USD.JPY	19, 19:49:34	-	1,292	78.4040	0.0000	-101,297.97	-2.50	0	0	0	
USD.JPY	19, 19:59:05	-	6,000,000	78.3950	0.0000	-470,370,000	-119.33	0	0	0	P
USD.JPY	21, 08:57:18	-	-6,000,000	78.170167	0.0000	469,021,000	-119.86	0	0	0	P
USD.JPY	23, 21:17:14	-	-17,263	78.1360	0.0000	1,348,861.77	-2.50	0	0	0	

USD.JPY 25, 18:00:52	-	-1.3716	77.7950	0.0000	106.7	0.00	0	0	0	
2012-09-26, 21:24:38	-	-2,033,144	77.6620	0.0000	157,898,029.33	-40.59	0	0	0	
2012-09-26, 21:25:52	-	2,033,475	77.668508	0.0000	157,936,969.78	-40.60	0	0	0	P
2012-09-26, 21:26:03	-	-89	77.6600	0.0000	6,911.74	-2.50	0	0	0	
2012-09-28, 18:01:19	-	-0.3684	77.9090	0.0000	28.7	0.00	0	0	0	
Total USD.JPY		23,212.4237			-339,027	-2,104.33	0	0	0	
Total in JPY					-307,027	-	0	0	0	
Total in USD					6,487.61	-2,185.52	0.00	0.00	0.00	
USD										
2012-09-02, 21:32:17	-	-2,500,000	1.02415	0.0000	2,560,375.00	-51.21	0.00	0.00	0.00	P
2012-09-02, 21:33:00	-	-2,500,000	1.024416	0.0000	2,561,040.00	-51.22	0.00	0.00	0.00	P
2012-09-02, 21:35:24	-	-2,500,000	1.024654	0.0000	2,561,635.00	-51.23	0.00	0.00	0.00	P
2012-09-02, 21:36:11	-	-2,500,000	1.024802	0.0000	2,562,003.88	-51.24	0.00	0.00	0.00	P
2012-09-03, 05:08:35	-	5,000,000	1.024344	0.0000	-5,121,720.00	-102.43	0.00	0.00	0.00	P
2012-09-03, 05:12:06	-	5,000,000	1.02435	0.0000	-5,121,750.00	-102.43	0.00	0.00	0.00	P
2012-09-03, 19:57:54	-	-2,500,000	1.02385	0.0000	2,559,625.00	-51.19	0.00	0.00	0.00	P
2012-09-03, 19:58:16	-	-2,500,000	1.023822	0.0000	2,559,555.00	-51.19	0.00	0.00	0.00	P
2012-09-03, 19:58:30	-	-2,500,000	1.023864	0.0000	2,559,660.00	-51.19	0.00	0.00	0.00	P
2012-09-03, 20:07:08	-	1,000,000	1.02363	0.0000	-1,023,630.00	-20.47	0.00	0.00	0.00	
2012-09-03, 20:08:26	-	5,000,000	1.023546	0.0000	-5,117,730.29	-102.35	0.00	0.00	0.00	P
2012-09-03, 20:09:04	-	1,500,000	1.0234	0.0000	-1,535,100.00	-30.70	0.00	0.00	0.00	P
2012-09-04, 00:53:58	-	-5,000,000	1.026466	0.0000	5,132,330.00	-102.65	0.00	0.00	0.00	P
2012-09-04, 00:54:48	-	-5,000,000	1.026604	0.0000	5,133,020.00	-102.66	0.00	0.00	0.00	P
2012-09-04, 00:57:50	-	5,000,000	1.02645	0.0000	-5,132,250.00	-102.64	0.00	0.00	0.00	P
2012-09-04, 00:58:04	-	5,000,000	1.026399	0.0000	-5,131,994.40	-102.64	0.00	0.00	0.00	P

Total AUD.USD		0		5,069.19	-1,127.47	0.00	0.00	0.00	
EUR.USD 07, 2012-09-08:55:20	-	96	1.27659	0.0000	-122.55	-2.50	0.00	0.00	0.00
EUR.USD 11, 2012-09-18:01:56	-	0.32	1.2857	0.0000	-0.41	0.00	0.00	0.00	0.00
EUR.USD 13, 2012-09-03:40:02	-	-2,500,000	1.2914	0.0000	3,228,500.00	-64.57	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-03:50:32	-	2,500,000	1.29075	0.0000	-3,226,875.00	-64.54	0.00	0.00	0.00
EUR.USD 13, 2012-09-09:35:00	-	-2,500,000	1.2888	0.0000	3,222,000.00	-64.44	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-09:42:05	-	1,000,000	1.28845	0.0000	-1,288,450.00	-25.77	0.00	0.00	0.00
EUR.USD 13, 2012-09-09:46:40	-	-1,000,000	1.28916	0.0000	1,289,160.00	-25.78	0.00	0.00	0.00
EUR.USD 13, 2012-09-12:31:06	-	2,500,000	1.28765	0.0000	-3,219,125.00	-64.38	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:34:09	-	-1,980,000	1.2920	0.0000	2,558,160.00	-51.16	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:34:25	-	1,980,000	1.289837	0.0000	-2,553,877.80	-51.08	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:36:58	-	-2,500,000	1.289047	0.0000	3,222,616.42	-64.45	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:37:57	-	2,500,000	1.287898	0.0000	-3,219,745.10	-64.39	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:46:39	-	-2,500,000	1.290124	0.0000	3,225,310.00	-64.51	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-12:49:54	-	2,500,000	1.289955	0.0000	-3,224,886.54	-64.50	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-20:07:26	-	-2,500,000	1.298858	0.0000	3,247,145.00	-64.94	0.00	0.00	0.00 P
EUR.USD 13, 2012-09-20:28:33	-	2,500,000	1.298642	0.0000	-3,246,605.00	-64.93	0.00	0.00	0.00 P
EUR.USD 14, 2012-09-09:47:24	-	-2,500,000	1.31285	0.0000	3,282,125.00	-65.64	0.00	0.00	0.00
EUR.USD 14, 2012-09-09:55:38	-	1,025,000	1.3132	0.0000	-1,346,030.00	-26.92	0.00	0.00	0.00 P
EUR.USD 14, 2012-09-09:56:41	-	1,475,000	1.3143	0.0000	-1,938,592.50	-38.77	0.00	0.00	0.00
EUR.USD 14, 2012-09-10:48:25	-	2,500,000	1.3136	0.0000	-3,284,000.00	-65.68	0.00	0.00	0.00
EUR.USD 14, 2012-09-10:59:23	-	-2,500,000	1.31421	0.0000	3,285,525.00	-65.71	0.00	0.00	0.00
EUR.USD 20,	-	5,000,000	1.30075	0.0000	-6,503,750.00	-130.08	0.00	0.00	0.00 P

EUR.USD	20,	-	-5,000,000	1.2974	0.0000	6,487,000.00	-129.74	0.00	0.00	0.00	
EUR.USD	23,	-	-5,000,000	1.29485	0.0000	6,474,250.00	-129.48	0.00	0.00	0.00	P
EUR.USD	23,	-	5,000,000	1.294034	0.0000	-6,470,170.00	-129.40	0.00	0.00	0.00	P
EUR.USD	23,	-	-5,000,000	1.294409	0.0000	6,472,046.16	-129.44	0.00	0.00	0.00	P
EUR.USD	23,	-	5,000,000	1.29373	0.0000	-6,468,650.00	-129.37	0.00	0.00	0.00	P
EUR.USD	23,	-	-5,000,000	1.294018	0.0000	6,470,090.00	-129.40	0.00	0.00	0.00	P
EUR.USD	23,	-	-5,000,000	1.294256	0.0000	6,471,280.00	-129.43	0.00	0.00	0.00	P
EUR.USD	23,	-	5,000,000	1.293642	0.0000	-6,468,210.00	-129.36	0.00	0.00	0.00	P
EUR.USD	23,	-	5,000,000	1.293446	0.0000	-6,467,230.00	-129.34	0.00	0.00	0.00	P
EUR.USD	23,	-	-5,000,000	1.29372	0.0000	6,468,600.00	-129.37	0.00	0.00	0.00	P
EUR.USD	23,	-	5,000,000	1.293081	0.0000	-6,465,406.92	-129.31	0.00	0.00	0.00	P
EUR.USD	23,	-	-5,000,000	1.29365	0.0000	6,468,250.00	-129.36	0.00	0.00	0.00	P
EUR.USD	23,	-	2,000,000	1.29345	0.0000	-2,586,900.00	-51.74	0.00	0.00	0.00	P
EUR.USD	23,	-	3,000,000	1.29415	0.0000	-3,882,450.00	-77.65	0.00	0.00	0.00	
Total EUR.USD			96.32			10,980.76	-2,877.16	0.00	0.00	0.00	
Total in USD						16,049.94	-4,004.63	0.00	0.00	0.00	

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Other Fees

Date	Description	Amount	Code
USD			
2012-09-06, 17:54:49	NASDAQ Level I for Aug 2012	-20.00	
2012-09-06, 17:54:49	NASDAQ Level II for Aug 2012	-76.00	
2012-09-06, 17:54:49	US Commodities Exchanges for Aug 2012	10.00	
2012-09-06, 17:54:49	US Commodities Exchanges for Aug 2012	-10.00	
2012-09-06, 17:54:49	US Options Exchanges for Aug 2012	-26.00	
Total in USD		-122.00	

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Deposits & Withdrawals

Settle Date	Description	Amount	Code
USD			
2012-09-14	Disbursement Initiated by Giovanni De Francisci	-15,000.00	
	Total in USD	-15,000.00	

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Interest Accruals

Base Currency Summary		
Starting Accrual Balance		-133.70
Interest Accrued		-130.76
Accrual Reversal		134.26
Ending Accrual Balance		-130.20
EUR		
Starting Accrual Balance		-96.32
Interest Accrued		0.00
Accrual Reversal		96.32
Ending Accrual Balance		0.00
Ending Accrual Balance in USD		0.00
JPY		
Starting Accrual Balance		0
Interest Accrued		-9,062
Accrual Reversal		0
Ending Accrual Balance		-9,062
Ending Accrual Balance in USD		-116.30
USD		
Starting Accrual Balance		-12.54
Interest Accrued		-13.90
Accrual Reversal		12.54
Ending Accrual Balance		-13.90

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Broker Interest Paid

Date	Description	Amount	Code
EUR			
2012-09-06	EUR Debit Interest for AUG-2012	-96.32	
	Total in EUR	-96.32	
	Total in USD	-121.72	
USD			
2012-09-06	USD Net Short Stock Interest for AUG-2012	-12.54	
	Total in USD	-12.54	

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Security Information

Symbol	Description	Multiplier	Expiry	Delivery Month	Type	Strike	Issue Date	Maturity
Stocks								
FB	FACEBOOK INC-A	1	-	-	-	-	-	-
PAY	VERIFONE SYSTEMS INC	1	-	-	-	-	-	-

PLL	PALL CORP	1	-	-	-	-	-	-
RIMM	RESEARCH IN MOTION	1	-	-	-	-	-	-
TIBX	TIBCO SOFTWARE INC	1	-	-	-	-	-	-

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Codes

Code	Meaning
A	Assignment
Adj	Adjustment
Al	Allocation
Aw	Away Trade
B	Automatic Buy-in
Bo	Direct Borrow
C	Closing Trade
CD	Cash Delivery
Ca	Cancelled
Co	Corrected Trade
E	External Transfer
Ep	Resulted from an Expired Position
Ex	Exercise
G	Trade in Guaranteed Account Segment
HFI	Investment Transferred to Hedge Fund
HFR	Redemption from Hedge Fund
I	Internal Transfer
INV	Investment Transfer from Investor
L	Ordered by IB (Margin Violation)
LD	Adjusted by Loss Disallowed from Wash Sale
LI	Last In, First Out (LIFO) tax basis election
LT	Long Term P/L
Lo	Direct Loan
M	Entered manually by IB
ML	Maximize Losses tax basis election
MLG	Maximize Long Term Gain tax basis election
MLL	Maximize Long Term Loss tax basis election
MSG	Maximize Short Term Gain tax basis election
MSL	Maximize Short Term Loss tax basis election
O	Opening Trade
P	Partial Execution
PI	Price Improvement
Po	Interest or Dividend Accrual Posting
R	Dividend Reinvestment
RED	Redemption to Investor
Re	Interest or Dividend Accrual Reversal
SL	Specific Lot tax basis election
ST	Short Term P/L
T	Transfer

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Notes/Legal Notes

Notes

1. Stock transactions settle on the trade date plus three days and securities options settle on the trade date plus one day. Ending settled cash reflects the cash which has actually settled.



2. Initial and maintenance margin requirements are available within the Account Window of the Trader Workstation.
3. Interactive Brokers LLC receives compensation from fund companies in connection with the purchase and holding of mutual fund shares by customers of Interactive Brokers LLC. Such compensation includes, but is not limited to, Rule 12b-1 fees which are paid out of the funds assets. The source and amount of any remuneration received by Interactive Brokers LLC in connection with a transaction will be furnished upon written request of the customer.
4. Quantities preceded by a "-" sign indicate sell transactions. Other transactions are purchases. The settlement date for stock transactions is trade date + 3 business days, except for transactions on XETRA, which settle on trade date + 2 business days. Option transactions and future transactions settle on trade date + 1 business day.
5. In case of partial executions, commissions are charged on the total quantity executed on the original order. The commission is displayed on the first partial execution only.
6. Each closed lot indicated above with a reference to note (6) was chosen by the end of the trading day to be sold versus the specific opening purchase identified in that row.
7. Trade execution times are displayed in Eastern Time.
8. Applicable commodity Regulatory Fees for your transactions is available on the IB website at [www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php](http://www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php).
9. Borrow Fee Rate represents the cost to borrow stock expressed in percent per annum. It is applied to the cash collateral amount on the stock borrow contract and is separate from any interest earned on credit cash balances. Similarly, Loan Fee Rate represents the benefit to lend stock. A positive rate indicates a cost to the borrower/benefit to the lender and a negative rate indicates a benefit to the borrower/cost to the lender. In general, the fee rates for hard-to-borrow stocks are higher than for normal availability stocks.

#### Fixed Income Notes

1. Call features for bonds or preferred stocks may affect the yield. For zero coupon, compound interest and multiplier securities, there are no periodic payments and securities may be callable below maturity value without notice to holder unless registered. For asset-backed securities, the actual yield may vary depending on the speed at which the underlying note is pre-paid. For additional information regarding bond yield, please contact the IB Help Desk at: [help@interactivebrokers.com](mailto:help@interactivebrokers.com). If this debt security is unrated by a nationally recognized statistical rating organization, it may pose a high risk of default. You should consult a financial advisor to determine whether unrated bonds are appropriate for your portfolio in light of your goals and your financial circumstances.

#### Legal Notes

1. Please promptly report any inaccuracy or discrepancy in this statement, or in your account. Contact the IB Customer Service Department in writing using the form available on the IB website. You may also contact IB by phone, but if you report an error by phone, you should re-confirm such oral communication in writing in order to protect your rights, including rights under the Securities Investor Protection Act (SIPA).

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Interactive Brokers Canada Inc., [www.interactivebrokers.ca](http://www.interactivebrokers.ca), 877-745-4222 (Can.)

2. Unless otherwise noted, Interactive Brokers acted as agent in the execution of the above transactions. For those exchanges where IB is not self-clearing, IB may use one of the following clearing agents: Interactive Brokers Securities Japan, Inc., Interactive Brokers (U.K.) Limited, Timber Hill Canada Company, Timber Hill Europe AG, Timber Hill LLC, Timber Hill Securities Hong Kong Limited, ABN Amro Clearing Singapore Pte. Ltd., ABN Amro Clearing Sydney Pty Ltd., BBVA Bancomer, S.A., BNP Securities Services, Milan Branch, Citibank International plc, Euroclear Bank S.A./N.V., Shinhan Securities Co., Ltd., Skandinaviska Enskilda Banken AB.
3. IB acts as agent or riskless principal in foreign currency exchange transactions. Such transactions are executed against an IB affiliate or a third party, which acts as principal in such transactions and may have a long or short position and may have profited or lost in connection with the transaction. Foreign currency exchange transactions executed by Customer through IB are not regulated or overseen by the SEC or the CFTC.
4. Trades marked with the exchange indicator of TMBR were effected by IB as agent through a market making affiliate, which acted as principal in the transaction and may have a long or short position in the security and may have profited or lost in connection with the transaction.
5. All VWAP trades are effected pursuant to an average price formula based on a reference price provided by a third-party data provider. Additional information and reference prices are available upon request. IB, as agent, effects VWAP transactions through a market making affiliate, which acts as principal in such transactions and may have a long or short position in the security and may have profited or lost in connection with the transaction.
6. IB accepts liquidity rebates from Alternative Trading Systems and exchanges for certain orders. IB receives payment for some option orders pursuant to exchange-mandated marketing fee programs or other arrangements. IB does not generally accept payment for order flow for security futures orders. To the extent permissible under exchange rules, IB may direct customer stock, option, futures, or security futures orders to its market making affiliate Timber Hill LLC, or to another affiliate, for execution. In such cases IB's affiliate may act as principal in the resulting transaction and may earn a profit or incur a loss in connection with the transaction. The source and nature of any compensation received by IB in connection

with any transaction is available upon written request of the customer. For further information, check the IB website or email [help@interactivebrokers.com](mailto:help@interactivebrokers.com).

7. For security futures trades, if not already indicated on this statement, information about the time of any transaction, the identity of the counterparty to the transaction, and whether IB is acting as agent or principal, as agent for the counterparty, as agent for both parties to the contract, or as principal, and if acting as principal, whether the transaction was a block transaction or an exchange for physicals transaction, will be available upon written request of the customer.
8. Customer is requested to promptly advise Interactive Brokers of any material change in Customer's investment objectives or financial situation.
9. A financial statement of Interactive Brokers LLC is available for your personal inspection at [www.interactivebrokers.com](http://www.interactivebrokers.com) or at its offices, or a copy of it will be mailed upon your written request.
10. For All Options Trades Executed on the Stock Exchange of Hong Kong ("SEHK"): (a) Options can involve a high degree of risk and may not be suitable for every investor. Investors should ensure they understand those risks before participating in the options market. (b) All options contracts executed on the SEHK were executed by Timber Hill Securities Hong Kong on behalf of Interactive Brokers LLC. (c) In the event of a default committed by Interactive Brokers LLC resulting in the client suffering any pecuniary loss, the client shall have a right to claim under the Investor Compensation Fund established under the Hong Kong Securities and Futures Ordinance, subject to the terms of the Investor Compensation Fund from time to time. (d) All Exchange Traded Options Business made for or on behalf of a client shall be subject to the relevant provisions of the constitution, Rules of The Stock Exchange of Hong Kong Limited ("SEHK Rules"), regulations, the Articles, customs and usages of SEHK, the Options Trading Rules, the Clearing Rules of SFO, the CCASS Rules and the laws of Hong Kong, which shall be binding on both Interactive Brokers LLC and the client.
11. Deposits held away from Interactive Brokers LLC may not qualify under SIPC protection.

SIPC Member

Generated at: 2012-11-01, 13:30:39 EDT

JM-011644

# IB Mobile

Activity Statement for October 01, 2012 - October 31, 2012

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## Account Information

Name Event Trading GP, LLC  
Account [REDACTED]  
Account Type Institution Master  
Customer Type Limited Liability Company  
Account Capabilities Portfolio Margin  
Trading Permissions Stocks,Options,Warrants,Forex  
Base Currency USD

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## Net Asset Value (NAV) In Base Currency

	Current Period		Prior Period		% Change
	Total	Long	Short	Total	
Cash	365,674.39	365,674.39	0.00	344,646.92	6.10%
Interest Accruals	0.00	0.00	0.00	-130.20	100.00%
Total	365,674.39	365,674.39	0.00	344,516.71	6.14%

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Net Asset Value (NAV) Time Series

Net Asset Value (NAV) Distribution

- 365.9K

- 0
- Oct 1
- Oct 31
- 
- Cash
- 
- Accruals

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Mark-to-Market Performance Summary in Base

Description	Total
Broker Interest Paid and Received	-130.40
Other Fees	-122.00
Total P/L for Statement Period	-252.40
Time Weighted Rate of Return	6.14%

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Cash Report

	Total	Securities	Futures
Base Currency Summary			
Starting Cash	344,646.92	344,646.92	0.00
Commissions	<del>2,406.87</del>	-2,406.87	0.00
Broker Interest Paid and Received	-130.40	-130.40	0.00
Net Trades (Sales)	119,983,343.16	119,983,343.16	0.00
Net Trades (Purchase)	-119,959,406.47	-119,959,406.47	0.00
Other Fees	-122.00	-122.00	0.00
Cash FX Translation	-249.94	-249.94	0.00
Gain/Loss			
Ending Cash	365,674.39	365,674.39	0.00
Ending Settled Cash	365,674.39	365,674.39	0.00
JPY			
Starting Cash	-0	-0	0
Broker Interest Paid and Received	-9,122	-9,122	0
Net Trades (Sales)	4,687,453,345	4,687,453,345	0
Net Trades	-	-	0

(Purchase)	4,686,460,615.09	4,686,460,615.09	
Ending Cash	983,607.91	983,607.91	0
Ending Settled Cash	983,607.91	983,607.91	0
USD			
Starting Cash	344,646.92	344,646.92	0.00
Commissions	-2,406.87	-2,406.87	0.00
Broker Interest Paid and Received	-14.18	-14.18	0.00
Net Trades (Sales)	60,011,241.00	60,011,241.00	0.00
Net Trades (Purchase)	-60,000,000.00	-60,000,000.00	0.00
Other Fees	-122.00	-122.00	0.00
Ending Cash	353,344.87	353,344.87	0.00
Ending Settled Cash	353,344.87	353,344.87	0.00

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Trades

Symbol	Date/Time	Exchange	Quantity	T. Price	C. Price	Proceeds	Comm In Base	Basis	Realized P/L	MTM P/L	Code
Forex											
JPY											
USD.JPY	2012-09-30, 18:10:40	-	6,000,000	77.993333	0.0000	467,960,000	-120.11	0	0	0	P
USD.JPY	2012-09-30, 18:15:19	-	6,000,000	77.9530	0.0000	467,718,000	-120.05	0	0	0	P
USD.JPY	2012-10-01, 05:02:46	-	5,000,000	78.0350	0.0000	390,175,000	-100.15	0	0	0	
USD.JPY	2012-10-01, 05:05:31	-	2,000,000	78.0250	0.0000	156,050,000	-40.05	0	0	0	
USD.JPY	2012-10-01, 05:06:27	-	5,000,000	78.0250	0.0000	390,125,000	-100.14	0	0	0	P
USD.JPY	2012-10-01, 10:01:15	-	5,000,000	78.0800	0.0000	390,400,000	-100.21	0	0	0	
USD.JPY	2012-10-01, 10:01:51	-	5,000,000	78.0900	0.0000	390,450,000	-100.22	0	0	0	
USD.JPY	2012-10-01, 10:02:23	-	2,000,000	78.0560	0.0000	156,112,000	-40.07	0	0	0	P
USD.JPY	2012-10-01, 10:05:08	-	5,000,000	78.1032	0.0000	390,516,000	-100.24	0	0	0	P
USD.JPY	2012-10-01,	-	5,000,000	78.090255	0.0000	390,451,275	-100.22	0	0	0	P

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Other Fees

<b>Date</b>	<b>Description</b>	<b>Amount</b>	<b>Code</b>
USD			
2012-10-03, 19:24:12	NASDAQ Level I for Sep 2012	-20.00	
2012-10-03, 19:24:12	NASDAQ Level II for Sep 2012	-76.00	
2012-10-03, 19:24:12	US Commodities Exchanges for Sep 2012	-10.00	
2012-10-03, 19:24:12	US Commodities Exchanges for Sep 2012	10.00	
2012-10-03, 19:24:12	US Options Exchanges for Sep 2012	-26.00	
Total in USD		-122.00	

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Interest Accruals

Base Currency Summary

Starting Accrual Balance	-130.20
Interest Accrued	-0.20
Accrual Reversal	130.40
Ending Accrual Balance	0.00
JPY	
Starting Accrual Balance	-9,062
Interest Accrued	-60
Accrual Reversal	9,122
Ending Accrual Balance	0
Ending Accrual Balance in USD	0.00
USD	
Starting Accrual Balance	-13.90
Interest Accrued	-0.28
Accrual Reversal	14.18
Ending Accrual Balance	0.00

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## Broker Interest Paid

<b>Date</b>	<b>Description</b>	<b>Amount</b>	<b>Code</b>
JPY			
2012-10-03	JPY Debit Interest for SEP-2012	-9,122	
	Total in JPY	-9,122	
	Total in USD	-116.22	
USD			
2012-10-03	USD Debit Interest for SEP-2012	-12.60	
2012-10-03	USD Net Short Stock Interest for SEP-2012	-1.58	
	Total in USD	-14.18	

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### Codes

<b>Code</b>	<b>Meaning</b>
A •	Assignment
Adj	Adjustment
Al	Allocation
Aw	Away Trade
B	Automatic Buy-in
Bo	Direct Borrow
C	Closing Trade
CD	Cash Delivery
Ca	Cancelled
Co	Corrected Trade
E •	External Transfer
Ep •	Resulted from an Expired Position
Ex	Exercise
G	Trade in Guaranteed Account Segment
HFI	Investment Transferred to Hedge Fund
HFR	Redemption from Hedge Fund
I	Internal Transfer
INV	Investment Transfer from Investor
L	Ordered by IB (Margin Violation)
LD	Adjusted by Loss Disallowed from Wash Sale
LI	Last In, First Out (LIFO) tax basis election
LT •	Long Term P/L
Lo	Direct Loan
M	Entered manually by IB
ML	Maximize Losses tax basis election
MLG	Maximize Long Term Gain tax basis election
MLL	Maximize Long Term Loss tax basis election
MSG	Maximize Short Term Gain tax basis election
MSL	Maximize Short Term Loss tax basis election
O	Opening Trade
P	Partial Execution
PI	Price Improvement



Po	Interest or Dividend Accrual Posting
R	Dividend Reinvestment
RED	Redemption to Investor
Re	Interest or Dividend Accrual Reversal
SL	Specific Lot tax basis election
ST	Short Term P/L
T	Transfer

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[Notes/Legal Notes](#)

Notes

1. Stock transactions settle on the trade date plus three days and securities options settle on the trade date plus one day. Ending settled cash reflects the cash which has actually settled.
2. Initial and maintenance margin requirements are available within the Account Window of the Trader Workstation.
3. Interactive Brokers LLC receives compensation from fund companies in connection with the purchase and holding of mutual fund shares by customers of Interactive Brokers LLC. Such compensation
  - includes, but is not limited to, Rule 12b-1 fees which are paid out of the funds assets. The source and amount of any remuneration received by Interactive Brokers LLC in connection with a transaction will be furnished upon written request of the customer.
4. Quantities preceded by a "-" sign indicate sell transactions. Other transactions are purchases. The settlement date for stock transactions is trade date + 3 business days, except for transactions on XETRA, which settle on trade date + 2 business days. Option transactions and future transactions settle on trade date + 1 business day.
5. In case of partial executions, commissions are charged on the total quantity executed on the original order. The commission is displayed on the first partial execution only.
6. Each closed lot indicated above with a reference to note (6) was chosen by the end of the trading day to be sold versus the specific opening purchase identified in that row.
7. Trade execution times are displayed in Eastern Time.
8. Applicable commodity Regulatory Fees for your transactions is available on the IB website at [www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php](http://www.interactivebrokers.com/en/accounts/fees/exchangeAndRegulatoryFees.php).
9. Borrow Fee Rate represents the cost to borrow stock expressed in percent per annum. It is applied to the cash collateral amount on the stock borrow contract and is separate from any interest earned on credit cash balances. Similarly, Loan Fee Rate represents the benefit to lend stock. A positive rate indicates a cost to the borrower/benefit to the lender and a negative rate indicates a benefit to the borrower/cost to the lender. In general, the fee rates for hard-to-borrow stocks are higher than for normal availability stocks.

Fixed Income Notes

1. Call features for bonds or preferred stocks may affect the yield. For zero coupon, compound interest and multiplier securities, there are no periodic payments and securities may be callable below maturity value without notice to holder unless registered. For asset-backed securities, the actual yield may vary depending on the speed at which the underlying note is pre-paid. For additional information regarding bond yield, please contact the IB Help Desk at: [help@interactivebrokers.com](mailto:help@interactivebrokers.com). If this debt security is unrated by a nationally recognized statistical rating organization, it may pose a high risk of default. You should consult a financial advisor to determine whether unrated bonds are appropriate for your portfolio in light of your goals and your financial circumstances.

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## Legal Notes

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2. Unless otherwise noted, Interactive Brokers acted as agent in the execution of the above transactions. For those exchanges where IB is not self-clearing, IB may use one of the following clearing agents:
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3. IB acts as agent or riskless principal in foreign currency exchange transactions. Such transactions are executed against an IB affiliate or a third party, which acts as principal in such transactions and may have a long or short position and may have profited or lost in connection with the transaction. Foreign currency exchange transactions executed by Customer through IB are not regulated or overseen by the SEC or the CFTC.
4. Trades marked with the exchange indicator of TMBR were effected by IB as agent through a market making affiliate, which acted as principal in the transaction and may have a long or short position in the security and may have profited or lost in connection with the transaction.
5. All VWAP trades are effected pursuant to an average price formula based on a reference price provided by a third-party data provider. Additional information and reference prices are available upon request. IB, as agent, effects VWAP transactions through a market making affiliate, which acts as principal in such transactions and may have a long or short position in the security and may have profited or lost in connection with the transaction.
6. IB accepts liquidity rebates from Alternative Trading Systems and exchanges for certain orders. IB receives payment for some option orders pursuant to exchange-mandated marketing fee programs or other arrangements. IB does not generally accept payment for order flow for security futures orders. To the extent permissible under exchange rules, IB may direct customer stock, option, futures, or security futures orders to its market making affiliate Timber Hill LLC, or to another affiliate, for
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8. Customer is requested to promptly advise Interactive Brokers of any material change in Customer's investment objectives or financial situation.
9. A financial statement of Interactive Brokers LLC is available for your personal inspection at
  - [www.interactivebrokers.com](http://www.interactivebrokers.com) or at its offices, or a copy of it will be mailed upon your written request.
10. For All Options Trades Executed on the Stock Exchange of Hong Kong ("SEHK"): (a) Options can involve a high degree of risk and may not be suitable for every investor. Investors should ensure they understand those risks before participating in the options market. (b) All options contracts executed on the SEHK were executed by Timber Hill Securities Hong Kong on behalf of Interactive Brokers LLC. (c)

In the event of a default committed by Interactive Brokers LLC resulting in the client suffering any pecuniary loss, the client shall have a right to claim under the Investor Compensation Fund established under the Hong Kong Securities and Futures Ordinance, subject to the terms of the Investor Compensation Fund from time to time. (d) All Exchange Traded Options Business made for or on behalf of a client shall be subject to the relevant provisions of the constitution, Rules of The Stock Exchange of Hong Kong Limited ("SEHK Rules"), regulations, the Articles, customs and usages of SEHK, the Options Trading Rules, the Clearing Rules of SEOCH, the CCASS Rules and the laws of Hong Kong, which shall be binding on both Interactive Brokers LLC and the client.

11. Deposits held away from Interactive Brokers LLC may not qualify under SIPC protection.

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