

1 business that operate as a fraud or deceit on any person, in violation of 7
2 U.S.C. § 9(1) and 17 C.F.R. § 180.1(a)(1)-(3);

3 (b) Trading on or subject to the rules of any registered entity (as that term is
4 defined by 7 U.S.C. § 1a(40));

5 (c) Entering into any transactions involving “commodity interests” (as that
6 term is defined in 17 C.F.R. § 1.3 (2023)), or precious metals that are
7 commodities, for accounts held in Donoso’s name or for accounts in which
8 Donoso has a direct or indirect interest;

9 (d) Having any commodity interests or precious metals that are commodities
10 traded on her behalf;

11 (e) Controlling or directing the trading for or on behalf of any other person or
12 entity, whether by power of attorney or otherwise, in any account involving
13 commodity interests or precious metals that are commodities;

14 (f) Soliciting, receiving, or accepting any funds from any person for the
15 purpose of purchasing or selling any commodity interests or precious metals
16 that are commodities;

17 (g) Applying for registration or claiming exemption from registration with the
18 CFTC in any capacity, and engaging in any activity requiring such registration
19 or exemption from registration with the CFTC except as provided for in 17
20 C.F.R. § 4.14(a)(9) (2023);

21 (h) Acting as a principal (as that term is defined in 17 C.F.R. § 3.1(a)(2023)),
22 agent, or any other officer or employee of any person registered, exempted
23 from registration, or required to be registered with the CFTC except as
24 provided for in 17 C.F.R. § 4.14(a)(9);

25 (i) Selling or purchasing or offering to sell or purchase any commodity under
26 any commodity contract or under any commodity option, or offering to enter
27 into, or entering into, as seller or purchaser any commodity contract or any
28 commodity option in violation of Cal. Corp. Code § 29520; and/or;

1 (j) Employing a device, scheme, or artifice to defraud, making an untrue
2 statement of a material fact, or omitting to state a material fact necessary to
3 make the statements made, in the light of the circumstances under which
4 they were made, not misleading, engaging in any transaction, act, practice,
5 or course of business which operates or would operate as a fraud or deceit
6 upon any person, or misappropriating funds, in connection with the sale or
7 purchase, or offer to sell or purchase, any commodity, commodity contract,
8 or commodity option, in violation of Cal. Corp. Code § 29536.

9 3. Donoso shall pay plaintiffs restitution in the amount of twenty-one million, nine hundred
10 thirty-six thousand dollars, and fifty-seven cents (\$21,936,000.57) (“Restitution Obligation”). If the
11 Restitution Obligation is not paid immediately, post-judgment interest shall accrue on the
12 Restitution Obligation beginning on the date of entry of this Order and Judgment (“Order”), and
13 shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order
14 pursuant to 28 U.S.C. § 1961.

15 4. Donoso’s Restitution Obligation is joint and several with that of Regal Assets LLC
16 (“Regal Assets”) and Tyler G. Gallagher (“Gallagher”), and Donoso will receive a dollar-for-dollar
17 credit against her Restitution Obligation for any restitution amounts paid by Regal Assets and/or
18 Gallagher.

19 5. To effect payment of the Restitution Obligation and the distribution of any restitution
20 payments to Regal Assets’ customers, the Court hereby appoints the National Futures Association
21 (“NFA”) as Monitor (“Monitor”). The Monitor shall receive restitution payments from Donoso and
22 make distributions as set forth below. Because the Monitor is acting as an officer of the Court in
23 performing these services, the NFA shall not be liable for any action or inaction arising from NFA’s
24 appointment as Monitor, other than actions involving fraud.

25 6. Donoso shall make Restitution Obligation payments, and any post-judgment interest
26 payments, under this Order to the Monitor in the name of “CFTC v. Regal Assets, et al.,
27 23cv08078, Restitution Fund,” and shall send such payments by electronic funds transfer, or by
28 U.S. postal money order, certified check, bank cashier’s check, or bank money order, to the Office

1 of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago,
2 Illinois 60606 under cover letter that identifies the paying defendant and the name and docket
3 number of this proceeding. Donoso shall simultaneously transmit copies of the cover letter and
4 the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission,
5 Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581, and Danielle Stoumbos,
6 Senior Counsel, DFPI, 320 West 4th Street, Suite 750, Los Angeles, California 90013.

7 7. The Monitor shall oversee the Restitution Obligation and shall have the discretion to
8 determine the manner of distribution of such funds in an equitable fashion to Regal Assets'
9 customers identified by the Commission and DFPI or may defer distribution until such time as the
10 Monitor deems appropriate. In the event that the amount of Restitution Obligation payments to
11 the Monitor are of a *de minimis* nature such that the Monitor determines that the administrative
12 cost of making a distribution to Regal Assets' customers is impractical, the Monitor may, in its
13 discretion, treat such restitution payments as civil monetary penalty payments, which the Monitor
14 shall forward to the Commission, for the benefit of the Commission and DFPI, following the
15 instructions for civil monetary penalty payments set forth below.

16 8. Donoso shall cooperate with the Monitor as appropriate to provide such information as
17 the Monitor deems necessary and appropriate to identify Regal Assets' customers to whom the
18 Monitor, in its sole discretion, may include in any plan for distribution of any Restitution Obligation
19 payments. Donoso shall execute any documents necessary to release funds that she has in any
20 repository, bank, investment or other financial institution, wherever located, in order to make partial
21 or total payment toward the Restitution Obligation.

22 9. The Monitor shall provide the Commission and DFPI in January of each calendar year
23 with a report detailing the disbursement of funds to Regal Assets' customers during the previous
24 year. The Monitor shall transmit this report under a cover letter that identifies the name and
25 docket number of this proceeding to the Chief Financial Officer, Commodity Futures Trading
26 Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581, and to
27 Danielle Stoumbos, Senior Counsel, DFPI, 320 West 4th Street, Suite 750, Los Angeles, California
28 90013.

1 10. The amounts payable to each Regal Assets' customer shall not limit the ability of any
2 Regal Assets' customer from proving to the Monitor that a greater amount is owed from Donoso
3 or any other person or entity, and nothing herein shall be construed to limit or abridge the rights
4 of any Regal Assets' customer that may exist under state or common law.

5 11. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Donoso's
6 Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in
7 accordance with the procedures set forth above.

8 12. Donoso shall pay plaintiffs a civil penalty of one million, eight hundred fifty-six
9 thousand, nine hundred six dollars, and fifty-eight cents (\$1,856,906.58) ("CMP Obligation").

10 13. If the CMP Obligation is not paid within 90 days of the filing date of this Order, then
11 post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this
12 Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this
13 Order pursuant to 28 U.S.C. § 1961.

14 14. Donoso shall pay her CMP Obligation and any post-judgment interest, by electronic
15 funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money
16 order. If payment is to be made other than by electronic funds transfer, then the payment shall
17 be made payable to the CFTC and sent to the address below:

18
19 MMAC/ESC/AMK326
20 Commodity Futures Trading Commission
21 6500 S. MacArthur Blvd.
22 HQ Room 266
23 Oklahoma City, OK 73169
24 9-amc-ar-cftc@faa.gov

25 15. If payment by electronic funds transfer is chosen, Donoso shall contact the
26 Commission at the email address above to receive payment instructions and shall fully comply
27 with those instructions. Donoso shall accompany payment of the CMP Obligation with a cover
28 letter that identifies Donoso and the name and docket number of this proceeding. Donoso shall
simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial
Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W.,

1 Washington, D.C. 20581, and to Danielle Stoumbos, Senior Counsel, DFPI, 320 West 4th Street,
2 Suite 750, Los Angeles, California 90013.

3 16. Partial Satisfaction: Acceptance by the CFTC or DFPI of any partial payment of
4 Donoso's CMP Obligation shall not be deemed a waiver of her obligation to make further
5 payments pursuant to this Order or a waiver of the CFTC and DFPI's right to seek to compel
6 payment of any remaining balance.

7 17. Notice: All notices required to be given by any provision in this Order shall be sent
8 certified mail, return receipt requested, and e-mail (if applicable) as follows and shall reference the
9 name and docket number of this action:

10 Notice to CFTC:

11 Rick Glaser
12 Deputy Director, Division of Enforcement
13 Commodity Futures Trading Commission
14 Three Lafayette Centre
15 1155 21st Street, N.W.
16 Washington, DC 20581

17 Notice to DFPI:

18 Danielle A. Stoumbos
19 Senior Counsel, Enforcement Division
20 California Department of Financial Protection & Innovation
21 320 West 4th Street, Suite 750
22 Los Angeles, CA 90013
23 Danielle.Stoumbos@dfpi.ca.gov

24 Notice to Defendant:

25 Leah Donoso
26 1204 Turfway Park Drive
27 Robinson, TX 7606

28 Notice to NFA:

Daniel Driscoll, Executive Vice President,
COO National Futures Association
300 S. Riverside Plaza, Suite 1800
Chicago, IL 60606-3447

18. Change of Address/Phone: Until such time as Donoso satisfies in full her Restitution
Obligation and CMP Obligation as set forth in this Order, Donoso shall provide written notice to

