

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 11-60702-CIV-SEITZ/SIMONTON

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

COMMODITIES ONLINE, LLC  
COMMODITIES ONLINE MANAGEMENT LLC,

Defendants.

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**ORDER GRANTING  
RECEIVER'S MOTION REQUIRING TURNOVER AND DISGORGEMENT OF  
INVESTOR FUNDS  
FROM JAMES C. HOWARD AND SUTTON CAPITAL LLC**

Upon consideration of the Receiver's August 8, 2011, Motion Requiring Turnover and Disgorgement of Investment Funds by James C. Howard, III and Sutton Capital LLC [D.E. 24], the evidence and testimony presented at the August 23, 2011, evidentiary hearing, and the record in this case, the Court hereby **ORDERS AND ADJUDGES** the following factual findings and conclusions:

**FACTUAL FINDINGS**

1. From January 20, 2010 until February 9, 2010, Commodities Online LLC ("Commodities Online") deposited into its Wachovia Accounts \$1,759,499 of investor funds.
2. On February 9, 2010, Respondent, James C. Howard, III, the Co-Managing Member of Commodities Online, directed that \$1,300,000 of these funds be wired to Sutton Capital LLC ("Sutton Capital"), his wholly-owned limited liability company.
3. The wire transfer of \$1,300,000 was recorded on the books of Commodities Online as a "loan" to Sutton Capital even though no evidence has been found establishing a promissory note, interest rate or terms of repayment.

4. From February 10, 2010, until February 18, 2010, Commodities Online deposited in its Wachovia Accounts an additional \$763,591 of investor funds.

5. On February 18, 2010, James C. Howard, III directed that an additional \$150,000 be wired from Commodities Online to Sutton Capital.

6. James C. Howard, III and Sutton Capital have not repaid the \$1,450,000 and remain in possession and control of these investor funds.

### CONCLUSION

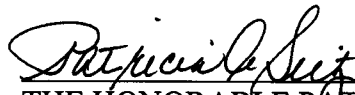
Accordingly, in light of the Court's factual findings, the Court **ORDERS** as follows:

The Court **GRANTS** the Receiver's August 8, 2011, Motion Requiring Turnover and Disgorgement of Investment Funds by James C. Howard, III and Sutton Capital LLC [D.E. 24] and holds that:

A. The \$1,450,000 transferred by James C. Howard, III from the bank account of Commodities Online to his controlled company, Sutton Capital LLC are investor funds and rightfully apart of the receivership estate of Commodities Online LLC and Commodities Online Management; and

B. James C. Howard, III and Sutton Capital LLC are ordered to disgorge the \$1,450,000 to the Receiver on behalf of the receivership estate Commodities Online LLC and Commodities Online Management, ~~within ten (10) days of the date of this Order~~ *no later than September 2, 2011.*

DONE and ORDERED at Miami, Florida, this 23<sup>rd</sup> day of August, 2011.



THE HONORABLE PATRICIA A. SEITZ  
UNITED STATES DISTRICT JUDGE