

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

COMMODITY FUTURES TRADING  
COMMISSION,

Plaintiff,

v.

Case No. 11-10949  
Hon. Lawrence P. Zatkoff

ALAN JAMES WATSON, MICHAEL POTTS,  
and CASH FLOW FINANCIAL LLC,

Defendants,

and

THE JEDBURGH GROUP

Relief Defendant.

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**ORDER**

On March 10, 2011, the Commission filed a six-count Complaint against Defendants Alan James Watson (“Watson”), Michael Potts (“Potts”), and Cash Flow Financial LLC (“CFF”) and Relief Defendant The Jedburgh Group (“Jedburgh”). The Complaint seeks injunctive and equitable relief for violations of the Commodity Exchange Act (the “Act”), 7 U.S.C. §§1 *et seq.* (2006), and the regulations promulgated thereunder (the “Regulations”), 17 C.F.R. §§1.1 *et seq.* (2010).

The Court previously entered a Consent Order Of Permanent Injunction, Civil Monetary Penalty And For Other Equitable Relief Against Alan James Watson [dkt 54] and the Clerk entered default against CFF [dkt 62]. The Court then entered a Consent Order For Equitable Relief And Final Judgment Against Relief Defendant Jedburgh on June 20, 2012 [dkt 67]. Thus, the only remaining issues for consideration by the Court are the allegations in the Complaint against *pro se* Defendant Potts.

On July 2, 2012, the Commission filed its Motion for Summary Judgment against Potts in regards to Counts Four and Five of the Complaint. Count Four alleges that Potts, while acting as an associated person of a commodity pool operator, committed fraud through material misrepresentations and omissions in violation of Section 4o(1)(B) of the Act, 7 U.S.C. §6o(1)(B) (2006). Count Five alleges that Potts failed to register as an associated person of a commodity pool operator (“CPO”) in violation of Section 4k(2) of the Act, 7 U.S.C. §6k(2) (2006). As of the date of this Order, Potts has yet to file a response to the Commission’s Motion for Summary Judgment.

Accordingly, it is HEREBY ORDERED that Potts shall file an answer to the Commission’s Motion for Summary Judgment, in writing, no later than 5 p.m. on Friday, November 9, 2012. Potts’ response shall contain specific and accurate legal support, including pinpoint citations to authority relied on, and shall comply with the E.D. Mich. Local Rules. Failure to comply with this order may result in the Court granting the Commission’s motion and entering judgment against Potts.

IT IS FURTHER ORDERED that, in the event that Potts files his response, the Commission may file a reply to the response, in accordance with the E.D. Mich. Local Rules.

IT IS SO ORDERED.

Date: October 24, 2012

S/Lawrence P. Zatkoff  
LAWRENCE P. ZATKOFF  
UNITED STATES DISTRICT JUDGE