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FOR IMMEDIATE RELEASE

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**MEMPHIS AREA MAN ADMITS CAUSING MF GLOBAL TO LOSE
\$141 MILLION ON UNAUTHORIZED TRADES OF WHEAT FUTURES
CONTRACTS AT CHICAGO BOARD OF TRADE IN 2008**

CHICAGO — A suburban Memphis man pleaded guilty today to commodities trading violations for causing \$141 million in losses to his clearing firm after executing large, unauthorized overnight trades on wheat futures contracts through the Chicago Board of Trade in February 2008. The defendant, EVAN BRENT DOOLEY, an “associated person” in the Memphis office of MF Global, Inc., traded on his own account through the CME Globex electronic trading platform, knowing that he placed trading orders exceeding his ability to pay for potential losses resulting from those trades.

Dooley, 44, of Olive Branch, Miss., pleaded guilty to two counts of violating the Commodity Exchange Act for exceeding speculative position limits. He remains free on bond pending sentencing, which U.S. District Judge Robert M Dow, Jr., scheduled for March 8, 2013, in Federal Court in Chicago. Dooley faces a maximum sentence of 10 years in prison and a \$1 million fine, as well as an agreed order of restitution.

The guilty plea was announced by Gary S. Shapiro, Acting United States Attorney for the Northern District of Illinois, and Thomas R. Trautmann, Acting Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

According to the indictment returned in April 2010, Dooley was allowed to trade on his own account as well as for clients from September 2006 to February 2008, and he transmitted orders from a home computer. The indictment alleged that Dooley induced MF Global to open a trading account and act as his financial guarantor by providing false information about his financial condition on his account application.

As part of his guilty plea, Dooley admitted that during overnight trading starting on Feb. 26, 2008, he executed a series of large buy and sell orders for approximately 31,964 wheat futures contracts, knowing that he did not have the ability to pay for potential losses. (Each wheat futures contract called for the delivery of 5,000 bushels of wheat.) At the start of the session, Dooley had a negative balance of approximately \$3,000 in his MF Global account and intended that the risks associated with his trading activity be borne directly and solely by MF Global. During the trading session, Dooley established a substantial “short” position, and by 6 a.m. on Feb. 27, 2008, he was short 16,174 contracts for May 2008. During the same session, Dooley also traded contracts for March, July and December wheat futures, causing his overall position to exceed regulatory limits for both a single month (May 2008) and for all months combined.

On the morning of Feb. 27, 2008, when the price for May 2008 contracts rose rapidly as Dooley attempted to liquidate his short position, Dooley again executed a series of sell orders. By mid-morning, Dooley was short 17,181 contracts for May 2008 wheat futures and the price had gone “limit up” to approximately \$13.495 per bushel. After MF Global representatives learned of Dooley’s overnight trading, MF Global deactivated his account and liquidated the remainder of his position. MF Global, as the clearing member on these trades, paid the CBOT’s clearing house the

realized loss of \$141,021,489, which Dooley was unable to cover, resulting in a loss of approximately \$141,024,294 to MF Global, including the initial negative balance in his account.

The government is being represented by Assistant U.S. Attorney Daniel Collins. The Commodity Futures Trading Commission assisted with the investigation.

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