

STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. Box 47029
Newark, New Jersey 07101
(973) 504-3600

IN THE MATTER OF:

Forex Market Trade,

Respondent.

**SUMMARY CEASE
AND DESIST ORDER**

Pursuant to the authority granted to Amy Kopleton, Acting Chief of the New Jersey Bureau of Securities (“Bureau Chief”), under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to -89 (“Securities Law”) and certain regulations thereunder, and based upon documents and information obtained during the investigation by the New Jersey Bureau of Securities (“Bureau”), the Bureau Chief hereby finds that there is good cause and it is in the public interest to enter this Summary Cease and Desist Order (“Order”) against Forex Market Trade (“FMT”). The Bureau Chief makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

A. The Respondent

1. FMT conducts its business on the internet, principally by means of a website accessible at www.forexmarkettrade.com (the “FMT Website”).

2. FMT purports to provide cryptocurrency trading and asset management services. FMT purports to be located at 30 Guild Street, London, United Kingdom, an address that does not

appear to exist. However, this address is also used by substantially similar websites including www.forexuniontrades.com.

3. FMT is not and has never been registered in any capacity with the Bureau.

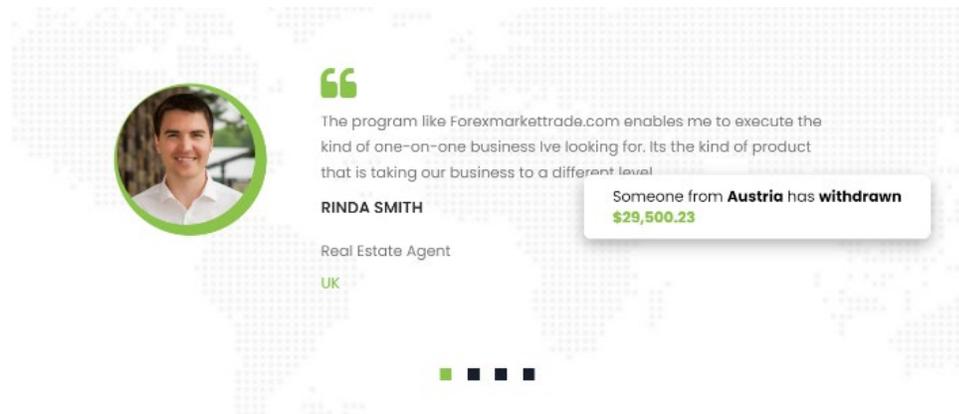
B. The FMT Website

4. The FMT Website is accessible to the general public, including residents of New Jersey. On the FMT Website, FMT offers investors “a chance to invest and get up to 480% rate of return annually with our investment plan to grow your crypto assets into a maximum yield.”

5. The FMT Website does not provide any information regarding FMT’s officers, directors, or management team, and does not indicate the credentials, qualifications or experience of these individuals.

6. The FMT Website claims that “all our dealings are transparent as our clients can see all their live trades which we make on their behalf in real time.” Further, the FMT Website advises investors that their “funds are safe and we are covered by insurance” and that FMT “ensure[s] the availability and safety of funds.”

7. The FMT Website displays four testimonials from purported clients with the following images:



“
I've always liked good stylish programs, but never invested quite enough to have a good profit. Now, thanks to Forexmarkettrade.com, we have a program we can be proud of.
”

PAUL WILLS
Pro Trader
USA

■ ■ ■ ■

“
Your company is exactly what I was looking for – clear, clean, continuous, with a focus on clients. Thank you so much for your work.
”

ROSE POWELL
Bitcoin Analyst
CANADA

Someone from **South Africa** has **withdrawn**
\$12,400.15

■ ■ ■ ■

“
Easy, Fast And reliable. got my profits immediately after trading. Forexmarkettrade is Awesome
”

JAMES KIRK
Model
SOUTH AFRICA

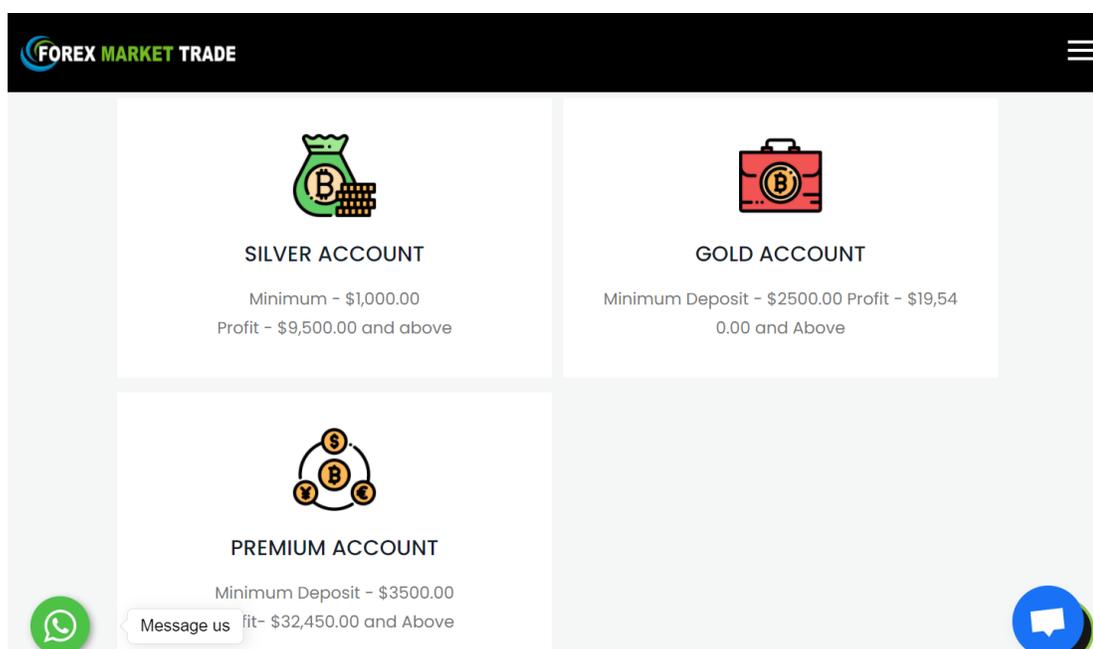
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8. At least three of these pictures are social media profile photographs of people who do not use the names attributed to them on the FMT Website, and one picture is a stock photograph that appears on various other websites. Additionally, identical testimonials appear on numerous other purported trading websites on the internet, including but not limited to www.forexuniontrades.com.

9. FMT and the FMT Website do not notify potential investors of the risks associated with cryptocurrency trading and markets, nor any risks of investing with FMT itself.

C. The FMT Securities

10. FMT offers a variety of “investment plans” which range from \$1,000 to \$3,500 in price. FMT on the FMT Website purports that investors can earn up to a 480% rate of return annually. FMT publishes the following graphics on the FMT Website to demonstrate its “Silver,” “Gold,” and “Premium” accounts (together the “FMT Securities”):



11. The FMT Website offers little information regarding each of the accounts, the types of investment options, how and when gains are calculated, or how to invest.

12. The FMT Securities are securities as defined by N.J.S.A. 49:3-49(m).

13. FMT offers the FMT Securities to the general public, including New Jersey residents.

14. The FMT Securities are neither registered with the Bureau, nor “federally covered,” nor exempt from registration, as required by the Securities Law.

15. FMT is not registered with the Bureau as a broker-dealer or in any capacity.

D. The New Jersey Investor

16. At least one New Jersey resident invested with FMT (the “NJ Investor”).

17. In or about December 2021, the NJ Investor learned of FMT through an advertisement on Instagram. The NJ Investor clicked on the advertisement and received a Whatsapp message from a Ladron Carlos (“Carlos”).

18. During the initial Whatsapp chat between the NJ Investor and Carlos, Carlos assured the NJ Investor that the more money he invested in Bitcoin, the more he would make back. Carlos further specified that an initial investment of \$500 would yield a return of \$7,500.

19. On or about December 17, 2021, the NJ Investor opened a FMT account (“Investor Account”) and made an initial investment of \$1,100 in Bitcoin in two installments to purchase FMT Securities. Within days, the Investor Account showed an increase in value to \$6,300.

20. On or about December 23, 2021, the NJ Investor accessed the Investor Account online and found that it appeared to have risen in value to \$26,323. In addition to the balance notification of \$26,323, the NJ Investor’s account page also contained a demand for the NJ Investor to pay a “withdrawal fee of \$2,300” (“Withdrawal Fee”) to have the funds “processed and registered on your Zelle account.” The account page also assured the NJ Investor that “[Y]our earnings/profits will be reflected instantly on your Zelle account” and required the NJ Investor to pay the Withdrawal Fee by the end of the week.

21. After seeing the account balance notification, the NJ Investor initiated an online chat with Carlos seeking to withdraw his funds from the Investor Account. The NJ Investor

advised Carlos that he did not have sufficient funds to pay the Withdrawal Fee. The NJ Investor initially believed that, because he lacked the funds, Carlos offered to lower the Withdrawal Fee. Therefore, the NJ Investor sent a payment of \$950 to FMT.

22. After sending the \$950 payment to FMT, the NJ Investor again contacted Carlos to withdraw his funds. The NJ Investor was anxious to retrieve his money, however, Carlos repeatedly demanded that the NJ Investor borrow money to pay the remainder of the Withdrawal Fee. When the NJ Investor repeated his need to recover his money, Carlos asked the NJ Investor if he had \$1,000. The NJ Investor replied that he did not have more money and even asked Carlos to lend him money, asserting that Carlos had told him he would make the loan if the NJ Investor sent FMT \$1,000.

23. Carlos responded by asking the NJ Investor how much money the NJ Investor did have, and pressured him to borrow additional funds to pay the Withdrawal Fee. Carlos then increased the pressure by giving the NJ Investor a deadline, ordering him to pay \$1,000 that day because “tomorrow a new cashier is coming” and Carlos would no longer be able to “help [the NJ Investor] out.” When the NJ Investor told Carlos that he could not pay \$1,000 and repeated his request to borrow the money, Carlos made an additional series of payment demands, lowering the amount to \$750, then \$740.

24. After pressuring the NJ Investor, Carlos berated him in subsequent chat messages, telling the NJ Investor that he was not “ready for this” and that the NJ Investor “always [brought] up excuses.”

25. None of the NJ Investor’s efforts to retrieve his money from FMT, from paying additional money in “withdrawal” fees to contacting FMT online, were successful. After many chat dialogues, FMT blocked the NJ Investor from all further communications. The NJ Investor

is no longer able to view the Investor Account or chat online with FMT representatives, and has not received any repayment of principal or purported profits.

E. Omissions of Material Facts to Potential Investors by FMT the Offer of FMT Securities

26. In connection with its offers to purchase and sell securities via the FMT Website, FMT omits the following material facts:

- a. The identity of its principals and management;
- b. The company's financial statements, including its assets, liabilities, and profitability;
- c. The risks of the FMT Securities;
- d. The identity and qualifications of the persons that developed and control FMT's trading software and operations;
- e. Information about the payment of taxes on any gains or losses incurred; and
- f. That the FMT Securities are not registered with the Bureau as required by the Securities Law.

F. Untrue or Materially Misleading Statements of Material Facts by FMT

27. In connection with its offers to purchase and sell securities via the FMT Website, FMT makes the misleading statements that trades are "transparent" and "on behalf of" investors, and that their "funds are safe" and covered by insurance. The FMT Website further emphasizes that FMT puts "the security of our clients [sic] funds before anything else." In fact, at no time did FMT demonstrate transparency or safety with respect to the trades and funds in the Investor Account.

28. The FMT Website displays testimonials from purported clients, whose pictures are scraped from the profile photographs of unaffiliated professionals with other names, or are stock pictures.

CONCLUSIONS OF LAW

29. The FMT Securities are securities as defined by N.J.S.A 49:3-49(m).

30. FMT is offering securities that are neither registered with the Bureau, nor “federally covered,” nor exempt from registration, in violation of N.J.S.A. 49:3-60.

31. FMT is effecting or attempting to effect transactions in securities for the accounts of others or for its own account without registration in violation of N.J.S.A. 49:3-56.

32. In connection with the offer, sale, or purchase of securities, FMT is making materially false and misleading statements and/or omitting to state material facts necessary in order to make the statements made in light of the circumstances under which they were made, not materially misleading to investors, in violation of N.J.S.A. 49:3-52(b).

33. N.J.S.A. 49:3-67 empowers the Bureau Chief to issue orders that are reasonably necessary to carry out the provisions of the Securities Law.

34. N.J.S.A. 49:3-69(a)(1) empowers the Bureau Chief to issue a cease and desist order against persons engaged in prohibited activities, directing them to cease and desist from further illegal activity or doing acts in furtherance thereof.

35. FMT’s violations of the Securities Law are continuous and ongoing, therefore it is in the public interest and appropriate that this Order be issued.

ORDER

Therefore, based upon all of the foregoing, it is on this 2nd day of February, 2023, hereby

ORDERED that:

36. FMT and any person, employee, officer, director, entity, agent, FMT representative, or independent contractor under FMT’s direction or control immediately **CEASE AND DESIST** from:

- a. offering for sale any security in New Jersey until the security is registered with the Bureau, is offered for sale pursuant to an exemption from registration under the Securities Law, or is a federally covered security;
- b. acting as broker-dealers or agents in New Jersey until each is registered with the Bureau or are acting pursuant to an exemption from registration under the Securities Law;
- c. making material misstatements of fact, or omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading in connection with its offer and/or sale of securities in New Jersey; and
- d. violating any other provisions of the Securities Law and any rules promulgated thereunder for the sale of any security in New Jersey.

37. All exemptions contained in N.J.S.A. 49:3-50 subsection (a) paragraph 9, 10, and 11 and subsection (b) are hereby **DENIED** as to FMT.

38. All exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. 49:3-56(c) and N.J.S.A. 49:3-56(g) are hereby **DENIED** as to FMT.



Amy Kopleton
Acting Chief, Bureau of Securities

NOTICE OF RIGHT TO HEARING

Pursuant to N.J.S.A. 49:3-69(a)(1)(i) the Bureau Chief shall entertain on no less than three days' notice a written application to lift the Order to Cease and Desist on written application of the person subject thereto and in connection therewith may, but need not, hold a hearing and hear testimony, but shall provide to the person subject thereto a written statement of the reasons for the Order to Cease and Desist.

Pursuant to N.J.S.A. 49:3-69(a)(1)(ii), upon service of notice of the Order to Cease and Desist issued by the Bureau Chief, the person subject thereto shall have up to 15 days to respond to the Bureau in the form of a written answer and written request for a hearing. The Bureau Chief shall, within five days of receiving the answer and request for a hearing, either transmit the matter to the Office of Administrative Law for a hearing or schedule a hearing at the Bureau of Securities.

Orders issued pursuant to N.J.S.A. 49:3-69 shall be subject to an application to vacate upon 10 days' notice, and a preliminary hearing on the Order shall be held in any event within 20 days after it is requested, and the filing of a motion to vacate the Order shall toll the time for filing an answer and written request for a hearing.

Pursuant to N.J.S.A. 49:3-69(a)(1)(iii), if any person subject to the Order fails to respond by filing a written answer and written request for a hearing with the Bureau or moving to vacate the order within the 15 day prescribed period, that person shall have waived the opportunity to be heard. The Order will be a Final Order and shall remain in effect until modified or vacated.

NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies, which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70-1.

You are further advised that the entry of the relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you.