

9. Upon information and belief, offerees were told that if they chose to place money in the Promissory Note Option their principal would be guaranteed.
10. Upon information and belief, offerees were also told that if they placed money under the Promissory Note Option they would receive a five thousand dollar (\$5,000.00) credit which would be added to the amount the offeree invested to determine the principal amount of the promissory note.
11. Offerees were told that if they invested pursuant to the Promissory Note Option they were guaranteed a rate of return of (5%) a month on their principal after an initial delay of three months from the date of investment, and that the five percent (5%) a month return

~~could continue until the thirty-six month after investment. The returns Respondents~~
[REDACTED]

promised were not received by the investors.

12. Offerees were told that the Investment Opportunity was for a period of thirty-six months and, that, at the end of this period, the Respondents would return the full amount of the

16. Upon information and belief, the trading accounts at Interbank are the only accounts
Respondents used during the period for foreign currency exchange and/or trading

17. Respondents, operating in and from the State of South Carolina, offered the Investment

25. On or about June 6, 2008, the subpoena was returned unopened.

26. Respondent Rivas did not appear on June 10, 2008, to discuss the Investment Opportunity or other business he was conducting and has not made contact with Division

staff at any time since that date to discuss either the Investment Opportunity or any

related matters.

27. The Investment Opportunity offered and sold by Defendants constitutes a security under

“[i]ssuer” means a person that issues or proposes to issue a security.

35. Pursuant to S.C. Code Ann. § 35-1-102 (2), an “[a]gent” means an individual, other than a broker-dealer who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities, or represents an issuer in effecting or attempting to effect

purchases or sales of the issuer’s securities.

36. Pursuant to S.C. Code Ann. § 35-1-402 (a), it is unlawful for an individual to transact business in this State as an agent unless the individual is registered under the Act as an

To engage in an act, practice, or course of business that operates or would operate as

a fraud or deceit upon another person.

may be issued after the hearing that may make final, vacate, or modify the order issued under S.C. Code Ann. § 35-1-604(b).

1 P. 35-1-604(b) S.C. Code Ann. § 35-1-604(b) is a Subchapter of the Statutes

Commissioner may impose a civil penalty in an amount not to exceed ten

thousand dollars (\$10,000) for each violation of the Act.

P. 35-1-604(b) S.C. Code Ann. § 35-1-604(b) is a Subchapter of the Statutes

to represent an issuer in or from this State, offered and sold securities in and from this State.

- d. Respondent Forex violated S.C. Code Ann. § 35-1-402(d) when Respondent Forex, while engaged in offering, selling or purchasing securities in this State, employed or associated Respondent Rivas to transact business on behalf of

Respondent Forex while Respondent Rivas was not registered to offer or sell securities in or from the State of South Carolina, or to represent an issuer in or from this State.

- e. Neither Respondent has asserted to the Division any claim of exemption from registration, either on his own behalf or on behalf of the security.
- f. Respondents violated S.C. Code Ann. § 35-1-501 and engaged in securities fraud

use of the investor's funds and/or the nature of the Respondents' business;

- iii. Misrepresented their qualifications and omitted to state a material fact about Respondent Rivas' qualifications, that Respondent Rivas

had previously been convicted of securities fraud.

- iv. Stated to investors the investors would receive a guaranteed rate of return when the Respondents, who knew the intended use of the investors' funds, knew the use would not generate the expected returns; and

- v. Published, circulated, and distributed materials and/or statements which contain untrue statements of material fact or which are

otherwise false and misleading.

unethical business practices in violation of S.C. Code Ann. § 35-1-501 (Supp. 2008); and

d. Pay a civil penalty in the amount of ten thousand dollars (\$10,000.00) and costs of

~~the investigation of five thousand dollars (\$5,000.00) if this Order becomes~~

for a hearing, shall result in this Order, including the stated civil penalty, becoming final as to that Respondent by operation of law.

CONTINUING TO ENGAGE IN ACTS DETAILED BY THIS ORDER AND/OR SIMILAR ACTS MAY RESULT IN THE DIVISION'S FILING ADDITIONAL

ADMINISTRATIVE ACTIONS AND/OR SEEKING FURTHER

ADMINISTRATIVE FINES. WILLFUL VIOLATION OF THIS ORDER COULD