

ORIGINAL NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

SEP 19 2016

DOCKETED BY [Signature]

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COMMISSIONERS

- DOUG LITTLE - Chairman
- BOB STUMP
- BOB BURNS
- TOM FORESE
- ANDY TOBIN

In the matter of:)
 Delta FX Trade,)
 Respondent.)

DOCKET NO. S-20985A-16-0329
**TEMPORARY ORDER TO CEASE AND
 DESIST AND NOTICE OF
 OPPORTUNITY FOR HEARING**

NOTICE: THIS ORDER IS EFFECTIVE IMMEDIATELY
EACH RESPONDENT HAS 20 DAYS TO REQUEST A HEARING
EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER

The Securities Division ("Division") of the Arizona Corporation Commission ("Commission") alleges that Respondent Delta FX Trade is engaging in or is about to engage in acts and practices that constitute violations of A.R.S. § 44-1801, *et seq.*, the Arizona Securities Act ("Securities Act"), and that the public welfare requires immediate action.

I.
JURISDICTION

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

II.
RESPONDENT

2. Delta FX Trade is a foreign entity or "dba" offering to sell investment contracts involving foreign currency exchange ("forex") trading to Arizona residents via phoenix.craigslist.org.

1 This program is guarantee, no risk involved and the returns are 100% assured.
2 Wonder what we do to make this much within 10 days? A big question that
3 most of our investors do ask, The answer is simply the new Advance Forex
4 Trading. We trade forex in an advance way using a trading platform known to
5 us alone. This is where your funds will also be invested in. Delta Fx Trade will
6 have one of our highly skilled traders manually trade your account. This way,
7 trade are usually successful and guarantee.

8 ...

9 We accept Paypal, Money orders, Western Union, Money Gram and Wire
10 Transfer. (Grammatical errors in original).

11 11. In replying to the Arizona resident's inquiry, Delta FX Trade failed to provide
12 complete and accurate information regarding the proposed transaction(s), including the following
13 misrepresentations and omissions of material facts:

14 a) Delta FX Trade promised guaranteed returns in ten days of nine-hundred
15 percent (900%) while failing to disclose that foreign currency exchange trading is extremely risky;

16 b) Delta FX Trade failed to disclose that its purported investment contracts are
17 not registered for sale as securities in Arizona;

18 c) Delta FX Trade failed to disclose that it is not registered to sell securities in
19 Arizona;

20 d) Delta FX Trade failed to disclose that it is not registered with the NFA to
21 engage in foreign currency trading; and

22 e) Delta FX Trade failed to disclose the possible consequences of its failure to
23 register itself and its investment contracts with the Commission.

24 12. Delta FX Trade maintains a website at <http://deltafxtrade.com/>, which advertises the
25 opportunity to invest in foreign currency trading. The website states in part:

26 Forex Trading is buying and selling of currency through a broker or institution
without any physical settlement.... In forex trading, all that you've to do is
open an account with us as little as \$1,000 or \$5,000.... All you have to do is
sign up membership with us and send your investment, we will conduct all
trading while you reap the returns. (Grammatical errors in original).

1 **VII.**

2 **TEMPORARY ORDER**

3 **Cease and Desist from Violating the Securities Act**

4 THEREFORE, based on the above allegations, and because the Commission has determined
5 that the public welfare requires immediate action,

6 IT IS ORDERED, pursuant to A.R.S. §§ 44-1972(C) and A.A.C. R14-4-307, that Delta FX
7 Trade, its agents, servants, employees, successors, assigns, and those persons in active concert or
8 participation with Delta FX Trade CEASE AND DESIST from any violations of the Securities Act.

9 IT IS FURTHER ORDERED that this Temporary Order to Cease and Desist shall remain in
10 effect for 180 days unless sooner vacated, modified, or made permanent by the Commission.

11 IT IS FURTHER ORDERED that if a request for hearing is made, this Temporary Order shall
12 remain effective from the date a hearing is requested until a decision is entered unless otherwise
13 ordered by the Commission.

14 IT IS FURTHER ORDERED that this Order shall be effective immediately.

15
16 **VIII.**

17 **REQUESTED RELIEF**

18 The Division requests that the Commission grant the following relief:

19 1. Order Delta FX Trade to permanently cease and desist from violating the Securities
20 Act, pursuant to A.R.S. § 44-2032;

21 2. Order Delta FX Trade to take affirmative action to correct the conditions resulting
22 from its acts, practices, or transactions, including a requirement to make restitution pursuant to A.R.S.
23 § 44-2032;

24 3. Order Delta FX Trade to pay the state of Arizona administrative penalties of up to five
25 thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036; and

26 4. Order any other relief that the Commission deems appropriate.

IX.

HEARING OPPORTUNITY

Each Respondent may request a hearing pursuant to A.R.S. § 44-1972 and A.A.C. Rule 14-4-307. **If a Respondent requests a hearing, the requesting respondent must also answer this Temporary Order and Notice.** A request for hearing must be in writing and received by the Commission within 20 days after service of this Temporary Order and Notice. The requesting respondent must deliver or mail the request for hearing to Docket Control, Arizona Corporation Commission, 1200 West Washington, Phoenix, Arizona 85007. Filing instructions may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet web site at www.azcc.gov/divisions/hearings/docket.asp.

If a request for hearing is timely made, the Commission shall schedule a hearing to begin 10 to 30 days from the receipt of the request unless otherwise provided by law, stipulated by the parties, or ordered by the Commission. **Unless otherwise ordered by the Commission, this Temporary Order shall remain effective from the date a hearing is requested until a decision is entered.** After a hearing, the Commission may vacate, modify, or make permanent this Temporary Order, with written findings of fact and conclusions of law. A permanent Order may include ordering restitution, assessing administrative penalties, or other action.

If a request for hearing is not timely made, the Division will request that the Commission make permanent this Temporary Order, with written findings of fact and conclusions of law, which may include ordering restitution, assessing administrative penalties, or other relief.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin A. Bernal, ADA Coordinator, voice phone number 602/542-3931, e-mail sabernal@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

X.

ANSWER REQUIREMENT

Pursuant to A.A.C. R14-4-305, if a Respondent requests a hearing, the requesting respondent must deliver or mail an Answer to this Temporary Order and Notice to Docket Control, Arizona Corporation Commission, 1200 W. Washington, Phoenix, Arizona 85007, within 30 calendar days after the date of service of this Temporary Order and Notice. Filing instructions may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet web site at www.azcc.gov/divisions/hearings/docket.asp.

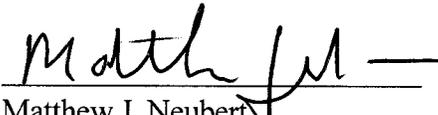
Additionally, the answering respondent must serve the Answer upon the Division. Pursuant to A.A.C. R14-4-303, service upon the Division may be made by mailing or by hand-delivering a copy of the Answer to the Division at 1300 West Washington, 3rd Floor, Phoenix, Arizona, 85007, addressed to James D. Burgess.

The Answer shall contain an admission or denial of each allegation in this Temporary Order and Notice and the original signature of the answering respondent or the respondent's attorney. A statement of a lack of sufficient knowledge or information shall be considered a denial of an allegation. An allegation not denied shall be considered admitted.

When the answering respondent intends in good faith to deny only a part or a qualification of an allegation, the respondent shall specify that part or qualification of the allegation and shall admit the remainder. Respondent waives any affirmative defense not raised in the Answer.

The officer presiding over the hearing may grant relief from the requirement to file an Answer for good cause shown.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION, this 19 day of September, 2016.


Matthew J. Neubert
Director of Securities