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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

AUG 25 2005

DOCKETED BY

KW

In the matter of:

) Docket No. S-03541A-03-0000

WORLDWIDE FOREX, INC.

) Decision No. 68095

Steven Labell, Registered Agent
700 North Hiatus Road, Suite 203
Pembroke Pines, Florida 33026

) ORDER TO CEASE AND DESIST AND
) ORDER FOR ADMINISTRATIVE
) PENALTIES AND CONSENT TO SAME
) BY: RESPONDENT UNIVERSAL FX,
) INCORPORATED

UNIVERSAL FX, INCORPORATED
Darren C. Blum, P.A., Registered Agent
8751 West Broward Boulevard
Plantation, Florida 33324

DAVID BRIDGES
c/o WORLDWIDE FOREX
700 North Hiatus Road, Suite 203
Pembroke Pines, Florida 33026

Respondents.

RESPONDENT UNIVERSAL FX, INCORPORATED ("UFX") elects to permanently waive its right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801, et seq. ("Securities Act") with respect to this Order To Cease And Desist and Order for Administrative Penalties and Consent to Same by: Respondent Universal FX, Incorporated ("Order"). UFX admits the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

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I.

FINDINGS OF FACT

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3 1. Respondent WORLDWIDE FOREX, INC. is a Florida corporation whose business  
4 address is 700 North Hiatus Road, Suite 203, Pembroke Pines, Florida 33026. WORLDWIDE is  
5 not registered as a futures merchant with the National Futures Association ("NFA"), the approved  
6 self-regulatory entity for traders in commodities. WORLDWIDE is not authorized to conduct  
7 business in Arizona as a foreign corporation, and WORLDWIDE is not registered with the Division  
8 as a securities dealer or salesperson.

9 2. Respondent UFX is a Florida corporation whose business address is 3467 N.E. 163<sup>rd</sup>  
10 Street, North Miami Beach, Florida 33160. The address of its registered agent for service of process  
11 is Darren C. Blum, P.A., 8751 West Broward Boulevard, Plantation, Florida 33324. UFX is not  
12 authorized to conduct business in Arizona as a foreign corporation, and UFX is not registered with  
13 the Division as a securities dealer or salesperson.

14 3. Respondent DAVID BRIDGES ("Bridges") is an individual and was an employee  
15 and/or agent of WORLDWIDE at all relevant times. BRIDGES is not registered as a futures  
16 merchant with the NFA. BRIDGES is not registered with the Division as a securities dealer or  
17 salesperson.

18 4. On or about July 2, 2003, BRIDGES, acting for and on behalf of WORLDWIDE  
19 and UFX, contacted an employee of the Division, a resident of Arizona, and offered to sell to that  
20 individual an investment in foreign currency investment contracts.

21 5. On or about July 2, 2003, BRIDGES sent via facsimile to this Division employee  
22 various documents purportedly necessary to enable the Division employee to open an account for  
23 investment in foreign currency trading through WORLDWIDE and UFX.

24 6. BRIDGES represented WORLDWIDE as the "introducing broker" for the  
25 transaction(s) offered, despite the fact that WORLDWIDE is not registered to sell securities within  
26 or from Arizona, nor is it registered with the NFA as a commodities merchant.

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**II.**

**CONCLUSIONS OF LAW**

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

2. UFX offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. UFX violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. UFX violated A.R.S. § 44-1842 by offering or selling securities while neither registered as a dealer or salesman nor exempt from registration.

5. UFX's conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

6. UFX's conduct is grounds for administrative penalties under A.R.S. § 44-2036.

**III.**

**ORDER**

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and UFX's consent to the entry of this Order, attached and incorporated by reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that UFX, and any of UFX's agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act. UFX shall not sell any securities in or from Arizona without being registered in Arizona as a dealer or salesman, or exempt from such registration. UFX shall not sell securities in or from Arizona unless the securities are registered in Arizona or exempt from registration.

IT IS FURTHER ORDERED that UFX comply with the attached Consent to Entry of Order.

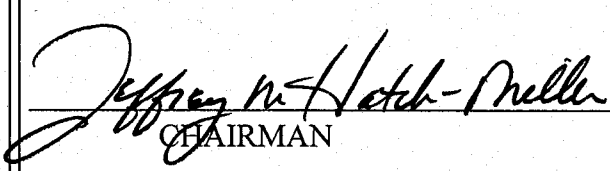
1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that UFX shall pay an  
2 administrative penalty in the amount of \$5000. Payment shall be made in full by cashier's check  
3 or money order on the date of this Order, payable to the "State of Arizona." Such penalty shall be  
4 joint and several with any administrative penalty ordered against any other Respondent in this  
5 matter.


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1 IT IS FURTHER ORDERED, that if UFX fails to comply with this order, the Commission  
2 may bring further legal proceedings against UFX, including application to the superior court for an  
3 order of contempt.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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8 CHAIRMAN

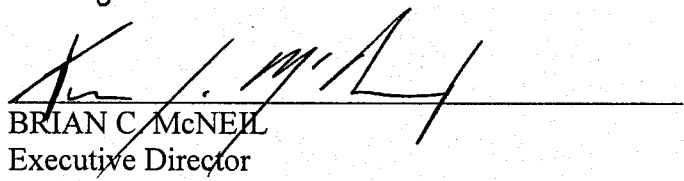
  
9 COMMISSIONER

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14 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
15 Executive Secretary of the Arizona Corporation  
16 Commission, have hereunto set my hand and caused the  
17 official seal of the Commission to be affixed at the  
18 Capitol, in the City of Phoenix, this 25<sup>th</sup> day of  
August, 2005.

  
19 BRIAN C. McNEIL  
20 Executive Director

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22 DISSENT

23 \_\_\_\_\_  
24 DISSENT

25 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant  
26 to the Executive Director, voice phone number 602-542-3931, E-mail [lhogan@azcc.gov](mailto:lhogan@azcc.gov).

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**CONSENT TO ENTRY OF ORDER**

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2 1. RESPONDENT UNIVERSAL FX, INCORPORATED (“UFX”) admits the  
3 jurisdiction of the Commission over the subject matter of this proceeding. UFX acknowledges that  
4 it has been fully advised of its right to a hearing to present evidence and call witnesses and UFX  
5 knowingly and voluntarily waives any and all rights to a hearing before the Commission and all  
6 other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona  
7 Administrative Code. UFX acknowledges that this Order To Cease And Desist and Order for  
8 Administrative Penalties and Consent to Same by: Respondent Universal FX, Incorporated  
9 (“Order”) constitutes a valid final order of the Commission.

10 2. UFX knowingly and voluntarily waives any right it may have under Article 12 of  
11 the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief  
12 resulting from the entry of this Order.

13 3. UFX acknowledges and agrees that this Order is entered into freely and voluntarily  
14 and that no promise was made or coercion used to induce such entry.

15 4. UFX acknowledges that it has been represented by counsel in this matter, it has  
16 reviewed this Order with its attorney and understands all terms it contains.

17 5. UFX neither admits nor denies the Findings of Fact and Conclusions of Law  
18 contained in this Order.

19 6. UFX specifically avers that it has made no sales of the securities that are the subject  
20 of this action within or from Arizona.

21 7. By consenting to the entry of this Order, UFX agrees not to take any action or to  
22 make, or permit to be made, any public statement denying, directly or indirectly, any Finding of  
23 Fact or Conclusion of Law in this Order or to create the impression that this Order is without  
24 factual basis. UFX will undertake steps necessary to assure that all of its agents and employees  
25 understand and comply with this agreement.

26 8. While this Order settles this administrative matter between UFX and the

1 Commission, UFX understands that this Order does not preclude the Commission from instituting  
2 other administrative proceedings based on violations that are not addressed by this Order.

3 9. UFX understands that this Order does not preclude the Commission from referring  
4 this matter to any governmental agency for administrative, civil, or criminal proceedings that may  
5 be related to the matters addressed by this Order.

6 10. UFX understands that this Order does not preclude any other agency or officer of  
7 the state of Arizona or its subdivisions from instituting administrative, civil or criminal  
8 proceedings that may be related to matters addressed by this Order.

9 11. UFX agrees that it will not apply to the state of Arizona for registration as a  
10 securities dealer or salesman or for licensure as an investment adviser or investment adviser  
11 representative until such time as all penalties under this Order are paid in full.

12 12. UFX agrees that it will not exercise any control over any entity that offers or sells  
13 securities or provides investment advisory services, within or from Arizona.

14 13. UFX acknowledges and understands that if it fails to comply with the provisions of  
15 the order and this consent, the Commission may bring further legal proceedings against it,  
16 including application to the superior court for an order of contempt.

17 14. UFX understands that default shall render it liable to the Commission for its costs  
18 of collection and interest at the maximum legal rate.

19 15. UFX agrees that it will continue to cooperate with the Securities Division including,  
20 but not limited to, providing complete and accurate testimony at any hearing in this matter and  
21 cooperating with the state of Arizona in any related investigation or any other matters arising from  
22 the activities described in this Order.

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Docket No. S-03541A-03-0000

1 16. UFX consents to the entry of this Order and agrees to be fully bound by its terms  
2 and conditions. If UFX breaches any provision of this Order, the Commission may vacate this  
3 Order and restore this case to its active docket.

4 UNIVERSAL FX, INCORPORATED

5  
6 Andrew Stern  
7 By: Andrew Stern

8 Its: \_\_\_\_\_

9 SUBSCRIBED AND SWORN TO BEFORE me this 4 day of August, 2005.

10  
11 Victoria L. Alvea  
12 NOTARY PUBLIC  
13 Victoria Alvea

14 My Commission Expires:  
9/21/07

