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## Texas State Securities Board

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IN THE MATTER OF  
GOForex GROUP AKA GO FOREX GROUP,  
MARY A. SCOTT, AND SHARON HENDERSON

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Order No. ENF-18-CDO-1770

TO: GoForex Group aka GO Forex Group  
615 Griswold Street, Detroit, Michigan 48226, and  
1489 Shillings Bridge Road, Orangeburg, South Carolina 29115

Mary A. Scott  
615 Griswold Street, Detroit, Michigan 48226, and  
1489 Shillings Bridge Road, Orangeburg, South Carolina 29115

Sharon Henderson  
615 Griswold Street, Detroit, Michigan 48226, and  
1489 Shillings Bridge Road, Orangeburg, South Carolina 29115

### EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas (hereinafter referred to as the "**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. arts. 581-1 to 581-45 (West 2010 & Supp. 2017) (hereinafter referred to as the "**Securities Act**").

The Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Securities Commissioner to find that:

### FINDINGS OF FACT

1. GoForex Group aka GO Forex Group (hereinafter referred to as "**Respondent GoForex Group**") represents that its principal place of business is located at 615 Griswold Street, Detroit, Michigan 48226, but as described herein, Respondent GoForex Group is operating from 1489 Shillings Bridge Road, Orangeburg, South Carolina 29115.
2. Mary A. Scott (hereinafter referred to as "**Respondent Scott**") is the Financial Manager of Respondent GoForex Group. For purposes of this Emergency Cease and Desist Order, Respondent Scott can be served at both 615 Griswold Street,

Detroit, Michigan 48226, and 1489 Shillings Bridge Road, Orangeburg, South Carolina 29115.

3. Sharon Henderson (hereinafter referred to as "**Respondent Henderson**") is an Administrative Consultant for Respondent GoForex Group. For purposes of this Emergency Cease and Desist Order, Respondent Henderson can be served at both 615 Griswold Street, Detroit, Michigan 48226, and 1489 Shillings Bridge Road, Orangeburg, South Carolina 29115.

RESPONDENT GOFOREX GROUP IS USING PUBLIC SOLICITATION TO OFFER ITS INVESTMENTS TO TEXAS RESIDENTS

4. Respondent GoForex Group is publishing advertisements that target Texas residents.
5. The advertisements collectively describe Respondent GoForex Group and its investment programs as follows:
  - A. The advertisements claim that "GoForex Group is a long term [sic] investment firm,"
  - B. The advertisements represent investors "can invest a minimum of \$500 to earn \$5,000 in 21 business days," and
  - C. The advertisements claim the "investment is safe and secured" and "100% guarantee[d]."
6. The advertisements direct potential investors to contact Respondent GoForex Group by sending their electronic mail address, via text message, to a telephone number that uses an area code assigned to the geographic region in and around Detroit, Michigan.

THE GOFOREX WEBSITE AND THE OFFER TO SELL INVESTMENTS IN FOREX, REAL ESTATE AND OIL AND GAS

7. After contacting Respondent GoForex Group, potential investors are directed to an internet website accessible to the public at <http://www.goforexgroup.com> (hereinafter referred to as the "**GoForex Website**").
8. The GoForex Website offers potential investors the opportunity to purchase investments referred to as the Silver Membership Investment Plan, the Gold Membership Investment Plan and the Platinum Membership Investment Plan (hereinafter referred to collectively as the "**Membership Plans**").
9. The GoForex Website describes the Silver Membership Investment Plan as follows:
  - A. The Silver Membership Investment Plan is the "minimum investment plan" and it was created "to encourage people with small financial strength, students and first time [sic] investors,"

- B. The Silver Membership Investment Plan has “helped thousands across the globe [to] overcome frequent financial breaks,” and
  - C. Investors can invest between \$500.00 and \$5,000.00 in the Silver Membership Investment Plan and receive “an absolute return of 10x investment capital in just 21 days.”
10. The GoForex Website describes the Gold Membership Investment Plan as follows:
- A. The Gold Membership Investment Plan is a “well designed [sic] Membership to suite [sic] small scale corporate organizations and individuals with good financial strength,”
  - B. The Gold Membership Investment Plan also entitles investors to “financial advice” and “various promotion packages which vary from time-to-time,” and
  - C. Investors can invest between \$5,000.00 and \$9,000.00 in the Gold Membership Investment Plan and “get 10x gain on their investment within a specified period of time.”
11. The GoForex Website describes the Platinum Membership Investment Plan as follows:
- A. The Platinum Membership Investment Plan is “targeted at financial able [sic] corporations, companies and organization[s]” and allows them to invest “with strong confidence and comfort” while “mak[ing] more than what any other investment scheme can provide globally,”
  - B. Investors can invest a minimum of \$10,000.00 in the Platinum Membership Investment Plan, and they “stand to make up to 12x the investment capital within a [p]eriod of 21 days,” and
  - C. The Platinum Membership Investment Plan also entitles investors to “a Bank Account with [Respondent GoForex’s] affiliate bank globally,” which purportedly allows these investors to earn “additional interest on their investments.”
12. The GoForex Website claims Respondent GoForex Group will use principal to generate profits as follows:
- A. 80% of investor funds will be used by “about 309 Forex traders” to trade foreign currency, and
  - B. 20% of investor funds will be used to invest in real estate and oil and gas.

**RESPONDENT GOFOREX GROUP’S  
CLAIMS OF PROFITABILITY AND SECURITY**

13. The GoForex Website claims Respondent GoForex Group is guaranteeing the payment of profits to investors.

14. The GoForex Website claims the investments are insured against loss.

RESPONDENT GOFOREX GROUP'S INVESTMENT AGREEMENT

15. Respondents, by and through Respondent Henderson, are providing potential investors with a contract referred to as an Investment Agreement.
16. The Investment Agreement represents that Respondent GoForex Group maintains a principal place of business at 615 Griswold Street, Detroit, Michigan 48226.
17. The Investment Agreement reflects that investors opting for the Gold Membership receive "10x Returns" over a term of 21 days. Accordingly, an investor who purchases an investment in the Gold Membership for \$7,500.00 will receive a return of \$75,000.00 after a term of 21 days.
18. The Investment Agreement contains a field for the signature of investors, as well as the signature of Respondent Scott.
19. After executing the Investment Agreement, investors must deposit their funds in a bank account held in the name of Respondent Scott at a bank located in South Carolina.

RESPONDENT GOFOREX GROUP IS USING A PHONY CERTIFICATE OF INCORPORATION TO FALSELY CLAIM IT IS ORGANIZED IN MICHIGAN

20. The GoForex Website describes Respondent GoForex Group as a private investment firm that is "legally registered" in the United States of America. It also represents Respondent GoForex Group maintains an address at 615 Griswold Street, Detroit, Michigan 48226.
21. The GoForex Website presents a document that purports to be a Certificate of Incorporation for Respondent GoForex Group. The Certificate of Incorporation for Respondent GoForex Group contains the following information:
  - A. The Certificate of Incorporation purports to have been issued under the International Business Companies Act, Chapter 270 of the Laws of Michigan, Revised Edition 2000, and
  - B. The Certificate of Incorporation reflects that GoForex Group is incorporated in Michigan as an International Business Company.
22. In truth and in fact, Respondent GoForex Group is not incorporated in Michigan and Respondent GoForex Group never filed with the Michigan Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau.
23. The certificate published on the GoForex Website is a fraudulent document. It was created using imaging-editing software to modify a picture of a certificate issued by the International Business Companies Registry of Belize for an unrelated company that was incorporated in Belize. The edited certificate was then published on the

GoForex Website to create the false appearance that, among other things, it was issued for Respondent GoForex Group instead of the unrelated company.

**RESPONDENT GOFOREX GROUP IS  
MISREPRESENTING ITS PRINCIPAL PLACE OF BUSINESS**

24. As described herein, the GoForex Website and the Investment Agreement represent Respondent GoForex Group maintains its office at 615 Griswold Street, Detroit, Michigan 48226.
25. In truth and in fact, Respondent GoForex Group does not maintain its office at 615 Griswold Street, Detroit, Michigan 48226.
26. Instead, Respondent GoForex Group is operating from 1489 Shillings Bridge Road, Orangeburg, South Carolina 29115.

**RESPONDENT GOFOREX GROUP  
IS PUBLISHING FAKE TESTIMONIALS ON ITS WEBSITE**

27. The GoForex Website is publishing photographs of three people who purport to be clients of Respondent GoForex Group. The photograph of each person is accompanied by a testimonial that claims he or she purchased an investment and received a return on their investment.
28. The photographs do not actually portray clients of Respondent GoForex Group. Instead, Respondent GoForex Group is using photographs of persons without their authorization and falsely attributing testimonials to these persons. For example:
  - A. Respondent GoForex Group is publishing a photograph of a person it claims is a client, as well as a positive testimonial attributable to the person, when in truth and in fact the person is a radio host and contributor to National Public Radio, the person's photograph was reproduced from an image on a website for public radio, the person is not a client of Respondent GoForex Group and the person did not authorize the use of her likeness on the GoForex Website,
  - B. Respondent GoForex Group is publishing a photograph of a second person it claims is a client, as well as a positive testimonial attributable to the second person, when in truth and in fact the second person is a founding partner of a creative marketing communication agency, the second person's photograph was reproduced from an image on the firm's website, the second person is not a client of Respondent GoForex Group and the second person did not authorize the use of his likeness on the GoForex Website, and
  - C. Respondent GoForex Group is publishing a photograph of a third person it claims is a client, as well as a positive testimonial attributable to the third person, when in truth and in fact the third person is a trial lawyer, the third person's photograph was reproduced from an image on his firm's website, the third person is not a client of Respondent GoForex Group and the third person did not authorize the use of his likeness on the GoForex Website.

**RESPONDENTS ARE NOT COMPLYING WITH  
THE REGISTRATION PROVISIONS OF THE SECURITIES ACT**

29. Respondent GoForex Group has not been registered with the Securities Commissioner as a dealer at any time material hereto.
30. Respondents Scott and Henderson have not been registered with the Securities Commissioner as agents of Respondent GoForex Group at any time material hereto.
31. The investments in the Membership Plans have not been registered by qualification, notification or coordination, and no permit has been granted for their sale in Texas.

**RESPONDENTS ARE ENGAGING IN FRAUD  
IN CONNECTION WITH THE OFFER OF THE INVESTMENTS DESCRIBED HEREIN**

32. In connection with the offer of investments in the Membership Plans, Respondents are intentionally failing to disclose the business repute, qualifications, and experience of the following:
  - A. The principals of Respondent GoForex Group,
  - B. The persons trading foreign currency, investing in real estate, and investing in oil and gas on behalf of investors, and
  - C. The persons providing "financial advice" to investors who purchase an investment in the Gold Membership Investment Plan.
33. In connection with the offer of investments in the Membership Plans, Respondents are intentionally failing to disclose the identity of the "affiliate bank" and any information about how it will generate additional interest for investors who purchase an investment in the Platinum Membership Plan.
34. In connection with the offer of investments in the Membership Plans, Respondent GoForex Group is misrepresenting the following relevant facts relating to its incorporation and its place of business:
  - A. Respondent GoForex Group is falsely claiming it maintains a place of business at 615 Griswold Street, Detroit, Michigan 48226,
  - B. Respondent GoForex Group is publishing a fake Certificate of Incorporation created using imaging-editing software to modify a picture of a certificate issued by the International Business Companies Registry of Belize for an unrelated company that was incorporated in Belize,
  - C. The fake Certificate of Incorporation published by Respondent GoForex Group purports to have been issued under the International Business Companies Act, Chapter 270 of the Laws of Michigan, Revised Edition 2000, and

- D. The fake Certificate of Incorporation published by Respondent GoForex Group reflects that Respondent GoForex Group is incorporated in Michigan as an International Business Company.
35. In connection with the offer of investments in the Membership Plans, Respondents are intentionally failing to disclose the following material facts:
- A. Respondent GoForex Group is operating from 1489 Shillings Bridge Road, Orangeburg, South Carolina 29115.
  - B. Information about the use of principal to invest in real estate, including any information about Respondent GoForex Group's strategy for investing in real estate or the historic performance of Respondent GoForex Group's investments in real estate.
  - C. Information about the use of principal to invest in oil and gas, including any information about Respondent GoForex Group's strategy for investing in oil and gas or the historic performance of Respondent GoForex Group's investments in oil and gas, and
  - D. Information about Respondent GoForex Group's assets, liabilities and capitalization, as well as any other financial information that reflects its ability to satisfy its guarantee of profitability.
36. In connection with the offer of investments in the Membership Plans, Respondent GoForex Group is intentionally failing to disclose the following material facts about the insurance of investments:
- A. Respondent GoForex Group is failing to disclose the identity of the firm providing insurance for the investments in the Membership Plans,
  - B. Respondent GoForex Group is failing to disclose the location of the firm providing insurance for the investments in Membership Plans, and
  - C. Respondent GoForex Group is failing to disclose the assets, liabilities and capitalization of the firm providing insurance for the Membership Plans.
37. In connection with the offer of investments in the Membership Plans, Respondent GoForex Group is publishing photographs of people that purport to be clients and testimonials that claim each client purchased an investment and received a return on their investment. Respondent GoForex Group, by publishing of these photographs and testimonials, is misrepresenting relevant facts because:
- A. Respondent GoForex Group is claiming the persons depicted in the photographs are clients of Respondent GoForex Group, but in truth and in fact the persons depicted in the photographs are not clients of Respondent GoForex Group,
  - B. Respondent GoForex Group is claiming the persons depicted in the photographs purchased an investment and received a return on their

investment, but in truth and in fact the persons depicted in the photographs neither purchased an investment nor received a return on an investment, and

- C. The persons depicted in the photographs never authorized Respondent GoForex Group to use their photographs on the GoForex Website.

**RESPONDENTS ARE MAKING MISLEADING AND DECEPTIVE STATEMENTS RELATING TO THE RISK OF LOSS OF PRINCIPAL AND PROFITS**

- 38. Respondents are representing that 80% of the funds invested in the Membership Plans will be used to trade foreign currency, and they are guaranteeing the investments, which is materially misleading or otherwise likely to deceive the public because they are not disclosing the following risks associated with trading foreign currency:
  - A. Respondents are failing to disclose that fluctuations in a country's interest rates may lead to fluctuations in a currency's value, thereby negatively impacting the ability to close a trade for a profit,
  - B. Respondents are failing to disclose that fluctuations in the foreign exchange rate between the time of placing a trade and the time of closing a trade may negatively impact the price of a forex contract,
  - C. Respondents are failing to disclose that a system or technical failure in a platform for executing trades may negatively impact the ability to close a trade for a profit, and
  - D. Respondents are failing to disclose that leveraging transactions on margin, once called, may lead to substantial losses in excess of initial investments.
- 39. Respondents are representing that 20% of the funds invested in the Membership Plans will be used to invest in real estate and oil and gas, and they are guaranteeing the investments, which is materially misleading or otherwise likely to deceive the public because they are not disclosing the following:
  - A. Respondents are failing to disclose any information about the risks associated with investments in real estate, which vary depending upon Respondent GoForex Group's otherwise undisclosed strategy for investing in real estate, and
  - B. Respondents are failing to disclose any information about the risks associated with investments in oil and gas, which vary depending upon Respondent GoForex Group's otherwise undisclosed strategy for investing in oil and gas.

**CONCLUSIONS OF LAW**

- 1. The investments in the Silver Membership Investment Plan, the Gold Membership Investment Plan and the Platinum Membership Investment Plan are "securities" as that term is defined in Section 4.A of the Securities Act.



2. Respondents are violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with or permitted by the Securities Commissioner.
3. Respondents are violating Section 12 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts and practices threaten immediate and irreparable harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Securities Act.

### **ORDER**

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until they are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

### **NOTICE**

Pursuant to Section 23-2 of the Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or

imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 10<sup>th</sup> day of October, 2018.

  
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TRAVIS J. ILES  
Securities Commissioner