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SECURITIES COMMISSIONER



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Texas State Securities Board

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MEMBER

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ROBERT BELT
MEMBER

MELISSA TYROCH
MEMBER

IN THE MATTER OF
GENIUSPLANFXPRO

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Order No. ENF-20-CDO-1826

GENIUSPLANFXPRO

Service by certified mail, return receipt requested, addressed to (1) 2987 Brentwood Drive, Austin, Texas 78701; (2) care of WhoisGuard, Inc., is the Registrant, Technical Contact and Administrative Contact for its Website at PO Box 0823-03411, Panama City, Panama; (3) care of Quijano & Associates, the attorneys for WhoisGuard, at Salduba Building, Third Floor, 53rd East Street, Urbanizacion Marbella, Panama City, Republic of Panama; (4) care of Namecheap, Inc., the Registrar of its website, at 4600 East Washington Street, Suite 305, Phoenix, Arizona 85034; and (5) 1259 Farland Street, Chicago Illinois 60637.

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stats. Ann. arts. 581-1 - 581-45 (the "**Securities Act**").

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

FINDINGS OF FACT

1. GeniusPlanfxpro is engaging in an illegal online scheme to fraudulently sell investment plans tied to forex, binary options, and cryptocurrency mining.
2. To add legitimacy to the scheme, GeniusPlanfxpro is falsely claiming to be regulated by the Financial Conduct Authority and the Cyprus Securities and Exchange Commission. Additionally, GeniusPlanfxpro is falsely claiming to be licensed and regulated by the Isle of Man Gambling Supervision Commission.
3. GeniusPlanfxpro is also concealing highly material information, such as the identity of its principals and its business plans and strategies for actually earning profits. GeniusPlanfxpro is also using phony or non-existent addresses or otherwise concealing their actual location.

4. The Securities Commissioner is entering this Emergency Cease and Desist Order to stop the illegal and fraudulent securities offering and protect Texans from immediate and irreparable harm.

RESPONDENT GENIUSPLANFXPRO

5. GeniusPlanfxpro ("**Respondent GeniusPlanfxpro**") maintains a website accessible at www.geniusplanfxpro.com (the "**GeniusPlanfxpro Website**").
6. The GeniusPlanfxpro Website represents it maintains addresses at 2987 Brentwood Drive, Austin, Texas 78701, and 1259 Farland Street, Chicago Illinois 60637.
7. WhoisGuard, Inc., is the Registrant, Technical Contact and Administrative Contact for the GeniusPlanfxpro Website. It can be contacted at PO Box 0823-03411, Panama City, Panama, and through Quijano & Associates at the Salduba Building, Third Floor, 53rd East Street, Urbanizacion Marbella, Panama City, Republic of Panama.
8. Namecheap, Inc. is the Registrar of the GeniusPlanfxpro Website and its address is 4600 East Washington Street, Suite 305, Phoenix, Arizona 85034.

THE INVESTMENT PLANS

9. The GeniusPlanfxpro Website is publicly soliciting investment plans tied to forex, binary options, and cryptocurrency mining ("**Investment Plans**").
10. The GeniusPlanfxpro Website refers to the Investment Plans as Starter, Silver, Gold, Platinum, and VIP Plans and describe Investment Plans as follows:
 - A. The GeniusPlanfxpro Website represents investors can purchase investments in the Starter Plan for a minimum of \$500;
 - B. The GeniusPlanfxpro Website represents investors can purchase investments in the Silver Plan for a minimum of \$1,000;
 - C. The GeniusPlanfxpro Website represents investors can purchase investments in the Gold Plan for a minimum of \$2,500.00;
 - D. The GeniusPlanfxpro Website represents investors can purchase investments in the Platinum Plan for a minimum of \$7,000.00; and
 - E. The GeniusPlanfxpro Website represents investors can purchase investments in the VIP Plan for a minimum of \$10,000.
11. The GeniusPlanfxpro Website represents the rate of return correlates with principal, and investors can earn between 30 percent and 120 percent daily returns depending on the amount of their deposit.

12. The GeniusPlanfxpro Website is also touting the safety of the Investment Plans. The GeniusPlanfxpro Website provides a "100 percent profit guarantee" and "guarantee the minimal risk ever!"

THE REFERRAL PROGRAMS

13. Respondent GeniusPlanfxpro is recruiting sales agents to refer new clients.
14. Respondent GeniusPlanfxpro is promising to pay commissions to sales agents who refer new clients.

THE PHONY ADDRESSES

15. The GeniusPlanfxpro Website represents its address is 2987 Brentwood Drive, Austin, Texas 78701. This address does not resolve to a physical address in Texas.

THE FALSE CLAIM OF REGULATION

16. Respondent GeniusPlanfxpro is falsely claiming it is regulated by the Financial Conduct Authority and the Cyprus Securities and Exchange Commission.

THE FALSE CLAIM OF LICENSURE

17. Respondent GeniusPlanfxpro is claiming its Investment Plans are "tournaments and games of skill" and are "considered e-gaming."
18. Respondent GeniusPlanfxpro is falsely claiming they are regulated under e-gaming in the British Isles by the Isle of Man Gambling Supervision Commission.

REGISTRATION VIOLATIONS

19. Respondent GeniusPlanfxpro has not been registered with the Securities Commissioner as a dealer or agent at any time material hereto.
20. The Investment Plans have not been registered by qualification, notification, or coordination at any time material hereto, and no permit has been granted for their sale in Texas.

FRAUD AND THE FAILURE TO DISCLOSE INFORMATION RELATING TO PRINCIPALS

21. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose the identity of its principals, as well as their business repute and qualifications, and this information constitutes a material fact.

FRAUD AND THE FAILURE TO
DISCLOSE INFORMATION RELATING TO BUSINESS OPERATIONS

22. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose its strategy for generating the represented profits over the represented terms, and this information constitutes a material fact.

FRAUD AND THE FAILURE TO DISCLOSE FINANCIAL INFORMATION

23. In connection with the offer of the Investment Plans, GeniusPlanfxpro is intentionally failing to disclose its assets, liabilities, and any other financial information that reflects its ability to pay daily interest regardless of the profitability of the underlying investment activity, and this information constitutes a material fact.

FRAUD AND THE PHYSICAL LOCATION OF THE ISSUERS

24. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is representing its address is 2987 Brentwood Drive, Austin, Texas 78701. This representation constitutes a knowing misrepresentation of a relevant fact because this address does not resolve to a physical address in Texas.
25. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose its actual physical address, and this information constitutes a material fact.

FRAUD AND THE CONCEALMENT OF
THE RISKS ASSOCIATED WITH CRYPTOCURRENCIES

26. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose the following risks associated with cryptocurrencies and investments tied to cryptocurrencies, and these risks constitute material facts:
- A. Governments may adopt legislation or regulations that may negatively impact the use, transfer, exchange, or price of cryptocurrencies;
 - B. Cryptocurrencies are volatile, and the price of a cryptocurrency as it relates to fiat currency may decrease over a short period of time, resulting in significant loss to owners of cryptocurrencies;
 - C. A system or technical failure, or deficient source code, may negatively impact the ability to exchange cryptocurrencies for fiat currencies, as well as the price of cryptocurrencies;
 - D. A hacking incident or malicious attack may negatively impact the price of cryptocurrencies; and

- E. Cryptocurrencies compete with all other cryptocurrencies, and this competition may negatively impact the price of a specific cryptocurrency.

FRAUD AND THE CONCEALMENT OF
THE RISKS ASSOCIATED WITH BINARY OPTIONS

- 27. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose the following risks associated with binary options and investments tied to binary options, and these risks constitute material facts:
 - A. Traders may lose the entirety of their original investment when they fail to correctly wager on the market's direction and price at the time of expiration;
 - B. Fluctuations in markets may negatively impact the profitability of a binary option;
 - C. Traders must wait until the option expiration date before they can take their profits and losses, and as such the illiquidity of the investment may negatively impact the ability to trade for a profit; and
 - D. Binary option platforms are thinly regulated, and the lack of regulation may negatively impact the ability to securely trade the investments.

FRAUD AND THE CONCEALMENT OF
THE RISKS ASSOCIATED WITH FOREX

- 28. In connection with the offer of the Investment Plans, Respondent GeniusPlanfxpro is intentionally failing to disclose the following risks associated with forex and investments tied to forex, and these risks constitute material facts:
 - A. 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. Macroeconomic statistics, such as inflation, can have a significant impact on forex markets;
 - C. Stock, bond, commodity and other capital markets have a strong influence on exchange rates;
 - D. International trade numbers, such as trade deficits and surpluses, play a vital role in forex markets;
 - E. 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 forex;

- F. A system or technical failure in a platform for executing trades may negatively impact the ability to close a trade for a profit;
- G. Leveraging transactions on margin, once called, may lead to substantial losses in excess of initial investments; and
- H. Political news can be important for forex traders, and unexpected news can negatively impact forex trading.

DECEPTION AND THE GUARANTEES

29. Respondent GeniusPlanfxpro is representing it provides a "100 percent profit guarantee" and it will "guarantee the minimal risk ever!" These statements are materially misleading or otherwise likely to deceive the public because Respondent GeniusPlanfxpro is not disclosing the risks associated with binary options, forex, or cryptocurrencies.

DECEPTION AND THE REFERRAL PROGRAMS

30. As described herein, the Respondent GeniusPlanfxpro is promising to pay commissions to sales agents who refer new clients. These representations are materially misleading or otherwise likely to deceive the public because Respondent GeniusPlanfxpro is not disclosing the following information:
- A. Persons who offer and sell securities in Texas, including their Investment Plans, who are not registered as dealers or agents and who do not qualify for an exemption violate Section 12 of the Securities Act; and
 - B. Persons who offer and sell the Investment Plans in Texas are offering unregistered securities in violation of Section 7 of the Securities Act.

FRAUD AND DECEPTION AND THE FALSE CLAIM OF REGULATION

31. In connection with the offer of Investment Plans, Respondent GeniusPlanfxpro is falsely claiming they are regulated by the Financial Conduct Authority and the Cyprus Securities and Exchange Commission, and this claim constitutes a knowing misrepresentation of a relevant fact.

FRAUD AND DECEPTION AND THE FALSE CLAIM OF LICENSURE

32. In connection with the offer of Investment Plans, Respondent GeniusPlanfxpro is falsely claiming they are licensed and regulated under e-gaming in the British Isles by the Isle of Man Gambling Supervision Commission, and this claim constitutes a knowing misrepresentation of a relevant fact.
33. Respondent GeniusPlanfxpro is also representing its Investment Plans are "tournaments and games of skill" and are "considered e-gaming." The statements

regarding licensure and regulation, and the characterization of the Investment Plans as e-gaming and tournaments and games of skill, are materially misleading or otherwise likely to deceive the public because:

- A. The Investment Plans offered in Texas are regulated as securities by the Securities Act; and
- B. The Texas State Securities Board is responsible for the licensure and regulation of parties offering securities in Texas.

CONCLUSIONS OF LAW

1. The Investment Plans are securities as the term is defined by Section 4.A of the Securities Act.
2. Respondent is violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondent is 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. Respondent is engaging in fraud in connection with the offer for sale of securities.
5. Respondent has made an offer containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondent's conduct, acts, and practices threaten immediate and irreparable public 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 Respondent immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered pursuant to an exemption from registration under the Securities Act.
2. It is further ORDERED Respondent immediately CEASE AND DESIST from acting as a securities dealer or agent in Texas until Respondents are registered with the Securities Commissioner or is acting pursuant to an exemption from registration under the Securities Act.
3. It is further ORDERED Respondent 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 Respondent 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 Texas 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 Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for two to ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 18th day of November, 2020.



TRAVIS J. ILES
Securities Commissioner