

**In the Matter of
*The Securities Act, 1988***

and

**In the Matter of
IseeBinary
and
Option Ventures**

**STATEMENT OF ALLEGATIONS
OF STAFF OF FINANCIAL AND CONSUMER AFFAIRS
AUTHORITY OF SASKATCHEWAN**

Staff of Financial and Consumer Affairs Authority of Saskatchewan (Staff of FCAA) make the following allegations:

The Respondents

1. The Respondent, ISeeBinary, is either an operating name used by, and therefore, one and the same as Option Ventures, or alternatively, is an entity of unknown status or whereabouts, related to Option Ventures.
2. The Respondent, Option Ventures, is an entity that purports to be based in the Republic of Moldova.

Contraventions of section 27(2) of *The Securities Act, 1988* (the Act)

3. From in or around September 2015 to in or around December 2015, ISeeBinary and Option Ventures (collectively, the Respondents) acted as dealers by engaging in the business of trading in securities or derivatives or holding themselves out as engaging in the business of trading in securities or derivatives in Saskatchewan. Further, from in or around September 2015 to in or around December 2015, the Respondents acted as advisers in Saskatchewan by engaging in the business of advising the public on securities or derivatives or holding themselves out as engaging in the business of advising the public on securities or derivatives. The details of such activities include, but are not limited to, the following:
 - a. From in or around September 2015 to in or around December 2015, the

Respondents owned or maintained a website at www.iseebinary.com (the Website);

- b. The Website provided an online trading platform, offering users the ability to trade binary options;
- c. Members of the public were able to sign up for a trading account with the Respondents through the Website, and invest in the offered binary options;
- d. In or around September 2015, Investor 1, a resident of Saskatchewan, received a cold call from a representative of ISeeBinary who indicated that he knew that Investor 1 was having issues trying to withdraw funds from her trading account with Titan Trade, another binary options company that Investor 1 had invested with;
- e. The representative from ISeeBinary convinced Investor 1 to believe that he would help recover her money from Titan Trade and help her make a lot of money by investing with the Respondents;
- f. Shortly after receiving the phone call, Investor 1 started the process to open a trading account with the Respondents by bank wiring \$2,000.00 USD to a bank in Bucharest Romania to a company by the name of Option Ventures of Moldova;
- g. A few days later Investor 1 deposited an additional \$1,000 USD via credit card and provided information to finalize the opening of her trading account, including providing copies of her driver's license and passport;
- h. Subsequently, Investor 1's account manager at ISeeBinary placed \$480 USD back on Investor 1's credit card and stated that the money was from a winning trade. The account manager then told Investor 1 that if she deposited more money into her trading account he would be able to really make her some good money;
- i. Near or around the end of September 2015 Investor 1 then deposited an additional \$40,000.00 USD with the Respondents via bank wire to a bank in Bucharest Romania. The money was deposited into the account of Option Ventures of Moldova;
- j. In or around October 2015 Investor 1 attempted to withdraw funds from her trading account, but the Respondents' told her that she would need to send them \$2,218.00 USD to cover taxes on the money in her trading account before any money could be withdrawn;
- k. Investor 1 sent \$2,218.00 USD to the Respondents' via bank wire to a bank in Bucharest Romania. The money was deposited into the account of Option Ventures of Moldova;

- l. In or around November 2015, Investor 1 emailed the Respondents' regarding her withdrawal since she still has not received any money following her withdrawal request even though she had made the payment requested by the Respondents;
 - m. Investor 1 subsequently received an email from her account manager at ISeeBinary who informed her that he had been fired from ISeeBinary and advised her not to send any more money to the Respondents' or Titan Trade, including money to Titan Trade to cover the taxes of her withdrawal request with them;
 - n. Investor 1's account manager at ISeeBinary advised her that he would try and help her get her money back from the Respondents and provided her with an email address for a law firm based out of Israel that claims it specializes in helping people get money back from binary options companies;
 - o. In or around December 2015, Investor 1 contacted the law firm that was suggested to her by her account manager at ISeeBinary. The law firm instructed Investor 1 to bank wire \$5,000.00 USD to George Shakira in Haifa, Israel; and
 - p. Investor 1 sent the bank wire and had some correspondence with the individuals from Israel who held themselves out to be lawyers, but in the end they never helped her get her money back from the Respondents.
4. In carrying out the acts indicated in paragraph 3, above, the Respondents engaged in, or held themselves out as engaging in, the business of trading in securities or derivatives with or on behalf of Investor 1, and as such, acted as 'dealers' as defined in the act.
 5. None of the Respondents have ever been registered as a 'dealer' as required by the Act, and therefore, the Respondents have contravened clause 27(2)(a) of the Act.
 6. In carrying out the acts indicated in paragraph 3, above, the Respondents engaged in, or held themselves out as engaging in, the business of advising the public on securities or derivatives, and as such, acted as an 'adviser' as defined in the Act.
 7. None of the Respondents have ever been registered as an 'adviser' as required by the Act, and therefore, the Respondents have contravened clause 27(2)(b) of the Act.
 8. Based on the above, Staff of FCAA ask the hearing panel to consider whether it is in the public interest to make the following orders:
 - a. Pursuant to subsection 134(1)(a) of the Act, all of the exemptions in Saskatchewan securities laws do not apply to the Respondents;
 - b. Pursuant to subsection 134(1)(d) of the Act, the Respondents shall cease trading any securities and derivatives in Saskatchewan;
 - c. Pursuant so subsection 134(1)(d.1) of the Act, the Respondents shall cease

acquiring securities and derivatives for and on behalf of residents of Saskatchewan;

- d. Pursuant to subsection 134(1)(e) of the Act, the Respondents shall cease giving advice respecting securities, trades, and derivatives in Saskatchewan;
- e. Pursuant to section 135.1 of the Act, the Respondents shall pay an administrative penalty to the Financial and Consumer Affairs Authority of Saskatchewan, in the amount of \$25,000;
- f. Pursuant to section 135.6 of the Act, the Respondents shall pay financial compensation to each person or company found to have sustained financial loss as a result, in whole or in part, of the Respondents' contraventions of the Act, in an amount to be determined; and
- g. Pursuant to section 161 of the Act, the Respondents shall pay the costs of or relating to the hearing in this matter.

DATED at Regina, Saskatchewan, this 14 day of December, 2016.



Dean Murrison
Director,
Securities Division
Financial and Consumer Affairs Authority of
Saskatchewan