

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
5 Whether there has been a violation of the
6 Commodity Transactions Act by:

Trading Ventures Group LLC;

Respondent.

Order No. S-21-3080-21-FO01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER TO
CEASE AND DESIST

7 THE STATE OF WASHINGTON TO:

Trading Ventures Group LLC
d/b/a TVG International

9 **INTRODUCTION**

10 On September 13, 2021, the Securities Administrator of the state of Washington issued State of
11 Charges and Notice of Intent to Enter an Order to Cease and Desist (“Statement of Charges”), Order Number
12 S-21-3080-21-SC01, against Respondent Trading Ventures Group LLC. The Statement of Charges, together
13 with a Notice of Opportunity to Defend and Opportunity for Hearing (“Notice”) and an Application for
14 Adjudicative Hearing (“Application for Hearing”) were served on Respondent Trading Ventures Group LLC
15 on September 17, 2021.

16 The Notice advised that a written application for an administrative hearing on the Statement of Charges
17 must be received within twenty days from the date of receipt of the notice. Respondent Trading Ventures
18 Group LLC did not request an administrative hearing within twenty days of receipt of the Statement of
19 Charges and Notice of Opportunity for Hearing.

20 The Securities Administrator therefore will adopt as final the Findings of Fact and Conclusions of Law
21 as set forth in the Statement of Charges and enter a final order against Respondent Trading Ventures Group
22 LLC to cease and desist from violations of the Commodity Transaction Act.

23 FINAL ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 **FINDINGS OF FACT**

2 **Respondent**

3 1. Trading Ventures Group LLC (TVG) is a Texas limited liability company formed on May 26,
4 2020. TVG used business addresses and a bank account in Texas. According to its website, TVG’s
5 corporate headquarters is in London, United Kingdom. Trading Ventures Group previously used the
6 website www.tradingventuresgroup.com. In 2021, TVG began doing business as TVG International, which
7 uses the website www.tvg-international.com.

8 **Nature of the Conduct**

9 *Overview*

10 2. In 2020, a Washington resident lost \$11,000 through commodity investments that were made
11 with Trading Ventures Group (TVG). In 2020, the Washington resident received unsolicited “cold calls”
12 from a TVG representative. A TVG representative later sent an email to the Washington resident with a
13 presentation and a link to the company’s website, both of which provided additional information regarding
14 TVG and its investment opportunities.

15 3. TVG falsely claimed that it was a “leading commodities brokerage firm” and had been in
16 business since 1982. TVG failed to disclose that it is not registered in any capacity with the Commodity
17 Futures Trading Commission (CFTC), the National Futures Association (NFA), or any other regulatory
18 agency. TVG failed to disclose the risk of purchasing commodities from an unregistered firm.

19 4. TVG claimed on its website that it was “involved in trading all commodities” and offered
20 investments in various commodities, including currencies and precious metals. TVG stated that it
21 specialized in futures and options markets. The TVG website included information about the benefits and
22 advantages of investing in commodities. TVG represented that commodity investments offered liquidity,
23 protection against inflation, and “High returns.” The TVG website misleadingly stated that “a common

1 misunderstanding is that investing in commodities involves a substantial degree of risk.” In fact, some
2 commodity investments can involve substantial risk, including a total loss of the investment. The TVG
3 website stated that commodity investments provide “high liquidity” and that an investor “can liquidate his
4 position whenever required.” In fact, as described below, some investors were unable to withdraw their
5 funds after making investments with TVG.

6 5. In October 2020, a TVG representative emailed the Washington resident and provided him
7 with wire instructions for a bank account in Texas in the name of TVG. The Washington resident wired
8 \$4,000 to the account for the purchase of three-month options on gold futures. The TVG representative
9 told the Washington investor that they would sell the options a month later and make a profit of \$1,000.
10 The next month, Washington resident received additional phone calls stating that the markets were trending
11 lower and that he needed to make an additional investment in long and short positions to “cover his bases.”
12 TVG did not disclose any information regarding the risks of the investment. On November 30, 2020, the
13 Washington investor wired an additional wired \$7,000 to TVG’s bank account. By January 2021, TVG
14 stopped returning the Washington’s resident’s phone calls and the website for TVG was unavailable. The
15 Washington resident was unable to recover any of the funds that he invested.

16 6. In addition to the Washington resident, TVG also solicited investors in other states. These
17 investors were led to believe that they had made commodity investments through TVG, including
18 purchasing options or futures in various commodities including gasoline, gold, crude oil, and heating oil.
19 These investors were led to believe that experienced traders at TVG would conduct trades in their account
20 and generate large profits on their investments. In truth, these investors have been unable to withdraw funds
21 from their account, despite making numerous phone calls and sending numerous emails to TVG.

1 **Registration Status**

2 7. Trading Ventures Group LLC is not currently registered with the Commodity Futures Trading
3 Commission as a futures commission merchant or as a leverage transaction merchant, and is not currently
4 registered with the Department of Financial Institutions as a commodities broker-dealer or commodities
5 sales representative under the Commodity Transaction Act, and has not previously been so registered.

6 Based upon the above Findings of Fact, the following Conclusions of Law are made:

7 **CONCLUSIONS OF LAW**

8 1. The offer or sale of the investments described above constitutes the offer or sale of a
9 commodity contract in the state of Washington, as defined in RCW 21.30.010 and RCW 21.30.080.

10 2. Respondent Trading Ventures Group LLC has violated RCW 21.30.020 because the offer and
11 sale of the commodity contracts were made by a person not exempt under RCW 21.30.030 and the
12 transaction or contract was not exempt under RCW 21.30.040.

13 3. Respondent Trading Ventures Group LLC violated RCW 21.30.050 by offering or selling said
14 commodities, commodities contract, or commodities option while not registered with the Commodity
15 Futures Trading Commission as a futures commission merchant or as a leverage transaction merchant, and
16 while not registered as a commodities broker-dealer or commodities sales representative with the
17 Department of Financial Institutions under the Commodity Transactions Act.

18 4. Respondent Trading Ventures Group LLC violated RCW 21.30.060 because, in connection
19 with the offer or sale of a commodity contract, the Respondent made an untrue statement of a material fact
20 or omitted to state a material fact necessary in order to make the statements made, in the light of the
21 circumstances under which they were made, not misleading.

22 **FINAL ORDER**

23 Based upon the foregoing and finding it in the public interest:

1 It is hereby ORDERED that Respondent Trading Ventures Group LLC shall permanently cease and
2 desist from violating RCW 21.30.020, RCW 21.30.050, and RCW 21.30.060 of the Commodity Transaction
3 Act.

4 **AUTHORITY AND PROCEDURE**

5 This Final Order is entered pursuant to RCW 21.30.200 and is subject to the provisions of Chapter
6 34.05 RCW. Respondent Trading Ventures Group LLC has the right to petition the superior court for
7 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for
8 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

9
10 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE**

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12 SIGNED and ENTERED this 11th day of October, 2021.

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16 _____
William M. Beatty
Securities Administrator

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18 Approved by:

Presented by:

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22 _____
Suzanne Sarason
Chief of Enforcement

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Robert Kondrat
Financial Legal Examiner