

II. FINDINGS

The Commission finds the following:

A. **SUMMARY**

Between January 2016 and March 2018 (the “Relevant Period”), Respondent engaged in the business of offering trading advice regarding retail forex transactions and binary options to some of Respondent’s paid customers who were not eligible contract participants. Therefore, Respondent acted as a Commodity Trading Advisor (“CTA”) during the Relevant Period. Because Respondent was not registered with the Commission as a CTA, it violated Sections 2(c)(2)(C)(iii)(I)(bb) and 4m(1) of the Act, 7 U.S.C. §§ 2(c)(2)(C)(iii)(I)(bb) and 6m(1) (2012), and Regulation 5.3(a)(3), 17 C.F.R. § 5.3(a)(3) (2017).

B. **RESPONDENT**

Wealth Generators is a Utah limited liability company formed in 2013. In 2017, Wealth Generators became a wholly-owned subsidiary of Investview, Inc., a publicly-traded company. Neither of these entities has ever been registered with the Commission.

C. **FACTS**

Through its websites and a network marketing organization, Wealth Generators provides information, research, and education to paying customers, irrespective of their status as eligible contract participants. In particular, Wealth Generators provides products and services concerning trading in retail forex transactions and binary options for which customers pay a monthly fee.

During the Relevant Period, Wealth Generators provided specific commodity trading advice to some of Wealth Generators’ customers. Through its products FX Simplifier, FX Simplifier 2.0, and Accelerator, customers were instructed to fund accounts at a retail forex exchange dealer (“RFED”), which provided access to the MetaTrader 4 (“MT4”) trading platform.³ On this platform, customers could link their trading accounts to an account controlled by Wealth Generators. The customers then had the ability to set default trade allocations and have their accounts automatically mirror trades executed by the Wealth Generators account, effectively resulting in Wealth Generators trading on behalf of its customers.

Wealth Generators also offered an algorithmic trading system to its customers through its Multiplier, Multiplier 2.0, and RYZE products. These products allowed customers to link to a third-party trading platform operated by an off-shore retail forex exchange, where customers funded accounts that were traded automatically by an algorithmic trading system. Customers had no discretion to direct trades using these products.

³ MetaTrader 4, also known as MT4, is an electronic trading platform widely used by online retail forex traders. It enables traders to access third party software bridges enabling integration with trading systems for automatic hedging positions. The MT4 platform allows for mirrored trading and algorithmic trading, in which users can fund their accounts at a broker and let the account be traded by a third party, such as Wealth Generators.

Hundreds of customers purchased these products and services.

III. LEGAL DISCUSSION

Section 1a(12) of the Act, 7 U.S.C. § 1a(12) (2012), defines a CTA as “any person who (i) for compensation or profit, engages in the business of advising others, either directly or through publications, writings, or electronic media, as to the value of or the advisability of trading in” retail forex contracts or options. For purposes of retail forex transactions, Regulation 5.1(e)(1), 17 C.F.R. § 5.1(e)(1) (2017), defines a CTA as “any person who exercises discretionary trading authority . . . over any account for or on behalf of any person that is not an eligible contract participant . . . in connection with retail forex transactions.” Section 1a(18) of the Act, 7 U.S.C. § 1a(18) (2012), defines “eligible contract participant” as an individual who, acting for his own account, has \$10 million invested on a discretionary basis or \$5 million invested on a discretionary basis for the purpose of hedging.

Section 2(c)(2)(C)(iii)(I)(bb), § 7 U.S.C. 2(c)(2)(C)(iii)(I)(bb), states in relevant part that “[a] person, unless registered in such capacity as the Commission by rule, regulation, or order shall determine...shall not:

(bb) exercise discretionary trading authority or obtain written authorization to exercise written trading authority over any account for or on behalf of any person that is not an eligible contract participant in connection with [retail forex transactions] entered into with or to be entered into with a person who is not described in item (aa), (bb), (ee),1 or (ff) of subparagraph (B)(i)(II);...

Section 4m(1) of the Act, 7 U.S.C. § 6m(1) (2012), states in relevant part that:

[i]t shall be unlawful for any commodity trading advisor . . . unless registered under the Act, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such commodity trading advisor...: *Provided*, That the provisions of this section shall not apply to any commodity trading advisor who, during the course of the preceding twelve months, has not furnished commodity trading advice to more than fifteen persons and who does not hold himself out generally to the public as a commodity trading advisor.

Regulation 5.3(a)(3), 17 C.F.R. § 5.3(a)(3) (2017), states that any person who meets the definition of a CTA set forth in Regulation 5.1(e)(1) must register with the Commission as a CTA.

During the Relevant Period, Wealth Generators acted as a CTA because, for compensation or profit, it engaged in the business of offering trading advice, including the exercise of discretionary trading authority, regarding retail forex transactions and binary options to its customers who were not eligible contract participants. Because Wealth Generators had more than 15 customers and made its products and services generally available to members of

the public, Wealth Generators was not exempt from registration as a CTA. Therefore, during the Relevant Period, Wealth Generators acted as a CTA without registering with the Commission, in violation of Sections 2(c)(2)(C)(iii)(I) (bb) and 4m(1) of the Act and Regulation 5.3(a)(3).

IV. FINDING OF VIOLATIONS

Based upon the foregoing, the Commission finds that, during the Relevant Period, Wealth Generators violated Sections 2(c)(2)(C)(iii)(I)(bb) and 4m(1) of the Act, 7 U.S.C. §§ 2(c)(2)(C)(iii)(I)(bb) and 6m(1) (2012), and Regulation 5.3(a)(3), 17 C.F.R. § 5.3(a)(3) (2017).

V. OFFER OF SETTLEMENT

Respondent has submitted the Offer in which it, without admitting or denying the findings and conclusions herein:

- A. Acknowledges service of this Order;
- B. Admits the jurisdiction of the Commission with respect to all matters set forth in this Order and for any action or proceeding brought or authorized by the Commission based on violation of or enforcement of this Order;
- C. Waives:
 - 1. The filing and service of a complaint and notice of hearing;
 - 2. A hearing;
 - 3. All post-hearing procedures;
 - 4. Judicial review by any court;
 - 5. Any and all objections to the participation by any member of the Commission's staff in the Commission's consideration of the Offer;
 - 6. Any and all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2012), and 28 U.S.C. § 2412 (2012), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2017), relating to, or arising from, this proceeding;
 - 7. Any and all claims that it may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, §§ 201-53, 110 Stat. 847, 857-74 (codified as amended in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this proceeding; and
 - 8. Any claims of Double Jeopardy based on the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief, including this Order;

- D. Stipulates that the record basis on which this Order is entered shall consist solely of the findings contained in this Order to which Respondent has consented in the Offer;
- E. Consents, solely on the basis of the Offer, to the Commission's entry of this Order that:
1. Makes findings by the Commission that Respondent violated Sections 2(c)(2)(C)(iii)(I)(bb) and 4m(1) of the Act, 7 U.S.C. §§ 2(c)(2)(C)(iii)(I)(bb) and 6m(1) (2012), and Regulation 5.3(a)(3), 17 C.F.R. § 5.3(a)(3) (2017);
 2. Orders Respondent to cease and desist from violating Sections 2(c)(2)(C)(iii)(I)(bb) and 4m(1) of the Act and Regulation 5.3(a)(3);
 3. Orders Respondent to pay a civil monetary penalty in the amount of one hundred fifty thousand dollars (\$150,000) plus post-judgment interest within ten (10) days of the date of entry of this Order; and,
 4. Orders Respondent and its successors and assigns to comply with the conditions and undertakings consented to in the Offer and as set forth in Part VI of this Order.

Upon consideration, the Commission has determined to accept the Offer.

VI. ORDER

Accordingly, IT IS HEREBY ORDERED THAT:

- A. Respondent shall cease and desist from violating Sections 2(c)(2)(C)(iii)(I)(bb) and 4(m)(1) of the Act, 7 U.S.C. §§ 2(c)(2)(C)(iii)(I)(bb) and 6m(1) (2012), and Regulation 5.3(a)(3), 17 C.F.R. § 5.3(a)(3) (2017).
- B. Respondent shall pay a civil monetary penalty in the amount of one hundred fifty thousand dollars (\$150,000) ("CMP Obligation"), plus post-judgment interest, within ten (10) days of the date of entry of this Order. If the CMP Obligation is not paid in full within ten (10) days of the date of entry of this Order, then post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961 (2012).
- C. Respondent shall pay the CMP Obligation by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

MMAC/ESC/AMK326
Commodity Futures Trading Commission
Division of Enforcement

6500 S. MacArthur Blvd.
Oklahoma City, OK 73169
(405) 954-6560 office / (405) 954-1620 fax
9-AMC-AR-CFTC@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Marie Thorne or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Respondent shall accompany payment of the CMP Obligation with a cover letter that identifies the paying Respondent and the name and docket number of this proceeding. The paying Respondent shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.


- D. Respondent and its successors and assigns shall comply with the following condition and undertaking set forth in the Offer:

Public Statements: Respondent agrees that neither it nor any of its successors and assigns, agents or employees under its authority or control shall take any action or make any public statement denying, directly or indirectly, any findings or conclusions in this Order or creating, or tending to create, the impression that this Order is without a factual basis; provided, however, that nothing in this provision shall affect Respondent's: (i) testimonial obligations; or (ii) right to take legal positions in other proceedings to which the Commission is not a party. Respondent and its successors and assigns shall comply with this agreement, and shall undertake all steps necessary to ensure that all of its agents and/or employees under its authority or control understand and comply with this agreement.

- E. Partial Satisfaction: Respondent understands and agrees that any acceptance by the Commission of any partial payment of Respondent's CMP Obligation shall not be deemed a waiver of its obligation to make further payments pursuant to this Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.
- F. Change of Address/Phone: Until such time as Respondent satisfies in full its CMP Obligation as set forth in this Order, Respondent shall provide written notice to the Commission by certified mail of any change to its telephone number and mailing address within ten (10) calendar days of the change.

The provisions of this Order shall be effective as of this date.

By the Commission.



Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission

Dated: September 14, 2018