

STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. Box 47029
Newark, New Jersey 07101
(973) 504-3600

IN THE MATTER OF:

VERTEX TRADE OPTIONS, ZOLAREX
LTD. and IBPC CORP a/k/a IBPC LTD.,

Respondents.

**SUMMARY CEASE
AND DESIST ORDER**

Pursuant to the authority granted to Christopher W. Gerold, Chief of the New Jersey Bureau of Securities (“Bureau Chief”), under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to -89 (“Securities Law”) and certain regulations thereunder, and based upon documents and information obtained during the investigation by the New Jersey Bureau of Securities (“Bureau”), the Bureau Chief hereby finds that there is good cause and it is in the public interest to enter this Summary Cease and Desist Order (“Order”) against Vertex Trade Options (“Vertex”), Zolarex Ltd. (“Zolarex”) and IBPC Corp a/k/a IBPC Ltd. (“IBPC”).

The Bureau Chief makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

A. Introduction

1. Vertex and Zolarex are fraudulent entities that employ unregistered agents using fake social media profiles to contact and solicit unsuspecting individuals to invest in fraudulent investments and securities. Vertex and Zolarex’s unregistered agents contact unsuspecting investors via social media and other websites and promise them extraordinary investment returns.

Vertex and Zolarex's unregistered agents then direct unsuspecting investors to the Vertex website, where the investor receives further instructions on how to set up and fund an account. Once the investor sends their funds to Vertex and Zolarex, the entities issue fraudulent online statements that report significant gains to investors. The unsuspecting investors either send more money to the fraudulent entities based on the purported success of their initial investment or request that their funds and profits be returned to them – either way investors will never have their money returned to them.

2. If the investor does request their funds and profits be returned, Vertex and Zolarex further scam investors by requiring additional money to be paid for purported taxes and other fees, including an International Business Permit Certificate, which is an official-sounding certification issued by an unknown entity called the IBPC. IBPC falsely claims to be a partnership with international regulators, including the U.S. Securities and Exchange Commission ("SEC"), and fraudulently uses the easily recognizable signature of deceased professional golfer Arnold Palmer for that of its own Chief Executive Officer.

B. Respondents

3. Vertex conducts its business on the internet, principally by means of a website accessible at www.vertextradeoptions.com (the "Vertex Website").

4. Vertex purports to have been "founded in 2010 under the company name VTO Limited Company, and registered with (EU,FSA,US,ICF) under reference no. SC592557." A search for entities with the reference number SC592557 indicates that BTX Coin Mining Limited is the company assigned to the registration number of SC592557.

5. Zolarex (registration number 78978) was registered on September 10, 2015 with a registered agent in the Republic of the Marshall Islands. On August 12, 2019, the Commodity

Futures Trading Commission filed an action against Zolarex d/b/a BinaryOnline (among others) alleging it operated an illegal and fraudulent “binary options” trading scheme (Commodity Futures Trading Commission v. Yukom Communications Ltd. et al., U. S. District Court for the Northern District of Illinois, Docket No. 1:19-cv-05416) (the “Complaint”).

6. The Vertex Website identifies Zolarex as the actual company with which investors are entering into an agreement. “Company information: The customer/investor is entering an agreement with Zolarex Ltd, Trust company complex, 3061, Palms Avenue, Off Joyce Street, Golf Shores, Alabama 36542. All investment and ancillary services are offered via this entity.” The Alabama address provided does not exist.

7. IBPC Corp. (“IBPC”) conducts its business on the internet, principally by means of a website accessible at <https://www.ibpccorp.com/index.php> (“IBPC Website”). Among other things, it purports to be “an independent regulatory organization and external dispute resolution (EDR) body, that is dedicated specifically to Forex, digital currencies, blockchain and any form of online trading.”

8. IBPC does not appear to be registered with any United States jurisdiction. It purports to have an address located at “Suite 300 Houston Texas - 77042 USA.” IBPC Ltd. (11926823), which is identified on the IBPC Website as an affiliate of IBPC, is registered with the United Kingdom as of August 21, 2020 with a listed of 321 -323 Office. No. 114 G, 321-323 High Road, Romford, England, RM6 6AX.

9. IPBC is the subject of a SEC Public Alert: Unregistered Soliciting Entities (“SEC PAUSE Alert”) which includes “entities that falsely claim to be registered, licensed, and/or located in the United States in their solicitation of investors.”

10. Vertex, Zolarex and IBPC are not and have never been registered in any capacity with the Bureau.

C. The Vertex Investments

11. The Vertex Website promotes the various asset classes and investment products in which investors can invest through Vertex. The Vertex Website states that Vertex “offers trading on a variety of stocks from worldwide exchanges” and holds itself out as offering four different types of assets: i) currencies and binary options; ii) commodities; iii) stocks; and iv) indices (collectively, “Vertex Investments”).

12. The Vertex Website claims that investors can “[t]rade on over 200 assets and generate over 85% profit with one single click.”

13. The Vertex Website, as currently drafted, seems to confuse different investment products and asset classes. For instance, the Vertex Website claims that “[t]he Binary Options market is the largest financial market on Earth with a trading volume that can average more than \$3 trillion per day. That’s a lot of money changing hands and trading currencies is becoming increasingly popular.” It appears that Vertex is incorrectly using binary options and foreign currency trading interchangeably.

14. The Vertex Website further claims that “[t]rading commodities has never been easier than with our Binary Options trading platform[]” and offers “... tools providing short term expiry time from a minimum of 1 min to a maximum of 1 month available on the platform...” It also states that “...it is now possible to access the financial market with investment amounts as low as \$5.”

15. The Vertex Website further touts that “in Index trading you can open trading positions based on a broader market perspective which makes trading indices more appealing to traders. Traders can also gain exposure to all companies in the index, which allow for a great deal of diversity.”

16. The Vertex Website also has numerous references to BinaryOnline (Zolarex's d/b/a name and subject of the CFTC action). For instance, the "Terms and Conditions" section of the Vertex Website states:

The following describes the conditions which applies to the services available on the domain of binaryonline.com (henceforth "Our Site").

And

Vertex Trade Options has the right to cancel a transaction and/or refuse to distribute profits to any person if it has adequate reasons or evidence of the following:

- A person's activities on the Site may be illegal.
- Binaryonline may be harmed by any fiscal or pecuniary damage due to anyone's activities.
- Binaryonline considers that one or more operations on the Site were made in violation of this Agreement.

17. The Vertex Website offers investment opportunities to the general public, including New Jersey residents.

18. The Vertex Investments include securities as defined by N.J.S.A. 49:3-49(m).

19. The Vertex Investments are neither registered with the Bureau, nor "federally covered," nor exempt from registration, as required by the Securities Law.

20. Neither Vertex nor Zolarex are registered with the Bureau as a broker-dealer or in any capacity.

D. The Vertex Accounts

21. Vertex offers securities and investments that are managed through several types of accounts including:

- a. The "Starter" requires an investment of \$500 to \$1,499 and pays up to 2.5% "daily profit";

- b. The “Platinum” requires an investment of \$1,500 to \$4,499 and pays up to 5% “daily bonus”;
- c. The “Bronze” requires an investment of \$4,500 to \$9,000 and pays up to 7% “daily bonus”;
- d. The “Gold” requires an investment of \$9,100 to \$14,499 and pays up to 10% “daily bonus; and
- e. The “Diamond” requires an investment of \$15,000 to \$100,000 and pays up to 15% “daily bonus.”

The screenshot displays a website interface for a trading platform. At the top, there is a navigation bar with the following elements: a logo on the left, three decorative icons in the center, and a navigation menu on the right containing 'GETTING STARTED', 'SUCCESS CENTER', 'BINARY OPPORTUNITIES', a red 'Sign Up' button, and a 'Login' link. Below the navigation bar, five tiered cards are presented in a grid. Each card features a rocket icon, a tier name, an investment range, a list of benefits, and a 'SIGN UP' button.

| Tier | Investment Range | Benefits |
|----------|--------------------|----------|
| Starter | \$500 – 1,499 | |
| Platinum | \$1,500 – 4,499 | |
| Bronze | \$4,500 – 9,000 | |
| Gold | \$9,100 – 14,999 | |
| Diamond | \$15,000 – 100,000 | |

At the bottom right of the page, there is a dark blue chat bubble that says 'Chat with us, we're on'.

22. For the Platinum, Bronze, Gold, and Diamond investments and accounts, Vertex purportedly provides a “personal trading advisor.”

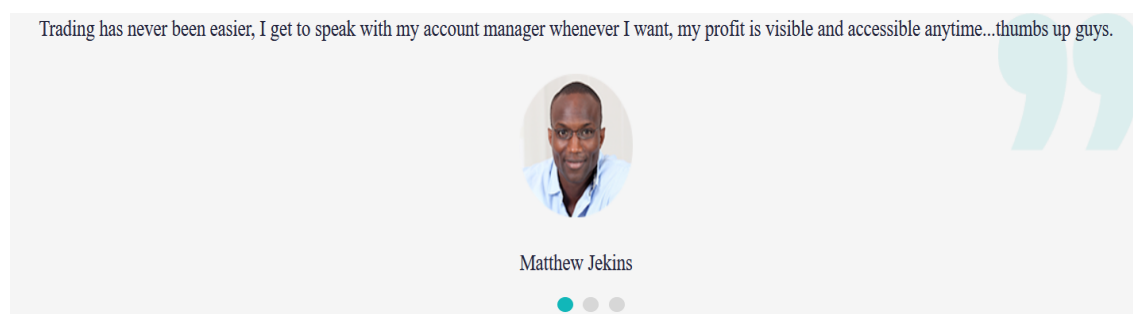
E. The Vertex Website

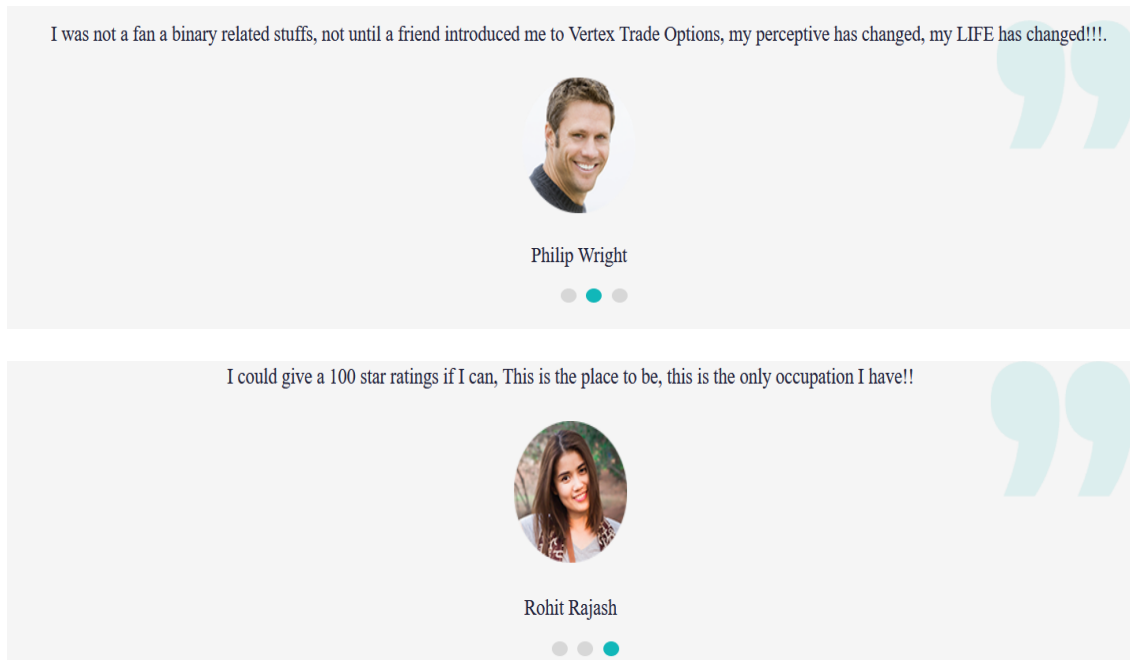
23. The Vertex Website does not provide any information regarding the Vertex or Zolarex officers, directors or team and does not indicate the credentials, qualifications or experience of these individuals. The Vertex website merely has a general statement that it was created by “qualified experts, professional bankers, traders and analysts who specialized in stock, bond, futures, currencies, gold, silver and oil trading, with having more than ten years of extensive practical experiences of combined personal skills, knowledge, talents and collective ambitions for success.”

24. The Vertex Website fails to disclose that Zolarex was the subject of the CFTC action described above.

25. The Vertex Website includes links indicating a presence on Twitter. However, the link does not open to a Twitter account “@VTO”, and it appears that Vertex does not have this social media page.

26. Under the heading “What Our Traders Say”, the Vertex Website provides testimonials from purported investors such as:





27. However, these three pictures are used on many other trading websites with testimonials and are identified as “Amanuel Ambessa”, “William Connor Marsden” and “Veikko Pohjamo,” respectively.

F. NJ Investor

28. The Bureau received a complaint from a Vertex investor (“NJ Investor”), who resides in New Jersey.

29. In approximately June 2020, NJ Investor was randomly contacted by an individual on LinkedIn.com, who identified herself as Sarah Wong (“Wong”). Wong solicited NJ Investor to invest with Vertex and guaranteed a 60% to 70% profit.

30. After a few weeks of correspondence, Wong coerced NJ Investor into investing with Vertex.

31. Wong held herself out as a Vertex “Account Manager” and guided NJ Investor through the account setup on the Vertex Website. At Wong’s direction, NJ Investor identified Wong as

his “Account Manager” by inputting an identification number that she provided while setting up his Vertex account using the Vertex Website.

32. On July 14, 2020, NJ Investor deposited \$100 of Bitcoin into a Vertex account. On July 18, 2020, NJ Investor deposited an additional \$400 of Bitcoin into a Vertex account.

33. On Monday July 20, 2020, Wong purportedly started trading NJ Investor’s funds in the Vertex account.

34. Over the next few weeks, NJ Investor’s Vertex account purportedly grew to approximately \$20,000. NJ Investor then attempted to withdraw his funds.

35. In response to NJ Investor’s request to withdraw his funds, Vertex notified him that he was required to pay taxes of 10% on the profits in the account. As such, NJ Investor sent approximately \$1,970 to Vertex for the purported taxes. Vertex confirmed receipt of the payment from NJ Investor for the purported taxes, but did not send him his funds.

36. Vertex next advised NJ Investor that to withdraw his funds he needed to obtain an “International Business Permit Certificate” (“IBPC Certificate”) and pay the fee of \$1,340 to IBPC.

37. Vertex explained, in an email to NJ Investor, that an IBPC Certificate was:

an all encompassing (sic) certificate that covers all online businesses. It is a globally accepted trading Certificate for all online business, especially international. The International Business Permit CORP and it’s (sic) affiliates, including IBPC LTD. (“Regulatory and Certificates”) is an independent Government affiliated regulatory organization and external dispute resolution (EDR) body, that is dedicated specifically to Binary Option, Forex, digital currencies, blockchain and any form of online trading. IBPC operates is a regulatory and Certificate issuing Organization, it operates in a way where transparency, swiftness are the paramount values. IBPC CORP also ensures that traders, brokers and online traders get their end result "Benefits" in a quick, efficient, unbiased and authentic manner, thus contributing to their overall knowledge about Binary Options Forex, digital currencies, blockchain and whatever form of online trading involved.

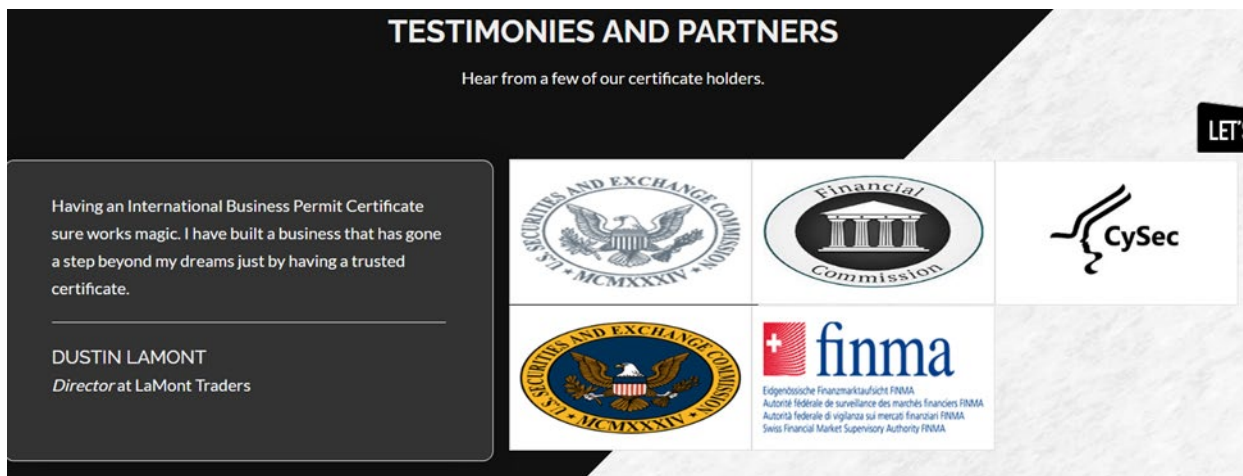
38. This explanation of an IBPC Certificate is consistent with the information provided on the IBPC Website.

39. The IBPC Website states that its Chief Executive Officer is Arnold P. Hensen and contains a picture of his purported signature, which is easily recognized as the signature of deceased professional golfer Arnold Palmer.

CEO: Arnold P. Hensen

A handwritten signature in black ink that reads "Arnold Palmer". The signature is written in a cursive, flowing style.

40. Additionally, despite the SEC PAUSE alert, the IBPC Website indicates that it has several partners including the SEC:

A screenshot of the "TESTIMONIES AND PARTNERS" section of the IBPC Website. The section has a dark header with the title "TESTIMONIES AND PARTNERS" and the subtitle "Hear from a few of our certificate holders." Below the header, there is a testimonial on the left and a grid of logos on the right. The testimonial is from Dustin Lamont, Director at LaMont Traders, who states: "Having an International Business Permit Certificate sure works magic. I have built a business that has gone a step beyond my dreams just by having a trusted certificate." The logos in the grid include the Securities and Exchange Commission (SEC), the Financial Commission, CySec, and the Swiss Financial Market Supervisory Authority (FINMA).

TESTIMONIES AND PARTNERS
Hear from a few of our certificate holders.

Having an International Business Permit Certificate sure works magic. I have built a business that has gone a step beyond my dreams just by having a trusted certificate.

DUSTIN LAMONT
Director at LaMont Traders

SECURITIES AND EXCHANGE COMMISSION
37 • MCMXXXIV • 37

Financial Commission

CySec

SECURITIES AND EXCHANGE COMMISSION
37 • MCMXXXIV • 37

finma
Eidgenössische Finanzmarktaufsicht FINMA
Autorité fédérale de surveillance des marchés financiers FINMA
Autorità federale di vigilanza sui mercati finanziari FINMA
Swiss Financial Market Supervisory Authority FINMA

41. During the entire duration of NJ Investor's investment with Vertex and Zolarex, NJ Investor exchanged text messages via WhatsApp mobile application with Wong, who affirmed the information he was being provided by Vertex. Wong confirmed the information regarding

the payment taxes and the requirement of the IBPC Certificate. Wong further added that after the IBPC process was complete, there would be no additional fees, “other than \$450 for reschedule if take too long to obtain that. I assure you.”

42. NJ Investor applied for an IBPC Certificate on the IBPC Website and paid the fee. Vertex confirmed the payment to IBPC by NJ Investor. Notwithstanding this confirmation, Vertex did not send NJ Investor his money.

43. After confirmation of the IBPC payment, Vertex then claimed that NJ Investor needed to open an account at a Vertex affiliated bank, Invest World Finance.” Wong claimed this was a “rare” case, “but I suggest to make this a success, you get started opening...”

44. At this point, NJ Investor ceased engaging Vertex or Wong to withdraw his money and reported Vertex, Wong, and IBPC to regulators.

G. Omissions of Material Facts to Potential Investors by the Respondents in the Offer of the Vertex Investments

45. In connection with the offer of securities in the Vertex Investments, Vertex and Zolarex’s omitted material facts include:

- a. The identity of its principals;
- b. Its assets and liabilities, or financial information about the business;
- c. The persons or entities that developed the Vertex Investments, including the amount of Vertex Investments owned by these persons or entities, and the amount of Vertex Investments owned by the principals of Vertex;
- d. The risks of the Vertex Investments;
- e. Financial information about the obligation to pay investors who invest in the Vertex Investments, including, but not limited to, the source of funds that will be used to pay investors;
- f. Information about the payment of taxes on any gains or losses;
- g. Additional fees that will be charged for the withdrawal of funds, including the requirement to obtain an IBPC Certificate;

- h. IBPC is the subject of an SEC PAUSE Alert;
- i. Zolarex is the subject of the CFTC Complaint; and
- j. Vertex Investments are not registered with the Bureau as required by the Securities Law.

CONCLUSIONS OF LAW

- 46. The Vertex Investments include “securities” as defined by N.J.S.A. 49:3-49(m).
- 47. Vertex and Zolarex are offering securities that are neither registered with the Bureau, nor “federally covered,” nor exempt from registration, in violation of N.J.S.A. 49:3-60.
- 48. Vertex, Zolarex, and IBPC are engaging in fraud in connection with the offer and sale of securities.
- 49. In connection with the offer of the Vertex Investments, Vertex and Zolarex are omitting material facts necessary in order to make the statements made in light of the circumstances under which they were made, not misleading to investors, in violation of N.J.S.A. 49:3-52(b).
- 50. By fraudulently selling the Vertex Investments and continuously defrauding investors when they try to withdraw their funds, Vertex, Zolarex, and IBPC are engaging in an act, practice, or course of business which operates as a fraud or deceit in violation of N.J.S.A. 49:3-52(c).
- 51. N.J.S.A. 49:3-67 empowers the Bureau Chief to issue orders that are reasonably necessary to carry out the provisions of the Law.
- 52. N.J.S.A. 49:3-69(a)(1) empowers the Bureau Chief to issue a cease and desist order against persons engaged in prohibited activities, directing them to cease and desist from further illegal activity or doing acts in furtherance thereof.
- 53. Vertex, Zolarex and IBPC’s violations are continuous and ongoing, therefore making a cease and desist in the public interest and an appropriate remedy.

ORDER

Therefore, based upon all the foregoing, it is on this 4th day of December 2020 hereby **ORDERED** that:

54. Vertex, Zolarex and IBPC and any person, employee, officer, director, entity, agent, Vertex, Zolarex or IBPC representative, or independent contractor under Vertex, Zolarex or IBPC's direction or control immediately **CEASE AND DESIST** from:

- a. offering for sale any security in New Jersey until the security is registered with the Bureau or is offered for sale pursuant to an exemption from registration under the Securities Law;
 - b. acting as broker-dealers or agents in New Jersey until each is registered with the Bureau or are acting pursuant to an exemption from registration under the Securities Law;
 - c. making material misstatements of fact, or omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading in connection with its offer and/or sale of securities in New Jersey; and
 - d. violating any other provisions of the Securities Law and any rules promulgated thereunder for the sale of any security in New Jersey.
55. All exemptions contained in N.J.S.A. 49:3-50 subsection (a) paragraph 9, 10, and 11 and subsection (b) are hereby **DENIED** as to Vertex, Zolarex and IBPC.

56. All exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. 49:3-56(c) and N.J.S.A. 49:3-56(g) are hereby **REVOKED** as to Vertex, Zolarex and IBPC.

A handwritten signature in black ink, appearing to read 'CH Gerold', with a stylized flourish at the end.

Christopher W. Gerold
Chief, New Jersey Bureau of Securities

NOTICE OF RIGHT TO HEARING

Pursuant to N.J.S.A. 49:3-69(a)(1)(i) the Bureau Chief shall entertain on no less than three days' notice a written application to lift the Order to Cease and Desist on written application of the person subject thereto and in connection therewith may, but need not, hold a hearing and hear testimony, but shall provide to the person subject thereto a written statement of the reasons for the Order to Cease and Desist.

Pursuant to N.J.S.A. 49:3-69(a)(1)(ii), upon service of notice of the Order to Cease and Desist issued by the Bureau Chief, the person subject thereto shall have up to 15 days to respond to the Bureau in the form of a written answer and written request for a hearing. The Bureau Chief shall, within five days of receiving the answer and request for a hearing, either transmit the matter to the Office of Administrative Law for a hearing or schedule a hearing at the Bureau of Securities. Orders issued pursuant to N.J.S.A. 49:3-69 shall be subject to an application to vacate upon 10 days' notice, and a preliminary hearing on the Order shall be held in any event within 20 days after it is requested, and the filing of a motion to vacate the Order shall toll the time for filing an answer and written request for a hearing.

Pursuant to N.J.S.A. 49:3-69(a)(1)(iii), if any person subject to the Order fails to respond by filing a written answer and written request for a hearing with the Bureau or moving to vacate the order within the 15 day prescribed period, that person shall have waived the opportunity to be heard. The Order will be a Final Order and shall remain in effect until modified or vacated.

NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies, which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include, in addition to this action, the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70.1.

You are further advised that the entry of the relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.