

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

**IN THE MATTER OF:**

Forte Trade Limited,

Respondent.

**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 Forte Trade Limited (“Forte Trade”). The Bureau Chief makes the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

**A. The Respondent**

1. Forte Trade conducts its business on the internet, principally by means of a website accessible at [www.fortetradelimited.com](http://www.fortetradelimited.com) (the “Forte Trade Website”).

2. Forte Trade purports to provide and offer digital asset investment management services and solutions for clients in need of a “self-operating portfolio”. Forte Trade purports to be located at Palazzo CA’Brugnera, Valley Road, Birkirkara, Malta.

3. Forte Trade further purports that it is registered with the Malta Business Registry. A search of the Malta Business Registry indicated that a company named “Forte Trade Investments Ltd” has been registered since February 3, 2010 and maintains a registered address of Room 1, Level 2 Palazzo CA’Brugnera, Valley Road, Birkirkara, Malta. The Malta Financial Services Authority (“MFSA”) issued a public warning on February 24, 2021 (“MFSA Public Warning”) regarding Forte Trade operating the Forte Trade Website.

4. The MFSA Public Warning states that Forte Trade is not licensed or authorized to provide any financial services, which is required under Maltese law. It further states that “Forte Trade Limited is not a Maltese registered company,” and Forte Trade is likely to be engaged in a “scheme of dubious nature with a high risk of loss of money.”

5. Forte Trade is not and has never been registered to sell securities in the State of New Jersey.

## **B. Cryptocurrencies**

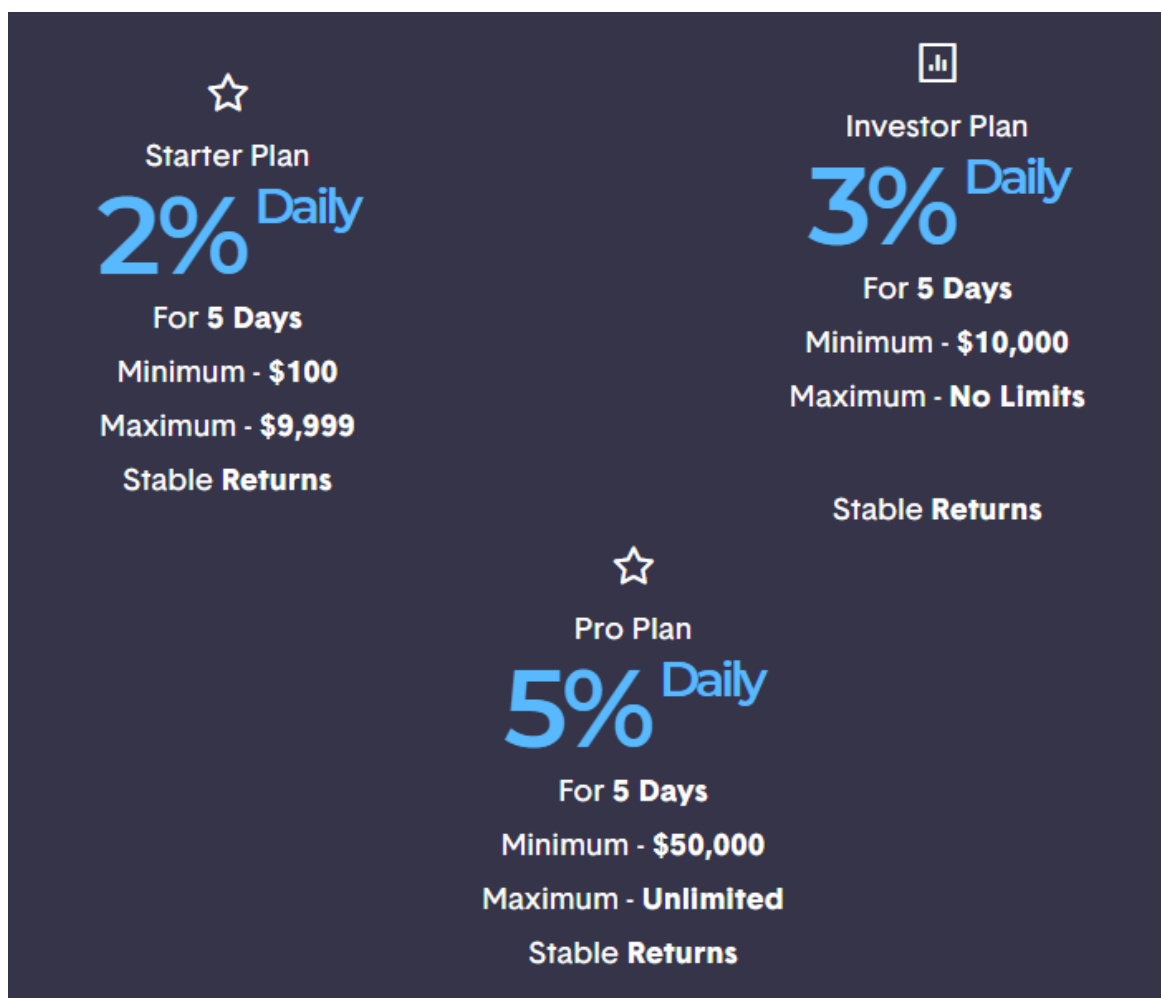
6. Cryptocurrencies are digital assets created by companies or individuals that take the form of a virtual coin or token. Bitcoin is an example of one such cryptocurrency. There are thousands of other virtual coins or tokens currently in existence.

7. Virtual coins and tokens are primarily issued and distributed on a “blockchain” or a cryptographically secured ledger which exists on the internet.

8. Virtual coins and tokens may be traded on online platforms, typically called cryptocurrency exchanges, and can be traded for other digital assets or fiat currencies, such as the U.S. Dollar or Euro.

**C. Forte Trade's Securities**

9. Forte Trade offers three investment options on the Forte Trade Website (collectively, the "Forte Trade Plans"). The Forte Trade Plans offer 2, 3, and 5 percent interest returns, depending on the amount invested. Forte Trade publishes the following graphics on the Forte Trade Website to demonstrate the terms:



10. The Forte Trade Website offers little information regarding each of the Forte Trade Plans.

11. Forte Trade offers a four step process to invest: 1) “Register. Only 1 minute and you're in. Enter the information you need to become a platform trader and start right away.”; 2) “Enter The Amount. You can invest as much as you want. Before giving your decision, you will be able to see your future earnings.”; 3) “Invest. Invest and sit back. You can follow your investment status at any time and invest in limited time special offers.”; and 4) “Withdraw Anytime. Your investment is eligible to withdraw any time after the first 24 hours.”

12. The Forte Trade Plans are securities as defined by N.J.S.A. 49:3-49(m).

13. Forte Trade offers the Forte Trade Plans to the general public, including New Jersey residents.

14. The Forte Trade Plans are neither registered with the Bureau, nor “federally covered,” nor exempt from registration, as required by the Securities Law.

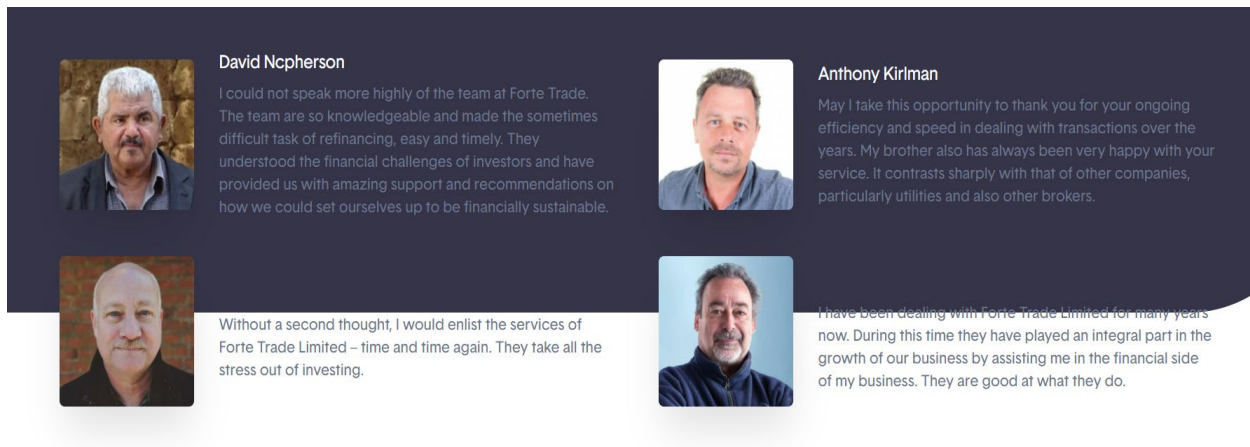
15. Forte Trade is not registered with the Bureau as a broker-dealer or in any capacity.

**D. The Forte Trade Website**

16. The Forte Trade Website does not provide any information regarding Forte Trade’s officers, directors, or management team, and does not indicate the credentials, qualifications or experience of these individuals.

17. The Forte Trade Website merely states “[t]he investment team has a unique mixture of technology and operating expertise in the distributed ledger systems as well as financial and capital markets experience – this unique skill set allows for sophisticated technical and valuation analysis within the portfolio construction process.”

18. The Website displays several testimonials from purported clients as shown in the images below:



19. These pictures are stock photos and appear on various websites on the internet.

20. Additionally, the testimonials are found on at least two other websites which are strikingly similar to the Forte Trade Website, <https://gatewayinvestment.org/> and <https://oakstrafinance.com/index.html>.

21. Forte Trade and the Forte Trade Website do not notify potential investors of the risks associated with cryptocurrency trading and markets, and any risks of investing with Forte Trade itself. Instead, the Forte Trade Website touts the services provided by emphasizing Forte Trade's ability to generate guaranteed interest returns for its clients.

22. Forte Trade's statements as detailed on the Forte Trade Website constitute fraudulent offers to purchase or sell securities.

**E. The Use of Agents to Sell Securities**

23. The Forte Trade Website states that participants can "[e]arn up to 10% commission every time your friends invest."

24. The Forte Trade Website further explains "[o]nce they register with your referral code and invest, you will get changing amount of commission from their platform deposit. In order

to give the real worth of your contribution, you'll be receiving commissions (sic) from each participant invited by the ones you invited in the first place.”

**F. New Jersey Investor**

25. The Bureau received a complaint from a Forte Trade investor who resided in New Jersey (“NJ Investor”).

26. The NJ Investor learned of Forte Trade through a friend in November of 2020.

27. The NJ Investor made an initial investment of \$100 in Bitcoin on November 27, 2020 in Forte Trade’s 2% Plan. He thought that he would receive a 2% return each day for 5 days for a \$10 profit and that his investment would be worth \$110 at the end of the 5-day period.

28. The NJ Investor made several additional investments for a total investment of approximately \$3,300 by February 2021.

29. On February 6, 2021, the NJ Investor requested a \$243.58 withdrawal.

30. In response to NJ Investor’s request to withdraw his funds in an online chat, a purported Forte Trade representative notified him that the NJ Investors was required to pay a management fee of 20% of the requested withdrawal. The fee would not be deducted from the withdrawal, but would be required to be paid as a separate payment.

31. When the NJ Investor complained that he had never been notified of the management fee, the purported Forte Trade representative stated that the management fee was instituted “2 days ago.”

32. The current Forte Trade Website does not disclose a management fee and states “There are no fees or penalties for closing/deleting your account.”

33. The NJ Investor has not received his funds from Forte Trade.

**G. Omissions of Material Facts to Potential Investors by Forte Trade in its Offers to Buy and Sell Securities**

34. In connection with its offers to purchase and sell securities via the Forte Trade Website, Forte Trade omits the following material facts:

- a. The identity of its principals and management;
- b. The company's financial statements, including its assets, liabilities, and profitability;
- c. The risks of the Forte Trade Plans;
- d. The identity and qualifications of the persons that developed and control Forte Trade's trading software and operations;
- e. That there is a 20% management fee on withdrawals;
- f. Information about the payment of taxes on any gains or losses incurred; and
- g. That Forte Trade is not registered with the Bureau as a broker-dealer, investment adviser, or in any other capacity as required by the Securities Law.

**H. Untrue or Materially Misleading Statements of Material Facts to Potential Investors**

35. Forte Trade purports that it is registered with the Malta Business Registry with an address of Palazzo CA'Brugnera, Valley Road, Birkirkara, Malta. However, the MFSA issued a warning that the entity using the Forte Trade Website is not the entity registered in Malta.

36. The Forte Trade Website displays several testimonials from purported clients, whose pictures are stock pictures and whose testimonials appear on at least two other websites.

**CONCLUSIONS OF LAW**

37. The Forte Trade Plans are securities as defined by N.J.S.A 49:3-49(m).

38. Forte Trade is 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.

39. Forte Trade is effecting or attempting to effect transactions in securities for the accounts of others or for its own account without registration in violation of N.J.S.A. 49:3-56.

40. In connection with the offer, sale, or purchase of securities, Forte Trade is making materially false and misleading statements and/or omitting to state material facts necessary in order to make the statements made in light of the circumstances under which they were made, not materially misleading to investors, in violation of N.J.S.A. 49:3-52(b).

41. Forte Trade's offer of 10% commission for referrals constitutes the use of unregistered agents. Forte Trade is employing unregistered agents in violation of N.J.S.A. 49:3-56(h).

42. 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 Securities Law.

43. 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 the to cease and desist from further illegal activity or doing acts in furtherance thereof.

44. Forte Trade's violations of the Securities Law are continuous and ongoing, therefore it is in the public interest and appropriate that this Order be issued.

### **ORDER**

**THEREFORE**, it is on this 27<sup>th</sup> day of October 2021, hereby **ORDERED** that:

45. Forte Trade and any person, employee, officer, director, entity, agent, Forte Trade representative, or independent contractor under Forte Trade'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, is offered for sale pursuant to an exemption from registration under the Securities Law, or is a federally covered security;
- 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.

46. 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 Forte Trade.

47. 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 **DENIED** as to Forte Trade.

*Christopher W. Gerold*

---

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 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.