

ATTORNEY GENERAL OF THE STATE OF NEW YORK
INVESTOR PROTECTION BUREAU

In the Matter of

Assurance No. 24-049

**Investigation by LETITIA JAMES,
Attorney General of the State of New York, of**

Ricardo Roy, Sr.,

Respondent.

ASSURANCE OF DISCONTINUANCE

The Office of the Attorney General of the State of New York ("OAG") commenced an investigation pursuant to New York General Business Law ("GBL") Article 23-A, §§ 352 *et seq.* (the "Martin Act") and New York Executive Law § 63(12) into fraudulent offers of securities and commodities by AWS Mining PTY LTD ("AWS Mining") and its promoters, and a fraudulent scheme to offer and sell securities and commodities by NovaTech FX ("NovaTech") and its owners and promoters, as well as into unregistered offers and sales of such securities and commodities. This Assurance of Discontinuance ("Assurance") contains the findings of the OAG's investigation and the relief agreed to by the OAG and Ricardo Roy, Sr. ("Respondent," and together with the OAG, the "Parties").

OAG'S FINDINGS

1. The OAG incorporates herein as findings the allegations in its complaint in the action titled *People of the State of New York v. NovaTech et al.* (the "Complaint"), which was filed in Supreme Court of the State of New York, New York County on 6/6/24 with index number 451633/2024.

2. The OAG finds that the actions of Respondent, referred to in the Complaint as NovaTech's Chief Technology Officer ("CTO"), are in violation of the Martin Act, GBL § 359-fff, GBL § 359-e, and Executive Law § 63(12).

3. NovaTech was founded by Cynthia and Eddy Petion, with assistance of Respondent. NovaTech was advertised as a cryptocurrency and forex trading platform. NovaTech solicited investors' cryptocurrency by, *inter alia*, promising to generate weekly passive income for investors from trading cryptocurrency and forex. NovaTech's "trading" packages were securities. NovaTech was a fraudulent scheme involved in the offer, sale, and exchange of securities and commodities to investors.

4. Respondent was NovaTech's CTO and was responsible for managing NovaTech's information technology and trading technology, including securing a software license for NovaTech's trading platform called White Label MetaTrader 5 from Prime Brokerage Services, doing business as B2Broker.

5. As NovaTech's CTO, Respondent also worked with software developers on developing and maintaining the NovaTech website and other technical systems. The website facilitated the transfer of cryptocurrency from hundreds of thousands of investors into NovaTech.

6. Respondent was interviewed and recorded by Cynthia and Eddy Petion in a video which was posted on the NovaTech Official YouTube channel on January 5, 2020, titled *NovaTech CTO Interview on Trading Forex & Crypto*. The video was viewed at least 64,722 times between January 2020 and May 2024. In the video, Respondent stated that NovaTech was licensed to trade cryptocurrency in the United States. However, NovaTech was not licensed with any state or federal agency to trade cryptocurrency. In the same video, when asked "what are the

chances of somebody investing with NovaTech and losing everything they invested?”

Respondent stated that while “it’s always possible, the probability is highly unlikely.”

Respondent had no basis to represent that the probability is highly unlikely.

7. Respondent failed to inform investors that on March 17, 2023, B2Brokers terminated NovaTech’s access to its trading software. Respondent also failed to inform investors that on April 17, 2023, MetaQuotes, the owner of MetaTrader 5, issued a cease-and-desist notice against NovaTech’s use of the MetaTrader 5 trademark, enabling NovaTech to continue to falsely market itself as a “Forex & Crypto Trading Platform” and a registered MetaTrader 5 broker through at least April 24, 2023.

8. The OAG finds that Respondent was part of a scheme that violated the Martin Act §§ 352 *et. seq.* including by making material misstatements and omission about NovaTech.

9. The OAG finds that Respondent violated GBL § 359-fff by promoting NovaTech, which was an illegal chain distributor scheme.

10. The OAG finds that Respondent violated GBL § 359-e by promoting NovaTech while having failed to register with the OAG as a securities or commodities salesperson.

11. The OAG finds that Respondent violated Executive Law § 63(12) by engaging in repeated and persistent fraud and illegalities in the promotion of NovaTech.

12. Respondent neither admits nor denies the OAG’s Findings, paragraphs 1-11 above.

13. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the OAG is willing to accept this Assurance pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of the

Martin Act §§ 352 *et. seq.*, GBL § 359-fff, GBL § 359-e, and Executive Law § 63(12) based on the conduct described in above and in the Complaint.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

RELIEF

a. General Injunction

14. Respondent shall not engage, or attempt to engage, in conduct in violation of any applicable laws, including but not limited to the Martin Act, GBL § 359-fff, GBL § 359-e, and Executive Law § 63(12), and expressly agrees and acknowledges that any such conduct is a violation of the Assurance, and that the OAG thereafter may commence the civil action or proceeding contemplated in paragraph 13, *supra*, in addition to any other appropriate investigation, action, or proceeding.

b. Specific Injunctions:

15. Respondent shall not engage, or attempt to engage, in any multi-level-marketing scheme or chain distributor scheme, also known as a pyramid scheme, which involves the solicitation of funds, whether fiat or cryptocurrency, for investment or otherwise.

16. Other than for his own personal purchase or sale, Respondent shall not engage, or attempt to engage, in any manner in the issuance, exchange, sale, offer to sell, purchase, offer to purchase, promotion, negotiation, advertisement, investment advice, investment management or distribution of any stocks, bonds, notes, evidences of interest or indebtedness, foreign currency orders, calls or options or any other securities or commodities, or any conduct that would require registration under Article 23-A of the General Business Law, the New York Banking Law, the New York Financial Services Law, the Securities Act of 1933, the Securities Exchange Act of

1934, Investment Advisers Act of 1940, Investment Company Act of 1940, or the Commodities Exchange Act.

17. Respondent shall not engage, or attempt to engage, in any manner in the securities or commodities business as a broker, dealer, issuer, salesperson, investment adviser, investment manager, general partner, or as an officer, director, principal, controlling person, agent, affiliated person, consultant or salesperson of a broker, dealer, issuer, investment adviser or investment manager, or any other capacity.

18. Respondent shall not engage, or attempt to engage, in any manner in the writing, publishing, preparing, selling or distributing any letter or other literature advising, or any video communications, suggesting, or in other manner communicating advice with respect to the purchase or sale of securities or commodities; and from forecasting, advising, or in any other manner suggesting either orally or in writing any method or methods to be used in connection with the purchase or sale of securities or commodities.

19. Respondent shall not engage, or attempt to engage, in any manner in forming or causing to form, or working for or in aid or assistance of, any entity for the purpose of soliciting, or causing investors or customers to invest in securities or commodities.

20. Respondent shall not serve as an officer or director of any entity engaged in the offer or sales of securities or commodities.

c. Monetary Relief

21. Respondent shall pay to the State of New York \$275,861 in disgorgement (the “Monetary Relief Amount”) of various compensation that was paid to Respondent by NovaTech from 2019 to 2023.

22. Payment of the Monetary Relief Amount shall be made by wire in full within seven (7) days of the effective date of this Assurance.

MISCELLANEOUS

a. Cooperation

23. Respondent shall cooperate fully and promptly with the OAG in any and all matters relating to the conduct described in the Complaint until the date upon which all OAG investigations and actions arising out of such conduct are concluded. Willful and material failure to comply with this paragraph in any respect shall be a violation of this Assurance. That cooperation shall include but not be limited to:

- a. Attending all meetings at which OAG requests Respondent's presence and answering questions fully and truthfully;
- b. Voluntarily appearing and fully, fairly, and truthfully testifying at any trial and at any other proceeding that OAG may direct;
- c. Providing full and truthful testimony including by affidavit as directed by OAG. This includes: 1) providing testimony sufficient to authenticate documents and records, including but not limited to any and all documents and records previously produced by the Respondent to the OAG or which Respondent may in the future produce to the OAG; and 2) providing testimony concerning the facts referenced in the Complaint. The Respondent agrees, with respect to any action or proceeding involving the OAG, to waive any claim that would otherwise limit or prevent him from testifying to authenticate such records and/or testifying as referenced in this Assurance.
- d. Furnishing to OAG all documents, records and other material in Respondent's

lawful possession, custody or control that may be relevant to all inquiries made by OAG relating to the conduct set forth in the Complaint;

- c. Retaining true, complete, and accurate copies of all documents and records previously produced to the OAG during the OAG's investigation, as well as true and accurate copies of all documents and records that are produced to the OAG pursuant to this this Assurance; and
- f. Retaining true, complete and accurate copies of all documents and communications related to any persons named or referenced in the Complaint.

24. Respondent shall submit a Personal Financial Statement within seven (7) days of the effective date of this Assurance to the OAG documenting and certifying his financial circumstances under penalty of perjury.

b. Subsequent Proceedings

25. Failure to comply with any provision of this Assurance shall be deemed to be a violation of this Assurance. Upon any such violation, the OAG may take any and all steps available to enforce this Assurance.

26. Respondent expressly agrees and acknowledges that the OAG may initiate a subsequent investigation, civil action, or proceeding contemplated in paragraph 13, *supra*, to enforce this Assurance, for violations of the Assurance, or if the Assurance is voided pursuant to paragraph 35 and agrees and acknowledges that in such event:

- a. any statute of limitations or other time-related defenses are tolled from and after the effective date of this Assurance;

- b. the OAG may use statements, documents or other materials produced or provided by the Respondent prior to or after the effective date of this Assurance;
- c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Respondent irrevocably and unconditionally waives any objection based upon personal jurisdiction, inconvenient forum, or venue; and
- d. evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law described in paragraph 13, *supra*, pursuant to Executive Law § 63(15).

27. If a court of competent jurisdiction determines that the Respondent has violated the Assurance, the Respondent shall pay to the OAG the reasonable cost, if any, of obtaining such determination and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

c. Effects of Assurance

28. This Assurance is not intended for use by any third party in any other proceeding.

29. This Assurance is not intended, and should not be construed, as an admission of liability by the Respondent.

30. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG.

31. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

32. Nothing contained herein shall constitute a waiver or abrogation of Respondent's rights under the Fifth Amendment to the U.S. Constitution and Article I, Section 6 of the New

York State Constitution, including with respect to any federal administrative or enforcement matters.

33. Any failure by the OAG to insist upon the strict performance by Respondent of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by the Respondent.

d. Communications:

34. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 24-049, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to the Respondent, to:

Stephen M. Juris
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004
stephen.juris@friedfrank.com

If to the OAG, to:

Tanya Trakht,
28 Liberty Street, 21st Floor,
New York, NY 10005
tanya.trakht@ag.ny.gov

or in her absence, to the person holding the title of Bureau Chief, Investor Protection Bureau.

e. Representations and Warranties:

35. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG by the Respondent and his counsel and the OAG's own factual investigation as set forth in OAG Findings, paragraphs 1-11 *supra*, and the Complaint. The Respondent represents and warrants that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading. If any material representations by Respondent or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the OAG in its sole discretion.

36. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by the Respondent in agreeing to this Assurance.

37. The Respondent represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved.

f. General Principles:

38. Unless a term limit for compliance is otherwise specified within this Assurance, the Respondent's obligations under this Assurance are enduring. Nothing in this Agreement shall relieve Respondent of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

39. Nothing contained herein shall be construed to limit the remedies available to the OAG in the event that the Respondent violates the Assurance after its effective date.

40. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.

41. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

42. Respondent acknowledges that he has entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

43. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

44. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

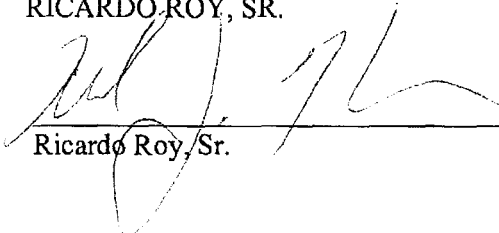
45. This Assurance may be executed in multiple counterparts by the parties hereto. All counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original to this Assurance, all of which shall constitute one agreement to be valid as of the effective date of this Assurance. For purposes of this Assurance, copies of signatures shall be treated the same as originals. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

46. The effective date of this Assurance shall be *June 16*, 2024.

LETITIA JAMES
Attorney General of the State of New York
28 Liberty Street
New York, NY 10005

By: Tanya Trakht 
Tanya Trakht
Investor Protection Bureau

RICARDO ROY, SR.

Ricardo Roy, Sr. 
Ricardo Roy, Sr.

STATE OF Florida)
COUNTY OF Polk) ss.:

On this 11th day of May, 2024, Ricardo Roy, Sr., personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, appeared before the undersigned and acknowledged to me that he executed the within instrument by his signature on the instrument.

Sworn to before me this
11th day of May, 2024

Nydia Mohammed
NOTARY PUBLIC
