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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation
of the Securities Act of Washington by:

Tradeology.com, Inc.; Traderight
Corp. dba Traderight Securities, Inc.;
Jygnesh Rohit Patel,

Respondents.

Order Number S-08-211-09-SC01

STATEMENT OF CHARGES AND NOTICE
OF INTENT TO ISSUE AN ORDER TO
CEASE AND DESIST, IMPOSE FINES, AND
RECOVER COSTS

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THE STATE OF WASHINGTON TO:

Tradeology.com, Inc.
Traderight Corp. dba Traderight Securities, Inc.
Jygnesh Rohit Patel

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STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason
to believe that the Respondents Tradeology.com, Inc.; Traderight Corp. dba Traderight
Securities, Inc.; and Jygnesh Rohit Patel have each violated the Securities Act of Washington
and that their violations justify the entry of an order of the Securities Administrator under RCW
21.20.390 against each to cease and desist from such violations, and to impose fines and recover
costs. The Securities Administrator finds as follows:

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TENTATIVE FINDINGS OF FACT

Respondents

1. Tradeology.com, Inc., a Florida corporation established in August 1999,
maintained a principal place of business at 2424 N. Federal Hwy, Suite 350, Boca Raton,
Florida. Tradeology.com, Inc. was dissolved in August 2002.

1 5. Tradeology, Inc., a Florida corporation established on March 8, 2000,
2 maintained a principal place of business at 2424 N. Federal Hwy, Suite 350, Boca Raton,
3 Florida. Patel was the founder and Director of Tradeology, Inc. Tradeology, Inc. was
4 administratively dissolved in October 2004.

5 6. Equishare Holdings, LLC (“Equishare Holdings”), a Florida company
6 established in November 2000, maintained a principal place of business at 2424 N. Federal
7 Hwy, Suite 350, Boca Raton, Florida. Patel was the founder and manager of Equishare
8 Holdings. Equishare Holdings was formerly known as Tradeology Securities, LLC, until
9 February 2002. Equishare Holdings was administratively dissolved in October 2004.

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11 Background

12 7. In 1999 and 2000, Respondent Patel founded Tradeology.com, Inc., Tradeology,
13 Inc., and Equishare Holdings. Tradeology.com, Inc. was a start-up online stock trading
14 company. Tradeology, Inc. is believed to have been the parent of Tradeology.com, Inc.
15 Equishare Holdings was established with the intention of making it the investment advisor
16 associated with Tradeology.com, Inc.

17 8. Respondent Patel planned to establish a platform that would allow discounted
18 stock trading with no commissions. Tradeology.com, Inc. would then enter into partnerships
19 with the largest companies within each industry and offer zero commission trading to the
20 company’s clients. Respondent Patel’s plan was to first launch the platform, and then to
21 conduct an initial public offering of the company. In order to raise capital for the business,
22 Respondent Patel decided to engage in an offering of Tradeology.com, Inc. common stock.

23 9. Lunderman was an acquaintance of Respondent Patel. Lunderman told
24 Respondent Patel that he knew of potential investors in the company. It was agreed that
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1 Lunderman would receive a commission based upon the total investments he generated
2 through his efforts.

3 Nature of the Conduct

4 10. In August 2000, Lunderman began selling Tradeology.com, Inc. stock to the
5 first of approximately ten Washington residents. Subsequently, Respondent Patel engaged in
6 several stock offerings to the same residents. In 2002, Respondent Patel offered many of the
7 residents Traderight Securities stock in exchange for their Tradeology.com, Inc. stock. Again,
8 in approximately 2008, Respondent Patel offered stock in two companies to at least two of the
9 residents as a means to recoup losses incurred from their previous investments. Most of the
10 residents were not experienced in making investment decisions.
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12 *Tradeology.com, Inc. stock offering*

13 11. In 2000, a Washington resident was introduced through a friend to Lunderman,
14 and began speaking to him via telephone. Lunderman told the resident about an opportunity
15 to invest in "Tradeology" at \$3 per share. Lunderman told him the company was going to go
16 public soon, and after the public offering shares would be worth between \$9 and \$12. The
17 resident was told that "Tradeology" was so close to going public that this investment
18 opportunity could end at any time.
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20 12. The resident referred his family and friends to Lunderman to discuss this
21 investment opportunity. The offering then spread through word of mouth referral from the
22 residents. Approximately nine Washington residents contacted Lunderman via telephone to
23 discuss the investment in "Tradeology." Lunderman told these residents that this investment
24 had a quick turnover and was an incredible pre-IPO opportunity.
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1 13. Between August 2000 and March 2004, approximately ten Washington residents
2 invested a total of \$546,505 in Tradeology.com, Inc. The share price varied from \$1.25 per
3 share to \$3.50 per share. The residents purchased some of the shares directly from the
4 company. Lunderman also re-sold some shares he had purchased for himself to the residents.
5 It is not known how many shares the residents purchased from Lunderman versus how many
6 they purchased directly from the company.

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8 14. The residents signed Tradeology.com, Inc. subscription agreements, which were
9 then sent to Lunderman. Lunderman forwarded the signature page of the subscription
10 agreements to Respondent Patel. When Lunderman re-sold his own shares, he would request
11 that Respondent Patel change the name on the stock certificate to that of the resident.

12 15. Lunderman usually directed the residents to wire the investment funds to an
13 escrow account in Florida. The residents received letters from the escrow agent with a stock
14 certificate for "Tradeology, Inc.," signed by Respondent Patel, enclosed.

15 *Traderight Securities stock offering*

16 16. According to a letter written by Respondent Patel, dated April 9, 2002,
17 Equishare Holdings had acquired a broker-dealer, Traderight Securities. The letter stated that
18 Traderight Securities was the company Respondent Patel wanted to take public instead of
19 "Tradeology." According to the letter, Respondent Patel made arrangements for all
20 "Tradeology" shareholders to exchange their holdings in "Tradeology" for an equal number
21 of shares in Traderight Securities. Many of the Washington residents received this letter,
22 although it is not known if Respondent Patel sent them the letter directly or if Lunderman
23 delivered the letter to the residents.
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1 17. The residents did not receive any disclosure documents regarding Traderight
2 Securities. The residents did not receive stock certificates or other documents from
3 Respondents Patel or Traderight Securities to evidence that their shares had been exchanged.

4 18. Due to undercapitalization, Tradeology.com, Inc. went out of business in
5 approximately 2002. In late 2003, Respondent Patel sold Traderight Securities. It is believed
6 that Respondent Patel never converted the residents' Tradeology.com, Inc. shares to shares in
7 Traderight Securities before he sold the company.
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9 *Additional stock offerings by Respondent Patel*

10 19. In approximately 2008, Respondent Patel told at least two of the residents that
11 he knew of investment opportunities that could help make them whole after the losses they
12 incurred from their Tradeology.com, Inc. investments. Respondent Patel told the residents
13 that they could exchange their Tradeology.com, Inc. shares for shares in a real estate holding
14 company. It is believed that Respondent Patel owned an interest in this company. The
15 residents were told that they could receive shares with value equal to the amount of funds that
16 Respondent Patel received from each resident when they purchased Tradeology.com, Inc.
17 shares.
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19 20. Respondent Patel also told at least two of the residents that they could buy
20 shares of a publicly traded company that would be acquiring the real estate holding company.
21 It is believed that Respondent Patel told the residents that he could arrange for them to
22 purchase shares of this company at an 80% discount.

23 21. The residents did not receive any disclosure documents regarding these
24 investment opportunities. The residents did not exchange their Tradeology.com, Inc. shares,
25 nor did they purchase discounted shares from Respondent Patel.

1 Registration Status

2 22. Tradeology.com, Inc. is not currently registered to sell its securities in the State
3 of Washington and has not previously been so registered. In addition, there is no notice of a
4 claim of exemption on file with the Securities Administrator.

5 23. Traderight Securities is not currently registered to sell its securities in the State
6 of Washington and has not previously been so registered. In addition, there is no notice of a
7 claim of exemption on file with the Securities Administrator.

8 24. Jygnesh Rohit Patel is not currently registered as a securities salesperson or
9 broker-dealer in the State of Washington and was not registered during the relevant period.
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11 Misrepresentations and Omissions

12 25. Respondents Traderight Securities and Patel failed to provide material
13 information to the residents, including but not limited to: financial statements, risks, use of
14 proceeds, a description of Respondent Patel's business experience and background, and a full
15 representation of the company history and prior performance information.

16 26. Respondent Patel failed to provide material information regarding the offer to
17 exchange Tradeology.com, Inc. shares with shares in the real estate holding company,
18 including but not limited to: financial statements, risks, use of proceeds, a description of
19 Respondent Patel's business experience and background, and a full representation of the
20 company history and prior performance information.

21 27. Respondent Patel failed to provide material information regarding the offer to
22 buy discounted shares in the publicly traded company that would be acquiring the real estate
23 holding company, including but not limited to: financial statements, risks, use of proceeds, a
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1 description of Respondent Patel's business experience and background, and a full
2 representation of the company history and prior performance information.

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4 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

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6 **CONCLUSIONS OF LAW**

7 1. The offer and/or sale of the stock described above constitutes the offer and/or
8 sale of a security as defined in RCW 21.20.005(10) and (12).

9 2. The offer and/or sale of said securities violated RCW 21.20.140 because no
10 registration for such offer and sale is on file with the Securities Administrator.

11 3. The offer by Jynesh Rohit Patel to exchange Tradeology.com, Inc. shares with
12 shares in the real estate holding company or to buy discounted shares in the company that
13 would be acquiring the real estate holding company were in violation of RCW 21.20.040
14 because he offered said securities while not registered as a securities salesperson or broker-
15 dealer in the State of Washington.

16 4. The offer and/or sale of said securities were in violation of RCW 21.20.010
17 because, as set forth in the Tentative Findings of Fact, Respondents Traderight Corp. dba
18 Traderight Securities, Inc. and Jygnesh Rohit Patel made misstatements of material fact or
19 omitted to state material facts necessary in order to make the statements made, in light of the
20 circumstances under which they were made, not misleading.

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22 **NOTICE OF INTENT TO ISSUE AN ORDER TO CEASE AND DESIST**

23 Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities
24 Administrator intends to order that Respondent Tradeology.com, Inc. shall cease and desist
25 from violations of RCW 21.20.140; Respondent Traderight Corp. dba Traderight Securities,

1 Inc. shall cease and desist from violations of RCW 21.20.140 and RCW 21.20.010; and
2 Respondent Jygnesh Rohit Patel shall cease and desist from violations of RCW 21.20.040 and
3 RCW 21.20.010.

4 **NOTICE OF INTENT TO IMPOSE FINES**

5 Pursuant to RCW 21.20.395, and based upon the above Tentative Findings of Fact and
6 Conclusions of Law, the Securities Administrator intends to order that:
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- 8 1. Respondent Jygnesh Rohit Patel shall be liable for and pay a fine of \$10,000;
- 9 2. Respondent Tradeology.com, Inc. shall be liable for and pay a fine of \$5,000; and
- 10 3. Respondent Traderight Corp. dba Traderight Securities, Inc. shall be liable for and
11 pay a fine of \$5,000.

12 **NOTICE OF INTENT TO CHARGE COSTS**

13 Pursuant to RCW 21.20.390(5), and based upon the above Tentative Findings of Fact
14 and Conclusions of Law, the Securities Administrator intends to order that the Respondents
15 Tradeology.com, Inc.; Traderight Corp. dba Traderight Securities, Inc.; and Jygnesh Rohit
16 Patel shall be liable for and pay the Securities Division the costs, fees and other expenses
17 incurred in the conduct of the investigation of this matter in an amount not less than \$2,000.
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19 **AUTHORITY AND PROCEDURE**

20 This Statement of Charges is entered pursuant to the provisions of RCW 21.20.390 and
21 RCW 21.20.395, and is subject to the provisions of RCW 34.05. The Respondents may each
22 make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
23 DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.
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1 If a Respondent does not request a hearing, the Securities Administrator intends to adopt
2 the above Tentative Findings of Fact and Conclusions of Law as final, enter a permanent cease
3 and desist order as to that Respondent, and impose the fines and costs sought.
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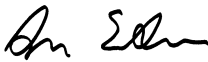
5 DATED AND ENTERED this 26th day of August, 2010.
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7 By:

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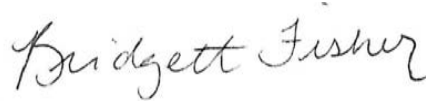
10 _____
11 William M. Beatty
12 Securities Administrator

13 Approved by:

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16 _____
17 Suzanne Sarason
18 Chief of Enforcement

19 Presented by:

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22 _____
23 Bridgett Fisher
24 Enforcement Attorney
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