

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-08-211-10-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO CEASE AND DESIST, IMPOSE FINES,  
AND RECOVER COSTS

THE STATE OF WASHINGTON TO:

Jygnesh Rohit Patel  
Tradeology.com, Inc.

On August 26, 2010, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Issue an Order to Cease and Desist, Impose Fines, and Recover Costs, S-08-211-09-SC01, hereinafter referred to as "Statement of Charges," against Tradeology.com, Inc.; Traderight Corp. dba Traderight Securities, Inc.; and Jygnesh Rohit Patel.

The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing," and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing," was received by Jygnesh Rohit Patel on August 30, 2010 and by Tradeology.com, Inc. on August 31, 2010. The Notice of Opportunity for Hearing advised Jygnesh Rohit Patel and Tradeology.com, Inc. that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. The Statement of Charges advised Jygnesh Rohit Patel and Tradeology.com, Inc. that if a hearing was not requested by a Respondent, the Securities Administrator intends to adopt the "Tentative Findings of Fact" and "Conclusions of Law," as set forth in the Statement of Charges, as final, and enter a final order against that Respondent to cease and desist from violations of the Securities Act, to impose the fine, and charge costs.

1 Jygnesh Rohit Patel and Tradeology.com, Inc. failed to request an administrative hearing within  
2 twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the  
3 Application for Hearing provided or otherwise. The Securities Administrator therefore will adopt as final  
4 the findings of fact and conclusions of law as set forth in the Statement of Charges and enter a final order  
5 against Jygnesh Rohit Patel and Tradeology.com, Inc. to cease and desist from violations of the  
6 Securities Act, to impose the fine, and charge costs.

7 The Securities Administrator makes the following findings of fact and conclusions of law:

8  
9 **FINDINGS OF FACT**

10 Respondents

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

14 2. Traderight Corp. dba Traderight Securities, Inc. (“Traderight Securities”) is an active  
15 Florida corporation that was established on December 1, 1997. Traderight Securities maintains a  
16 principal place of business at 1003 S.E. 27th Terrace, Cape Coral, Florida. Traderight Securities  
17 formerly conducted business as a broker-dealer and investment advisor. Traderight Securities ceased its  
18 broker-dealer business in approximately April 2009 and its investment advisor business in July 2010.  
19 The firm was registered with the Washington Securities Division as a broker-dealer from March 1999  
20 until December 2002. Traderight Securities has a Central Registration Depository (“CRD”) number of  
21 45598.

22 3. Jygnesh Rohit Patel (“Patel”) resides in Glenview, Illinois. He was the founder and  
23 Director of Tradeology.com, Inc. Patel acquired Traderight Securities in approximately 2001 and then  
24 sold it in late 2003. During that time, Patel served as the CEO of Traderight Securities. Patel was first

1 employed in the securities industry in 1993 and has been employed by several broker-dealers. His last  
2 employment with a broker-dealer was with Traderight Securities from April 2001 to March 2005. Patel  
3 was registered as a securities salesperson with the Washington Securities Division from approximately  
4 November 1998 to June 1999. His CRD number is 2387765.

#### 5 Other Related Persons

6 4. Mark R. Lunderman (“Lunderman”) is believed to have last resided in Jupiter, Florida.  
7 Lunderman was first employed in the securities industry in 1988 and has been employed by several  
8 broker-dealers. His last employment with a broker-dealer was at First Liberty Investment Group, Inc.  
9 from September 18, 1998 to August 18, 1999. Lunderman has never been registered with the  
10 Washington Securities Division. His CRD number is 314448. Lunderman died on February 17, 2010.

11 5. Tradeology, Inc., a Florida corporation established on March 8, 2000, maintained a  
12 principal place of business at 2424 N. Federal Hwy, Suite 350, Boca Raton, Florida. Patel was the  
13 founder and Director of Tradeology, Inc. Tradeology, Inc. was administratively dissolved in October  
14 2004.

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

#### 20 Background

21 7. In 1999 and 2000, Respondent Patel founded Tradeology.com, Inc., Tradeology, Inc., and  
22 Equishare Holdings. Tradeology.com, Inc. was a start-up online stock trading company. Tradeology,  
23

1 Inc. is believed to have been the parent of Tradeology.com, Inc. Equishare Holdings was established  
2 with the intention of making it the investment advisor associated with Tradeology.com, Inc.

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

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

#### 12 Nature of the Conduct

13 10. In August 2000, Lunderman began selling Tradeology.com, Inc. stock to the first of  
14 approximately ten Washington residents. Subsequently, Respondent Patel engaged in several stock  
15 offerings to the same residents. In 2002, Respondent Patel offered many of the residents Traderight  
16 Securities stock in exchange for their Tradeology.com, Inc. stock. Again, in approximately 2008,  
17 Respondent Patel offered stock in two companies to at least two of the residents as a means to recoup  
18 losses incurred from their previous investments. Most of the residents were not experienced in making  
19 investment decisions.

#### 20 *Tradeology.com, Inc. stock offering*

21 11. In 2000, a Washington resident was introduced through a friend to Lunderman, and began  
22 speaking to him via telephone. Lunderman told the resident about an opportunity to invest in  
23 "Tradeology" at \$3 per share. Lunderman told him the company was going to go public soon, and after

1 the public offering shares would be worth between \$9 and \$12. The resident was told that “Tradeology”  
2 was so close to going public that this investment opportunity could end at any time.

3 12. The resident referred his family and friends to Lunderman to discuss this investment  
4 opportunity. The offering then spread through word of mouth referral from the residents. Approximately  
5 nine Washington residents contacted Lunderman via telephone to discuss the investment in  
6 “Tradeology.” Lunderman told these residents that this investment had a quick turnover and was an  
7 incredible pre-IPO opportunity.

8 13. Between August 2000 and March 2004, approximately ten Washington residents invested a  
9 total of \$546,505 in Tradeology.com, Inc. The share price varied from \$1.25 per share to \$3.50 per  
10 share. The residents purchased some of the shares directly from the company. Lunderman also re-sold  
11 some shares he had purchased for himself to the residents. It is not known how many shares the residents  
12 purchased from Lunderman versus how many they purchased directly from the company.

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

17 15. Lunderman usually directed the residents to wire the investment funds to an escrow account  
18 in Florida. The residents received letters from the escrow agent with a stock certificate for “Tradeology,  
19 Inc.,” signed by Respondent Patel, enclosed.

20 *Traderight Securities stock offering*

21 16. According to a letter written by Respondent Patel, dated April 9, 2002, Equishare Holdings  
22 had acquired a broker-dealer, Traderight Securities. The letter stated that Traderight Securities was the  
23 company Respondent Patel wanted to take public instead of “Tradeology.” According to the letter,

1 Respondent Patel made arrangements for all “Tradeology” shareholders to exchange their holdings in  
2 “Tradeology” for an equal number of shares in Traderight Securities. Many of the Washington residents  
3 received this letter, although it is not known if Respondent Patel sent them the letter directly or if  
4 Lunderman delivered the letter to the residents.

5 17. The residents did not receive any disclosure documents regarding Traderight Securities.  
6 The residents did not receive stock certificates or other documents from Respondents Patel or Traderight  
7 Securities to evidence that their shares had been exchanged.

8 18. Due to undercapitalization, Tradeology.com, Inc. went out of business in approximately  
9 2002. In late 2003, Respondent Patel sold Traderight Securities. It is believed that Respondent Patel  
10 never converted the residents’ Tradeology.com, Inc. shares to shares in Traderight Securities before he  
11 sold the company.

12 *Additional stock offerings by Respondent Patel*

13 19. In approximately 2008, Respondent Patel told at least two of the residents that he knew of  
14 investment opportunities that could help make them whole after the losses they incurred from their  
15 Tradeology.com, Inc. investments. Respondent Patel told the residents that they could exchange their  
16 Tradeology.com, Inc. shares for shares in a real estate holding company. It is believed that Respondent  
17 Patel owned an interest in this company. The residents were told that they could receive shares with  
18 value equal to the amount of funds that Respondent Patel received from each resident when they  
19 purchased Tradeology.com, Inc. shares.

20 20. Respondent Patel also told at least two of the residents that they could buy shares of a  
21 publicly traded company that would be acquiring the real estate holding company. It is believed that  
22 Respondent Patel told the residents that he could arrange for them to purchase shares of this company at  
23 an 80% discount.



1 company, including but not limited to: financial statements, risks, use of proceeds, a description of  
2 Respondent Patel's business experience and background, and a full representation of the company history  
3 and prior performance information.

4  
5 Based on the foregoing Findings of Fact, the following Conclusions of Law are made:

6 **CONCLUSIONS OF LAW**

7 1. The offer and/or sale of the stock described above constitutes the offer and/or sale of a  
8 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 registration for  
10 such offer and sale is on file with the Securities Administrator.

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

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

20 **FINAL ORDER**

21 Based upon the foregoing and finding it in the public interest:



1 It is hereby ORDERED that the Respondents Jygnesh Rohit Patel and Tradeology.com, Inc. shall  
2 each cease and desist from offering or selling securities in violation of RCW 21.20.140, the securities  
3 registration section of the Securities Act of Washington.

4 It is further ORDERED that the Respondent Jygnesh Rohit Patel shall cease and desist from  
5 violation of RCW 21.20.040, the broker-dealer and securities salesperson registration section of the  
6 Securities Act of Washington.

7 It is further ORDERED that the Respondent Jygnesh Rohit Patel shall cease and desist from  
8 violation of RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

9 It is further ORDERED that the Respondent Jygnesh Rohit Patel shall be liable for and shall pay a  
10 fine of \$10,000, and the Respondent Tradeology.com, Inc. shall be liable for and shall pay a fine of  
11 \$5,000.

12 It is further ORDERED that the Respondents Jygnesh Rohit Patel and Tradeology.com, Inc. shall  
13 be jointly and severally liable for and shall pay investigative costs in the amount of \$2,000.

#### 14 **AUTHORITY AND PROCEDURE**

15 This Final Order is entered pursuant to the provisions of RCW 21.20.390 and RCW 21.20.395,  
16 and is subject to the provisions of RCW 21.20.440 and RCW 34.05. The Respondent has the right to  
17 petition the superior court for judicial review of this agency action under the provisions of RCW 34.05.  
18 For the requirements for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.  
19 Pursuant to RCW 21.20.395, a certified copy of this order may be filed in Superior Court. If so filed,  
20 the clerk shall treat the order in the same manner as a Superior Court judgment as to the fine, and the  
21 fine may be recorded, enforced, or satisfied in like manner.

#### 22 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE**

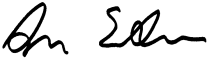
1 DATED AND ENTERED this 14th day of December, 2010.

2 By:

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4 \_\_\_\_\_  
5 William M. Beatty  
6 Securities Administrator

7 Approved by:

8 

9 \_\_\_\_\_  
10 Suzanne Sarason  
11 Chief of Enforcement

Presented by:

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13 \_\_\_\_\_  
14 Bridgett Fisher  
15 Enforcement Attorney