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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:

NovaTech Ltd.;  
Cynthia Petion;  
Eddie Petion,

Respondents.

Order No. S-23-3539-23-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER TO  
CEASE AND DESIST, TO IMPOSE FINES, AND TO  
CHARGE COSTS AS TO NOVATECH LTD., CYNTHIA  
PETION, AND EDDIE PETION

**THE STATE OF WASHINGTON TO:**

NovaTech Ltd., Cynthia Petion, and Eddie Petion

On October 27, 2023, the Securities Administrator of the state of Washington issued Summary Order to Cease and Desist and Statement of Charges and Notice of Intent to Impose a Fine and to Charge Costs, Order No. S-23-3539-TO01 (“Summary Order”). The Summary Order, together with a Notice of Opportunity for Hearing (“Notice”) and an Application for Adjudicative Hearing (“Application”), were served on Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion, on December 5, 2023. The Notice advised Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion that the Application must be received within twenty days from the date of service. Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion failed to request an administrative hearing within twenty days of service.

The Securities Administrator therefore adopts as final the following Findings of Fact and Conclusions of Law as set forth in the Summary Order and enters a final order against Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion to cease and desist from violations of the Securities Act, and to impose the fines and costs sought in the Summary Order.

1 **FINDINGS OF FACT**

2 **Respondents**

3 1. NovaTech Ltd (“NovaTech”) is a Saint Vincent and the Grenadines entity formed on  
4 September 26, 2019, with its principal place of business in Royal Palm, Florida. NovaTech represents itself  
5 as a crypto asset and forex trading platform.

6 2. Cynthia Petion was a resident of West Palm Beach, Florida, but her present whereabouts are  
7 unknown. Cynthia Petion is a founder and the Chief Executive Officer of NovaTech.

8 3. Eddie Petion was a resident of West Palm Beach, Florida, but his present whereabouts are  
9 unknown. Eddie Petion is a founder and the Chief Operating Officer of NovaTech.

10 **Nature of the Conduct**

11 *Background*

12 4. Beginning no later than September of 2019 and continuing through the present, Cynthia  
13 Petion, Eddie Petion, and NovaTech are generally soliciting investors to purchase unregistered securities in  
14 the form of percentage allocation management module accounts (“PAMM Accounts”). Respondents  
15 initially solicited investors through their previous websites at <https://novatechfx.com> and  
16 [novatechfx.uk.com](https://novatechfx.uk.com) and are now soliciting investors through their current website at  
17 <https://novatechfxuk.com/home/>. NovaTech, Cynthia Petion, and Eddie Petion are publicly advertising the  
18 investment on social media platforms such as Facebook, Instagram, and Telegram. Over 1,000 Washington  
19 investors are believed to have invested with NovaTech, Cynthia Petion, and Eddie Petion.

20 5. While offering and selling PAMM Accounts, the Respondents are failing to disclose to  
21 investors material information related to the investment, including basic information about NovaTech’s  
22 financial condition, business, operations, and management; information about Cynthia and Eddie Petion’s  
23

1 bankruptcy filings and civil judgments; information about state actions taken against NovaTech and Cynthia  
2 and Eddie Petion; and a reasonable basis for NovaTech’s revenue projections.

3 *The Offering*

4 6. NovaTech and the Petions represent to investors that the PAMM accounts are “unique  
5 products” that provide a passive income opportunity for investors with little to no investing experience.  
6 According to Respondents, by opening a PAMM account, investors can invest their funds in NovaTech’s  
7 master trading accounts, which NovaTech then pools with other investors’ funds. From there, NovaTech’s  
8 “experienced team of traders” manages and trades investors’ funds. NovaTech then receives a percentage  
9 of the profits earned from trading, and represents that investors receive a varying return on their investments  
10 (ROI) of approximately 3.0% per week.

11 7. On February 5, 2023, NovaTech announced a temporary freeze in PAMM account  
12 withdrawals for a period of 60 days. Since approximately April of 2023, NovaTech made the following  
13 limitations on withdrawals from trading accounts: withdrawals can only be made the 1<sup>st</sup> through the 5<sup>th</sup> of  
14 each month, withdrawal requests were limited to no more than 5% of an investor’s balance in April, 10%  
15 in May, and 15% in June and beyond, and new users are subject to a 90-day period where account  
16 withdrawals are not permitted. Despite these announced withdrawal procedures, at least 3 Washington state  
17 investors have not been able to make any successful withdrawals from their NovaTech accounts since  
18 January of 2023.

19 8. On May 22, 2023, NovaTech announced that withdrawals were totally unavailable from  
20 NovaTech, with no announcement as to when or whether they would resume.

21 9. On July 6, 2023, Cynthia Petion announced that the NovaTechFX platform was undergoing  
22 an audit and was therefore suspended. Cynthia Petion simultaneously announced the publication of the  
23 “Novatech 2.0 platform” at <https://Novatechfx.uk.com>. Cynthia Petion has represented that, while investors

1 are unable to make withdrawals from the initial NovaTechFX platform, investors can purportedly withdraw  
2 those inaccessible funds from the Novatech 2.0 platform. However, for investors to be eligible to withdraw  
3 their initial investments from the Novatech 2.0 platform, investors must first make a deposit equal to 30%  
4 of the total funds of their original trading accounts into a new account on NovaTech 2.0.

5 10. On October 25, 2023, the Novatechfx team announced via the NovaTech FX channel on  
6 Telegram that the NovaTech 2.0 platform's web address had to be updated to  
7 <https://novatechfxuk.com/home/> because of unresolvable security loophole issues at the previous web  
8 address (<https://Novatechfx.uk.com>). As of October 25, 2023, the Novatechfx team has represented that  
9 <https://novatechfxuk.com/home/> is the "new and only official Novatechfx affiliate website" where investors  
10 can apply for withdrawal. The requirement for investors to first make a deposit equal to 30% of the total  
11 funds of the original trading account to be eligible for withdrawal of their initial investment remains in  
12 place.

13 *Bankruptcy Filing, Civil Judgments, and State Actions Entered Against Respondents*

14 Bankruptcy Filing

15 11. In March of 2011, Cynthia Petion and Eddie Petion filed for Chapter 7 Bankruptcy in the  
16 United States Bankruptcy Court for the Eastern District of New York.

17 Civil Judgments

18 12. In October of 2017, a credit card issuer sued Eddie Petion in the County Court of Palm Beach  
19 County, Florida for failure to pay an overdue credit card balance. A default judgment was entered against  
20 Eddy Petion in the amount of \$4,740.56 in June of 2018.

21 13. In April of 2018, a credit card issuer sued Cynthia Petion in the Circuit Court of the Fifteenth  
22 Judicial Circuit in and for Palm Beach County, Florida, Civil Division, for failure to pay an overdue credit  
23

1 card balance and unjust enrichment. A judgment was entered against Cynthia Petion in the amount of  
2 \$11,776.55 in September of 2019.

3 14. In July of 2018, a mortgage lender sued Eddie Petion and Cynthia Petion in the Circuit Court  
4 of the Fifteenth Circuit in and for Palm Beach County, Florida, Civil Division, in an action to foreclose a  
5 defaulted mortgage on residential real property held by Eddie Petion and Cynthia Petion. This action was  
6 voluntarily dismissed without prejudice in June of 2020.

7 15. In August of 2019, a debt buyer sued Cynthia Petion for \$24,751.39 plus costs in the Circuit  
8 Court in and for Palm Beach County, Florida, Civil Division, for breach of contract and unjust enrichment,  
9 alleging that Cynthia Petion had failed and/or refused to repay a loan. This action was voluntarily dismissed  
10 without prejudice in November of 2020.

11 16. In June of 2022, a credit union sued Eddie Petion and Cynthia Petion in the Circuit Court of  
12 the Fifteenth Circuit in and for Palm Beach County, Florida, Civil Division, for failure to make payments  
13 on a secured vehicle loan totaling \$14,284.68. This action was dismissed without prejudice in October 2022  
14 as plaintiffs were unable to effectuate service of process on Eddie Petion and Cynthia Petion.

15 State Actions

16 17. On August 9, 2022, the Central Bank of Russia issued a securities fraud warning concerning  
17 NovaTech, Cynthia Petion, and Eddie Petion.

18 18. On October 11, 2022, the British Columbia Securities Commission issued a securities fraud  
19 warning concerning NovaTech, Cynthia Petion, and Eddie Petion.

20 19. On November 22, 2022, the California Department of Financial Protection and Innovation  
21 issued a Desist and Refrain Order ordering NovaTech, Cynthia Petion, and Eddie Petion to desist and refrain  
22 from the further offer or sale of securities in California.  
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1           20.    On April 4, 2023, the Wisconsin Department of Financial Institutions issued a Summary Order  
2 ordering NovaTech, Cynthia Petion, and Eddie Petion to cease and desist the offer and sale of securities in  
3 Wisconsin.

4                                       *Misrepresentations and Omissions*

5           21.    NovaTech, Cynthia Petion, and Eddie Petion are failing to disclose to investors that the PAMM  
6 Accounts are securities, and that anyone who offers or sells securities in the state of Washington must be  
7 registered or exempt from registration.

8           22.    NovaTech, Cynthia Petion, and Eddie Petion are failing to provide prospective investors with  
9 Private Placement Memorandums (“PPM”), or something similar, to provide investors with material  
10 information to make informed decisions about investing with NovaTech.

11           23.    NovaTech, Cynthia Petion, and Eddie Petion are failing to furnish investors with information  
12 regarding the company’s financial condition, business, results of operations, or management.

13           24.    While offering and selling PAMM accounts, NovaTech, Cynthia Petion, and Eddie Petion are  
14 failing to provide a reasonable basis for their revenue projections.

15           25.    NovaTech, Cynthia Petion, and Eddie Petion are failing to disclose material information  
16 related to the offer and sale of the PAMM accounts, including the Petions’ bankruptcy filing and the  
17 numerous civil suits filed against them individually and together.

18           26.    NovaTech, Cynthia Petion, and Eddie Petion are also failing to disclose the securities fraud  
19 notices issued concerning NovaTech by the Central Bank of Russia and the British Columbia Securities  
20 Commission, the California Desist and Refrain Order, and the Wisconsin Summary Order.

21                                       **Registration Status**

22           27.    NovaTech is not currently registered to sell its securities in the state of Washington and has  
23 not previously been so registered. Nor has it filed a claim of exemption from registration.

1           28. Cynthia Petion is not currently registered as a securities salesperson or broker-dealer in the  
2 state of Washington and has not previously been so registered.

3           29. Eddie Petion is not currently registered as a securities salesperson or broker-dealer in the state  
4 of Washington and has not previously been so registered.

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

6   **CONCLUSIONS OF LAW**

7           1.        The offer and/or sale of the PAMM accounts described above constitutes the offer and/or sale  
8 of a security as defined in RCW 21.20.005(14) and (17).

9           2.        NovaTech Ltd, Cynthia Petion, and Eddie Petion violated RCW 21.20.140, the securities  
10 registration section of the Securities Act of Washington, by offering and/or selling securities for which no  
11 registration is on file with the Securities Administrator.

12          3.        Cynthia Petion and Eddie Petion violated RCW 21.20.040, the licensee registration section of  
13 the Securities Act of Washington, by offering and/or selling said securities while not being registered as a  
14 securities salesperson or broker-dealer in the state of Washington.

15          4.        NovaTech Ltd, Cynthia Petion, and Eddie Petion violated RCW 21.20.010, the anti-fraud  
16 section of the Securities Act of Washington, by making untrue statements of material fact or omitting to state  
17 material facts necessary to make the statements made, in light of the circumstances in which they were made,  
18 not misleading.

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

20   **FINAL ORDER**

21          IT IS HEREBY ORDERED that Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion, and  
22 their agents and employees, shall each cease and desist from offering and/or selling securities in any manner  
23 in violation of RCW 21.20.140, the securities registration section of the Securities Act of Washington.

1 IT IS FURTHER ORDERED that Respondents Cynthia Petion and Eddie Petion, and their agents and  
2 employees, shall each cease and desist from offering and/or selling securities in any manner in violation of  
3 RCW 21.20.040, the registration section of the Securities Act of Washington.

4 IT IS FURTHER ORDERED that Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion, and  
5 their agents and employees, shall each cease and desist from violating RCW 21.20.010, the anti-fraud section  
6 of the Securities Act of Washington.

7 IT IS FURTHER ORDERED that NovaTech Ltd shall be liable for and shall pay a fine of \$50,000,  
8 that Cynthia Petion shall be liable for and shall pay a fine of \$50,000, and that Eddy Petion shall be liable for  
9 and shall pay a fine of \$50,000.

10 IT IS FURTHER ORDERED that Respondents NovaTech Ltd., Cynthia Petion, and Eddie Petion shall  
11 be jointly and severally liable for and pay costs in the amount of \$8,500.

12 **AUTHORITY AND PROCEDURE**

13 This FINAL ORDER is entered pursuant to RCW 21.20.390 and is subject to Chapter 34.05 RCW.  
14 Respondents have the right to petition the superior court for judicial review of this agency action under Part  
15 V of Chapter 34.05 RCW. Pursuant to RCW 21.20.395(4), a certified copy of this Final Order may be filed in  
16 superior court. If so filed, the clerk shall treat the Final Order in the same manner as a superior court judgment  
17 as to the fine, and the fine may be recorded, enforced, or satisfied in like manner.

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20 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

21 SIGNED and ENTERED this 5th day of January, 2024.  
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/s/

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William M. Beatty  
Securities Administrator

Approved by:

Presented by:

\_\_\_\_\_  
/s/  
Brian J. Guerard  
Chief of Enforcement

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/s/  
Kassidy Smith  
Financial Legal Examiner

Reviewed by:

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/s/  
Holly Mack-Kretzler  
Financial Legal Examiner Supervisor