

1 **STATE OF WASHINGTON**  
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**  
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING  
5 Whether there has been a violation of the  
6 Securities Act of Washington by:

7 NovaTech Ltd,  
8 Cynthia Petion,  
9 Eddie Petion,

Respondents.

Order No. S-23-3539-23-TO01

**SUMMARY ORDER TO CEASE AND DESIST AND  
STATEMENT OF CHARGES AND NOTICE OF  
INTENT TO IMPOSE A FINE AND TO CHARGE  
COSTS**

**THE STATE OF WASHINGTON TO:**

NovaTech Ltd  
Cynthia Petion  
Eddie Petion

10 **STATEMENT OF CHARGES**

11 Please take notice that the Securities Administrator of the State of Washington has reason to believe  
12 that Respondents NovaTech Ltd, Cynthia Petion, and Eddie Petion are violating the Securities Act of  
13 Washington. The Securities Administrator believes these violations justify the entry of an order against  
14 Respondents NovaTech Ltd, Cynthia Petion, and Eddie Petion to cease and desist from such violations, to  
15 impose a fine, and to charge costs pursuant to RCW 21.20.390 and RCW 21.20.395.

16 The Securities Administrator finds it is in the public interest and is necessary or appropriate for the  
17 protection of investors to enter a summary order to immediately cease and desist from such violations. The  
18 Securities Administrator finds as follows:  
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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  
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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 **SUMMARY ORDER**

2 Based upon the foregoing and finding it in the public interest,

3 IT IS HEREBY SUMMARILY ORDERED that Respondents NovaTech Ltd, Cynthia Petion, and  
4 Eddy Petion, and their agents and employees, shall each cease and desist from offering and/or selling securities  
5 in any manner in violation of RCW 21.20.140, the securities registration section of the Securities Act of  
6 Washington.

7 IT IS FURTHER SUMMARILY ORDERED that Respondents NovaTech Ltd, Cynthia Petion, and  
8 Eddy Petion, and their agents and employees, shall each cease and desist from offering and/or selling securities  
9 in any manner in violation of RCW 21.20.040, the registration section of the Securities Act of Washington.

10 IT IS FURTHER SUMMARILY ORDERED that Respondents NovaTech Ltd, Cynthia Petion, and  
11 Eddy Petion, and their agents and employees, shall each cease and desist from violating RCW 21.20.010, the  
12 anti-fraud section of the Securities Act of Washington.

13 **NOTICE OF INTENT TO IMPOSE FINES**

14 Pursuant to RCW 21.20.395 and based upon the above Tentative Findings of Fact and Conclusions of  
15 Law, the Securities Administrator intends to order that NovaTech Ltd shall be liable for and shall pay a fine  
16 of \$50,000, that Cynthia Petion shall be liable for and shall pay a fine of \$50,000, and that Eddy Petion shall  
17 be liable for and shall pay a fine of \$50,000.

18 **NOTICE OF INTENT TO CHARGE COSTS**

19 Pursuant to RCW 21.20.390, and based upon the above Tentative Findings of Fact and Conclusions  
20 of Law, the Securities Administrator intends to order that NovaTech Ltd, Cynthia Petion, and Eddy Petion  
21 shall be jointly and severally liable for and shall pay the costs, fees, and other expenses incurred in the  
22 administrative investigation and hearing of this matter, in an amount not less than \$8,500.

23 **AUTHORITY AND PROCEDURE**

1 This Summary Order and Statement of Charges is entered pursuant to the provisions of Chapter 21.20  
2 RCW and is subject to the provisions of Chapter 34.05 RCW. NovaTech Ltd, Cynthia Petion, and Eddy Petion  
3 may each make a written request for a hearing as set forth in the Notice of Opportunity for Hearing  
4 accompanying this Order. If a respondent does not make a hearing request in the time allowed, the Securities  
5 Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final to that  
6 respondent and, as described above, enter a permanent order to cease and desist, and to impose any fines and  
7 costs sought against the respondent.

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

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12 SIGNED and ENTERED this 27th day of October, 2023.



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A handwritten signature in black ink, reading "William M. Beatty".

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William M. Beatty  
Securities Administrator

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Approved by:

Two handwritten signatures in black ink, one for Cynthia Petion and one for Eddy Petion.

Presented by:

A handwritten signature in black ink, reading "William M. Beatty".

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Brian J. Guerard  
Chief of Enforcement

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Kassidy Smith  
Financial Legal Examiner

Reviewed by:



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Holly Mack-Kretzler  
Financial Legal Examiner Supervisor