

**In the Matter of**  
***The Securities Act, 1988, SS 1988-89, c S-42.2***  
**(the Act)**

-and-

**In the Matter of**  
**Trade12**  
**Global Fin Services Limited**  
**and**  
**Exo Capital Markets Limited**  
**(the Respondents)**

**Statement of Allegations**

Staff of the Financial and Consumer Affairs Authority of Saskatchewan (FCAA Staff) make the following allegations:

**The Respondents**

1. The Respondent, Trade 12 is owned and operated by Global Fin Services Limited, whose address is Langley House, Park Road, London, UK, N2 8EY. Global Fin Services Limited is a subsidiary of Exo Capital Markets Limited, whose address is Ajeltake Road, Trust Company Complex, MH 96960, Ajeltake Island, Majuro, Marshall Islands.

**Contraventions of section 27(2) of the Act**

2. The Respondents acted as ‘dealers’ by engaging in, or holding themselves out as engaging in, the business of trading in securities or derivatives in Saskatchewan without being registered to do so.
3. The Respondents acted as ‘advisers’ by engaging in, or holding themselves out as engaging in, the business of advising on securities or derivatives in Saskatchewan without being registered to do so.
4. The details of such activities are as follows:

***The Website***

- a. The Respondents own, operate, and maintain a website located at [www.trade12.com](http://www.trade12.com) (the Website).
- b. The Website is an online trading platform that offers residents of Saskatchewan the ability to trade in securities and derivatives.

### *The Investor*


- c. In or around 2016, a resident of Saskatchewan (the Investor) opened a trading account with the Respondents.
- d. The Respondents accepted the following monetary transfers from the Investor for the purpose of facilitating trading in securities or derivatives on the Website:

September 23, 2016	\$500.00 USD
November 11, 2016	\$1,000.00 USD
November 25, 2016	\$1,500.00 USD
<b>Total Deposits:</b>	<b>\$3,000.00 USD</b>

- e. The Investor received advice regarding when to buy/sell securities or derivatives from an Account Manager employed by the Respondents.
  - f. The Investor, either on her own behalf or through her Account Manager, bought and sold securities or derivatives on the Respondents' trading platform based on the advice received from her Account Manager.
- 5. In carrying out the acts indicated in paragraph 4, above, the Respondents engaged in the business of, or held themselves out as engaging in the business of trading in securities or derivatives on behalf of the Investor, and as such, acted as 'dealers' as defined in the *Act*.
  - 6. The Respondents have never been registered as 'dealers' as required by the *Act*, and therefore the Respondents contravened section 27(2)(a) of the *Act*.
  - 7. In carrying out the acts indicated in paragraph 4, above, the Respondents engaged in, or held themselves out as engaging in, the business of advising on securities or derivatives in Saskatchewan, and as such acted 'advisers' as defined in the *Act*.
  - 8. The Respondents have never been registered as 'advisers' as required by the *Act*, and therefore the Respondents contravened section 27(2)(b) of the *Act*.
  - 9. Based on the above, Staff of FCAA will ask the hearing panel to consider whether it is in the public interest to make the following orders:
    - a. Pursuant to section 134(1)(a) of the *Act*, all of the exemptions in Saskatchewan securities laws do not apply to the Respondents;
    - b. Pursuant to section 134(1)(c) of the *Act*, the Respondents shall cease advising with respect to any securities and derivatives in Saskatchewan.
    - c. Pursuant to section 134(1)(d) of the *Act*, the Respondents shall cease trading in securities and derivatives in Saskatchewan;

- d. Pursuant to section 134(1)(d.1) of the *Act*, the Respondents shall cease acquiring securities and derivatives for and on behalf of residents of Saskatchewan;
- e. Pursuant to section 135.1 of the *Act*, the Respondents shall pay an administrative penalty to the Financial and Consumer Affairs Authority of Saskatchewan in the amount of \$25,000.00;
- f. Pursuant to section 135.6 of the *Act*, the Respondents shall pay financial compensation to each person or company found to have sustained financial loss as a result, in whole or in part, of the Respondents' contraventions of the *Act*, in an amount to be determined; and
- g. Pursuant to section 161 of the *Act*, the Respondents shall pay the costs of or relating to a hearing in this matter.

DATED at the City of Regina, in the Province of Saskatchewan, this 18 day of July, 2018.



Dean Murrison  
Director,  
Securities Division  
Financial and Consumer Affairs Authority of  
Saskatchewan