



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)	
)	
WHOISTRUSTEE.COM LIMITED)	
d/b/a BINARYOPTIONROBOT.COM,)	
)	
<i>Respondent.</i>)	Case No.: AP-17-13
)	
Serve:)	
)	
Whoistrustee.com Limited)	
d/b/a Binaryoptionrobot.com)	
c/o Martin Christian Kruhl)	
LETT Law Firm P/S)	
Raadhusgaarden)	
Vester Alle 4)	
DK-8000 Aarhus C,)	
)	
via e-mail: mcj@lett.dk)	
)	
and)	
)	
via e-mail to:)	
26ca54bcb9@binaryoptionrobot.com.whoistrustee.com)	

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY
CIVIL PENALTIES AND COSTS SHOULD NOT BE IMPOSED**

On June 13, 2017, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“Enforcement Section”), through Director of Enforcement Sandra J. McDowell, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed (“Petition”). After reviewing the Petition, the Commissioner issues the following order:

I. ALLEGATIONS OF FACT

The Petition alleges the following facts:

A. Introduction

The Petition alleges that Whoistrustee.com Limited d/b/a Binaryoptionrobot.com perpetuated a scheme to defraud investors by the offer and/or sale of securities and commodities from at least August 2015 until the present. Respondent offered an increase in profits through the trading of binary options on their platform. These binary options derived their value from stocks, currencies, indices, or commodities. If the stock, currency, index, or commodity performed as the investor speculated, the investor gains some amount of money (up to 100% of investment), but loses the entire investment if the underlying security does not perform as the investor speculated. Binaryoptionrobot.com offered these commodity contracts and securities, and acted as a broker-dealer and a commodity merchant or board of trade for these transactions.

B. Respondent and Related Parties

1. As used herein, the term “Respondent” refers to Whoistrustee.com Limited d/b/a Binaryoptionrobot.com.
2. Binaryoptionrobot.com is a website that is purported to be owned by Jens Wagner of Hexonet Limited (“HL”). HL, a private company limited by shares, was incorporated under the Companies Act 2006 in England and Wales on August 12, 2015. However, HL filed a change of name on August 27, 2015, and modified its business name to Whoistrustee.com Limited.
3. Respondent has never been registered in Missouri as an investment adviser, investment adviser representative, broker-dealer, broker-dealer agent, and/or issuer agent.
4. There was never a registration, granted exemption, or notice filing indicating status as a “federal covered security” for the securities offered and/or sold by Respondent.
5. According to the National Futures Association’s BASIC database, at all times relevant to this matter, Respondent was not registered as any type of commodity merchant or intermediary in connection with futures trading.¹

C. Enforcement Section Investigation

6. On or around May 19, 2016, the Enforcement Section opened an investigation on Whoistrustee.com Limited d/b/a Binaryoptionrobot.com. A request for information was mailed and sent via email to 26ca54bcb9@binaryoptionrobot.com.whoistrustee.com. The request asked for, among other things, a list of all Missouri investors who invested with or had an account with Binaryoptionrobot.com.
7. On June 3, 2016, the Enforcement Section received a written response from Respondent’s legal adviser, Martin Christian Kruhl (“Kruhl”). In his response, Kruhl claimed that Binaryoptionrobot.com was “solely a marketing site and [his] client [was] only engaged

¹ BASIC is the database where futures commission merchants or intermediaries must register in order to be considered registered with the Commodities Futures Trading Commission.

in marketing. [His] client does not conduct financial activities in relation to investors, nor does [his] client receive any monies, funds or other means of payment from any investors, including investors from the State of Missouri or anywhere else in the United States of America. However, [he could] inform [the Enforcement Section] that due to a number of reasons, including [the Enforcement Section's] letter of May 19, [his] client has closed the site, sell [sic] all assets (including the domain Binaryoptionrobot.com which has already been sold), and commence voluntary (solvent) liquidation of its business activities.”

8. On or around October 12, 2016, the Enforcement Section successfully created an account with Binaryoptionrobot.com using a decoy identity (the “Decoy”). The Decoy did not immediately receive contact by the company.
9. However, on December 14, 2016, the Decoy received an email from Support at contact@binary-option-robot.com. This email stated, in part, the following:
 - a. “You signup with Binary Option Robot but you didn’t try it!”;
 - b. “It is very simple to use, you just need to make a deposit into your Broker account then press Auto Trade then the software will start trading automatically”;
 - c. “Here are the best trades of the robot since yesterday:

Date	Currency	Direction	Payout
2016-12-13	GOLD	CALL	\$1750
2016-12-13	EUR/JPY	PUT	\$850
2016-12-13	EUR/USD	CALL	\$830
2016-12-13	USD/CHF	CALL	\$432.5
2016-12-13	USD/JPY	CALL	\$432.5.”

D. Binaryoptionrobot.com

10. As of December 19, 2016, the Binaryoptionrobot.com website stated and/or contained the following:
 - a. “Get the latest binary solutions on the market. This site provides insight on secure and simple binary options and automated trading experience worldwide.”;
 - b. “Automated trading replaces any lack of knowledge needed for success in the binary industry. Direct trading with a broker can be increasingly risky, especially if you don’t have the knowledge on how to trade binary options. If you are a

beginner or don't feel like wasting your time or money, automated binary options trading would be the best choice!";

- c. "Binary options robots serve as an excellent and trustworthy binary trading solutions, available to traders worldwide.";
- d. "One of the main reasons while [sic] trading binary options is popular is because traders in any time know in advance what is their possible money gain or potential money loss. Trading binary options has many advantages, such as possibility [sic] to use a variety of features and trading instruments and opportunity to invest in a wide range of assets, such as currencies, stocks, commodities and indices.";
- e. "Binary Options Robot traders can use Robot services free of charge, without any hidden or additional fees.";
- f. "Binary Options Robot provides Daily Stop Loss feature that will ensure [the] trader protects his investments. Automated trading is activated with "Active Trading" button and it can also be deactivated if needed. Stop Loss enables to define amount [the] trader is willing to invest on a daily basis. If Robot spends all amount [sic] it will stop at a predefined level. This makes trading more comfortable and lets traders create their own trading plan.";
- g. "One of the advantages we want to point out is that Robot enabled trading with more brokers at the same time from one trading platform.";
- h. "The registration process is very simple and traders can fill the registration form to get started. Only basic info is needed to open an account with Binary Options Robot....To make things simpler, especially for beginners, Robot will open one broker account for a trader when he registers with Binary Options Robot. Depending on the country the trader is registering from, Robot will choose the best broker that is available in that country. Later on, a trader is always welcome to add more brokers to his portfolio.";
- i. "The entire idea behind the Binary Options Robot is to make it as easy as possible for trading. Why? Because it makes binary options trading an enjoyable and profitable experience. Activating your Binary Options Robot VIP Account enables you additional solutions that will improve and personalize your trading account. Simple as that.";
- j. "...Have we mentioned that [the] VIP Account is for free? You are most likely already eligible for the Binary Options Robot VIP Account, you are just not aware of that yet. You have registered with the Robot and have made the first deposit with a broker. Congratulations! The VIP Account just needs to be activated and the free month of exploring all the special features may begin. No hassle. No tricks.";

- k. “Once the free month expires, there is more to come. When traders make a deposit with the same or another broker, they are rewarded with 3 more months of VIP status! Please contact Binary Options Robot Customer Support for prolonging your VIP Account.”;
- l. “...There are three additional features that can be customized on Dashboard once the VIP Account is activated:
- Risk Level
 - Trading Strategies
 - Expiry Times”;
- m. “So, you want to begin trading and place safer trades at first. You have just started to develop your strategy and want to take it step by step. Low Risk Level option enables traders to do that. The Robot is instructed to place fewer trades to optimize your winning chances.”;
- n. “High Risk Level feature is ideal for more experienced traders who enjoy the adrenaline rush. This means that Robot places more trades which gives [sic] you better winning odds. The stakes might be higher but so are the profits.”;
- o. an announcement dated August 25, 2015, regarding a “favorable decision by the World Intellectual Property Organization (“WIPO”) concerning [their] domain names. After careful consideration of the issues in light of the arguments and evidence we submitted, a three-member Administrative Panel of WIPO determined that the Complainant was not entitled to have our domain names transferred to him and his Complaint was denied. And so we will continue using our domain names in the conduct of our business, and we look forward to a long and beneficial relationship with you. Best Regards, High Yield Solutions, Inc.”;
- p. “Choosing the right broker for you depends on many things. Here at Binary Option Robot.com, we believe it is important to check the broker’s credibility before [the] trader starts actual investment [sic].”;
- q. “There is a great difference when defining regulated and unregulated binary options brokers. We would like our readers to know what it means when a broker is regulated and how to be sure that it could be a legitimate claim.”;
- r. “There are certain government agencies making sure that binary options trading is done under certain regulations. They provide licenses for brokers if they have met their requirements, therefore, the brokers are regulated. Two of the most familiar bodies that regulate brokers are Cyprus Securities and Exchange Commission (CySec) and Commodity Futures Trading Commission (CFTC) in the USA. However, most of the countries in the EU have their own regulatory bodies. This is perfectly understandable and acceptable in binary options trading as long as brokers meet their regulatory requirements.”;

- s. “However, if a broker is unregulated, it does not have to be a scam. Unregulated brokers are simply less obligated toward binary options traders. Brokers can choose whether they want to obtain a regulation license.”;
- t. “Nevertheless, traders can decide to trade with various binary brokers who are reviewed by sites such as BinaryOptionRobot.com and could have [a] good trading experience.”;
- u. “Advantages that come from trading with regulated brokers could be plentiful. From our perspective, terms and conditions are clear and to the point, procedures with depositing and withdrawing money imply simple, fast and efficient trading process [sic]. More so, different regulatory bodies can regulate one broker at the same time.”; and
- v. “Once a broker gets a license, it is considered a legitimate company with credibility and integrity. This is beneficial for both sides; the brokers and the traders both know what to expect, and allegedly there is no grey area that can lead to trading irregularities.”

E. Additional Findings

- 11. In connection with the offer and/or sale of securities, Respondent failed to disclose, among other things, the following:
 - a. Respondent was not registered to offer or sell securities in the State of Missouri;
 - b. that the securities were not registered or exempt from registration in the State of Missouri; and
 - c. Respondent was not registered with the Commodity Futures Trading Commission.

II. COMMISSIONER’S DETERMINATIONS AND FINDINGS

Violation of Offering and Selling an Unregistered, Non-Exempt Security

- 12. **THE COMMISSIONER DETERMINES** that Respondent offered an unregistered, non-exempt security in the State of Missouri when Respondent offered binary options to a Missouri resident :
- 13. This activity constitutes an “offer to sell” as that term is defined in Section 409.1-102(26), RSMo (2016)².

² Unless otherwise specified, all statutory references are to the 2016 Revised Statutes of Missouri.

14. “[P]ut, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency” is enumerated in the list of items that are securities in Section 409.1-102(28).
15. The investments Respondent offered are either binary options deriving whatever value may have existed from an underlying asset, or a commodity or foreign currency. The investment offered was a security as that term is defined in Section 409.1-102(28).
16. At all times relevant to this matter, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for the securities offered by Respondent.
17. Respondent offered a security in Missouri without the security being (1) a federal covered security, (2) exempt from registration under Sections 409.2-201 or 409.2-203, or (3) registered under the Missouri Securities Act of 2003.
18. Respondent offered an unregistered security in violation of Section 409.3-301.
19. Respondent’s actions in violation of Section 409.3-301 constitute an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.

Violation of Transacting Business as an Unregistered Broker-Dealer

20. **THE COMMISSIONER FURTHER DETERMINES** that Respondent transacted business as an unregistered, non-exempt broker-dealer in the State of Missouri by engaging in the business of effecting transactions in securities for the account of others.
21. These activities constitute transacting business as a broker-dealer in the State of Missouri under Section 409.1-102(4).
22. At all times relevant to this matter, Respondent was not registered as a broker-dealer either with the Securities and Exchange Commission or with the State of Missouri.
23. Respondent transacted business in Missouri without being registered or exempt from registration as a broker-dealer in violation of Section 409.4-401(a).
24. Respondent’s actions in violation of Section 409.4-401(a) constitute an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.

Violations of Offering and Entering into a Prohibited Commodities Contract

25. **THE COMMISSIONER FURTHER DETERMINES** that Respondent offered to enter into, entered into, or confirmed the execution of, foreign currency commodity contracts and foreign currency commodity options contracts with a Missouri resident, without

being exempt or excluded pursuant to Sections 409.803.2 and 409.806, when, among other things, Respondent solicited investments in accounts where currency and currency options trading was to occur.

26. This activity constitutes an “offer” or “offer to sell” as that term is defined in Section 409.800(11).
27. Respondent offered commodity contracts and commodity option contracts as those terms are defined in Sections 409.800(5) and (9).
28. Respondent offered to enter into, entered into, or confirmed the execution of, foreign currency commodity contracts and foreign currency commodity option contracts in violation of Section 409.803.1.
29. The actions of Respondent in offering prohibited commodities contracts constitute an illegal act or practice and, thus, such action is subject to the Commissioner’s authority under Section 409.823.

Violation of Engaging in Unregistered and/or Unlicensed Commodity Merchant Business

30. **THE COMMISSIONER FURTHER DETERMINES** that Respondent engaged in the commodity merchant business without registering with the Commodity Futures Trading Commission as required to qualify as a registered commodity merchant.
31. This activity constitutes engaging in a trade or business or otherwise acting as a commodity merchant as that term is defined in Section 409.800(8).
32. **THE COMMISSIONER FURTHER DETERMINES** that Respondent created and maintained a board of trade, or place for the trading of commodity contracts or commodity option contracts required to be traded on or subject to the rules of a contract market designated by the Commodity Futures Trading Commission and which had not been so designated when, among other things, Respondent created a trading platform for the buying or selling of commodities contracts and commodity option contracts.
33. This activity constitutes acting as a board of trade as that term is defined in Section 409.800(2).
34. Respondent conducted unregistered commodity merchant business in violation of Sections 409.808.1 and 409.808.2.
35. The actions of Respondent in conducting unregistered commodity merchant business constitute an illegal act or practice and thus such actions are subject to the Commissioner’s authority under Section 409.823.
36. This order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003 and Sections 409.800 to 409.863.

III. ORDER

NOW THEREFORE, it is hereby ordered that Respondent, its agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order be prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301 by offering or selling any securities as defined by Section 409.1-102(28) in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-301;
- B. Section 409.4-401(a) by transacting business as an unregistered broker-dealer firm;
- C. Section 409.803 by selling or purchasing, or offering to sell or purchase any commodity contract or any commodity option while not being registered with the applicable regulatory bodies; and
- D. Sections 409.808.1 and 409.808.2 by engaging in the trade or business or otherwise acting as a commodity merchant while not being registered or temporarily licensed with the Commodities Futures Trading Commission.

IV. STATEMENT

Pursuant to Section 409.6-604, the Commissioner hereby states that he will determine whether to grant the Enforcement Section's request for:

- A. \$1,000 civil penalty against Respondent for violating Section 409.3-301;
- B. \$1,000 civil penalty against Respondent for violating Section 409.4-401(a); and
- C. an order against Respondent to pay the costs of the investigation in this proceeding, awarding an amount to be determined after review of evidence submitted by the Enforcement Section.

Pursuant to Section 409.823, the Commissioner hereby states that he will determine whether to grant the Enforcement Section's request for:

- A. \$100,000 civil penalty against Respondent for multiple violations of Sections 409.803 and 409.808.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 16th DAY OF JUNE, 2017.



JOHN R. ASHCROFT
SECRETARY OF STATE

A handwritten signature in blue ink, which appears to read "David M. Minnick". The signature is written in a cursive style and is positioned above a horizontal line.

DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)	
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d/b/a BINARYOPTIONROBOT.COM,)	
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c/o Martin Christian Kruhl)	
LETT Law Firm P/S)	
Raadhusgaarden)	
Vester Alle 4)	
DK-8000 Aarhus C,)	
)	
via e-mail: mcj@lett.dk)	
)	
and)	
)	
via e-mail to:)	
26ca54bcb9@binaryoptionrobot.com.whoistrustee.com)	

NOTICE

TO: Respondent and any unnamed representatives aggrieved by this Order:

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Sections 409.6-604(b), 409.843, RSMo (2016), and 15 CSR 30-55.020. Any request for a hearing before the Commissioner must contain:

- a. a brief statement of the facts;
- b. a summary of the factual and legal issues involved;
- c. a request for relief;
- d. suggestions in support of the relief sought, including the relevant statutes;
- e. the name of the party requesting the hearing; and
- f. the name of the attorney representing the party, if any.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to this order, the Commissioner will schedule this matter for a hearing.

A request for a hearing must be mailed or delivered, in writing, to:

David M. Minnick, Commissioner of Securities
Office of the Secretary of State, Missouri
600 West Main Street, Room 229
Jefferson City, Missouri, 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of June, 2017, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should Not Be Imposed in the above styled case was **mailed by United States Registered mail to:**

Whoistrustee.com Limited
d/b/a Binaryoptionrobot.com
c/o Martin Christian Kruhl
LETT Law Firm P/S
Raadhusgaarden
Vester Alle 4
DK-8000 Aarhus C,

via e-mail to:

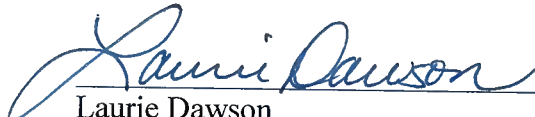
mcj@lett.dk

and

26ca54bcb9@binaryoptionrobot.com.whoistrustee.com

and by hand-delivery and email to:

Saundra J. McDowell
Director of Enforcement
Missouri Securities Division
Saundra.McDowell@sos.mo.gov


Laurie Dawson
Securities Office Manager