

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of,

NOVA TECH FX, CYNTHIA PETION,
and EDDIE PETION,

Respondents.

SUMMARY ORDER TO CEASE
AND DESIST INCLUDING
RESTITUTION AND CIVIL
PENALTIES

Case No. S-246552 (EX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“the Division”), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 (“Ch. 551”) and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. Cynthia Petion (“Cynthia Petion”) is an adult female resident of Florida with a last known address of 1801 N. Flagler Drive, Apartment 129, West Palm Beach, Florida 33407. Cynthia Petion is a founder and the Chief Executive Officer of Nova Tech.
2. Eddie Petion (“Eddie Petion”) is an adult male resident of Florida with a last known address of 1801 N. Flagler Drive, Apartment 129, West Palm Beach, Florida 33407. Eddie Petion is a founder and the Chief Operating Officer of Nova Tech.
3. Nova Tech Ltd. a/k/a Nova Tech FX (“Nova Tech”) is a limited liability company with a last known business address of Griffith Corporate Center, Suite 305, Beachmont Kingstown, St. Vincent and the Grenadines, and has a website at www.novatechfx.com. Nova Tech has been controlled by Eddie and Cynthia Petion at all times material. The website asserts that “NovaTech, LTD is incorporated as Business Company Number 25614 BC 2019 under the Business Companies (Amendment and Consolidation), Act Chapter 149 of the Revised Laws of Saint Vincent and the Grenadines 2009.”

Conduct

4. Paul J. DeRenzo (“DeRenzo”) is an adult male resident of Pennsylvania with a last known address of 1634 Hawthorne Street, Pittsburgh, Pennsylvania 15201.
5. None of the above Respondents have ever been registered to offer or sell securities with the Division, Securities and Exchange Commission (“SEC”), or the Financial Regulatory Authority (“FINRA”).
6. Cynthia and Eddie Petion have a lengthy history of bankruptcy and civil judgments, including but not limited to:
 - a. In or about 2011, Cynthia and Eddie Petion filed for Chapter 7 Bankruptcy in the United States Bankruptcy Court for the Eastern District of New York.
 - b. In or about August 2019, a debt buyer sued Cynthia Petion in the Circuit Court of the Fifteenth Judicial Circuit in Palm Beach County, Florida, Civil Division, for breach of contract and unjust enrichment, alleging that Cynthia Petion had failed and/or refused to repay a loan;
 - c. In or about July 2018, a mortgage lender sued Eddie Petion and Cynthia Petion in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, Civil Division, in an action to foreclose a defaulted mortgage on residential real property held by Eddie Petion and Cynthia Petion;
 - d. In or about April 2018, a credit card issuer sued Cynthia Petion in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, Civil Division, for account stated and unjust enrichment. A judgment was entered against Cynthia Petion in the amount of \$11,776.55; and
 - e. In or about October 2017, a credit card issuer sued Eddie Petion in the County Court in and for Palm Beach County, Florida, for account stated. A judgment was entered against Eddie Petion in the amount of \$4,740.56.
7. In 2022 Nova Tech started holding itself out as a cryptocurrency and foreign exchange currency (“forex”) trading firm which would use investor funds to trade cryptocurrencies and foreign currencies to generate returns to Nova Tech investors, with higher rates of returns for investors who purchased more expensive “investment packages” through its website.
8. On or about August 9, 2022, the Central Bank of Russia issued a securities fraud warning concerning Nova Tech, Cynthia Petion, and Eddie Petion.
9. On or about October 11, 2022, the British Columbia Securities Commission issued a securities fraud warning concerning Nova Tech, Cynthia Petion, and Eddie Petion.
10. On or about November 11, 2022, DeRenzo posted an advertisement on the

Craigslist/WI/services/financial website targeting residents of Milwaukee, Wisconsin. The heading stated: "We Trade For You-Get Paid Every Week." The body of the posting stated: "Let the professionals trade for you. They have a remarkable track record. You make steady profits that you can withdraw or let them compound. You have access to your funds the entire time. Completely passive income. It's free to join and you can get started with very low amounts. Get paid each week. Returns have averaged over 3% per week. Completely passive income, just takes a few minutes per week and you don't need any special knowledge. It's a very simple program. Email for more information."

11. Wisconsin Resident ME ("ME") is an adult male resident of Wisconsin.
12. On or about November 16, 2022, ME emailed in response to the posting.
13. On or about November 16, 2022, ME received a telephone call from DeRenzo. DeRenzo told ME to log into a Zoom meeting that day to talk about the investment.
14. During the November 16, 2022 telephone call and Zoom meeting, DeRenzo represented to ME that:
 - a. Nova Tech involved earning passive income in which Nova Tech would trade cryptocurrency for ME;
 - b. Nova Tech's average weekly return for investors was almost 3% a week, and a chart displaying no losses whatsoever. DeRenzo told ME that even during in the weeks when cryptocurrency lost value, Nova Tech investors still got paid because Nova Tech's traders "make money when the market is going up, down or sideways";
 - c. That Nova Tech had purportedly managed funds for investors which had purportedly earned 131 percent so far in 2022. DeRenzo said crypto went up in January, but is now down, but the Nova Tech traders always made money for investors.
 - d. Regarding another chart displaying different levels of investment with Nova Tech and bonuses received by Nova Tech investors who brought other investors to Nova Tech, in response to ME's inquiry as to what the bonus would be for the person who brought ME in as a Nova Tech investor, DeRenzo said that for a \$5,000 investment, the bonus would be \$250 to \$500. DeRenzo represented that the bonus was not taken from the money invested by the new investor to pay the referring investor.
15. On November 22, 2022, the California Department of Financial Protection and Innovation issued a Desist and Refrain Order against Nova Tech and several of its affiliates, Cynthia Petion, and Eddie Petion. The Desist and Refrain order included allegations of securities fraud.
16. On or about December 1, 2022, ME asked DeRenzo in an email about the California Desist and Refrain Order. DeRenzo told ME he was aware of the order and the fraud allegations it contained but did not elaborate further or provide any additional information.

17. Upon information and belief, there are at least 270 Nova Tech accounts held by persons located in Wisconsin. Each Wisconsin investor invested at least \$99.00 in an investment package offered by Nova Tech.
18. At no time did any Respondent or any Respondent's representative inform ME about:
 - a. Eddie and Cynthia Petion's legal history, including civil lawsuits and bankruptcy;
 - b. The securities fraud warnings issued by the Central Bank of Russia and the British Columbia Securities Division;
 - c. The California Desist and Refrain Order; and
 - d. That none of the Respondents were registered to offer or sell securities in Wisconsin;
19. Nova Tech posted numerous videos to YouTube featuring Cynthia and Eddie Petion representing to viewers that Nova Tech was registered as a hedge fund, broker-dealer, and investment adviser between 2020 and 2022.
20. Nova Tech published posts to its Telegram account representing that it was a registered hedge fund on or about May 4, 2022.

B. Conclusions of Law

21. Pursuant to Wis. Stat. § 551.102(28)(d)(1), an investment contract security includes an investment in a common enterprise with the expectation of profits to be derived through the essential managerial efforts of someone other than the investor.
22. Pursuant to Wis. Stat. § 551.501(2), it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly, to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.
23. The investment packages offered by the Respondents are investment contract securities pursuant to Wis. Stat. § 551.102(28)(d)(1), because the Nova Tech investors' funds were to be managed by third party traders to generate profits trading cryptocurrency and forex for the investors without any active involvement by the investors.

Violations

24. As described above in ¶¶ 1-20, Nova Tech, Eddie Petion, and Cynthia Petion violated Wis. Stat. 551.501(2) when they offered securities in Wisconsin and omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading, including but not limited to the Petions' bankruptcy and numerous civil suits, the securities fraud notices issued concerning Nova Tech by the Central Bank of Russia and the British Columbia Securities Commission, the

California Desist and Refrain Order, and the fact that Nova Tech, Eddie Petion, and Cynthia Petion were not registered to offer or sell securities in Wisconsin.

25. As described above in ¶¶ 1-20, Nova Tech, Eddie Petion, and Cynthia Petion, violated Wis. Stat. 551.501(2) when they offered securities in Wisconsin and made misrepresentations of material fact, including but not limited to the representations that NovaTech was registered as a hedge fund, broker-dealer, and investment advisor when it had never been registered in any of those capacities.

III.

In view of the above findings of fact and conclusions of law, and pursuant to its legal authority and jurisdiction under Ch. 553, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors to issue the following orders and notices:

A. Summary Orders issued pursuant to Wis. Stat. § 551.604(2)

- (a) IT IS ORDERED summarily that NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, shall cease and desist from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute, pursuant to Wis. Stat. §§ 551.604(1)(a) and (2).
- (b) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security or of by NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, their agents, servants, officers, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, are hereby revoked, pursuant to Wis. Stat. §§ 551.604(1)(b) and (2).
- (c) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth in Wis. Stat. §§ 551.201 and 551.202 that may otherwise apply to a specific security, transaction or offer of or by NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(c) and (2).
- (d) IT IS FURTHER ORDERED summarily that NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, their successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, are prohibited from violating Wis. Stat. § 551.501 or successor statute.

- (e) IT IS FURTHER ORDERED summarily that NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, their successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, are prohibited from violating Ch. 551 or successor statute that might otherwise apply to any offer or sale of a security of or by NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION.
- (f) PLEASE TAKE NOTICE that the orders of the Administrator are effective as of the issuance of this order, pursuant to § Wis. Stat. 551.604(2).

B. Proposed Orders

- (g) IT IS PROPOSED that an order be issued against NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, to pay restitution to the Wisconsin investors with interest on such amount at the legal rate under Wis. Stat. § 138.04, starting from the effective date of this order through the date of satisfaction, pursuant to Wis. Stat. § 551.604(4m). NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION shall pay restitution within 30 calendar days of the issuance of this order and provide the Division with proof of the restitution payment to the Wisconsin investors by no later than 30 days after restitution has been paid.
- (h) IT IS FURTHER PROPOSED that an order be issued imposing a civil penalty against NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION, in the form of an administrative assessment totaling \$50,000 for the violations committed pursuant to Wis. Stat. § 551.604(4) in the event that NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION do not pay restitution and interest in full to the Wisconsin investors within 30 days of the issuance of this order. Such payment shall be made payable to the Wisconsin Department of Financial Institutions and shall be remitted to the Division no later than 60 calendar days from the date of issuance of this Order.
- (i) IT IS FURTHER PROPOSED that an order be issued imposing the actual costs of the investigation or proceeding pursuant to Wis. Stat. § 551.604(5) against NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION.

C. Service of Order

- (j) IT IS FURTHER ORDERED that this order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code. § DFI-Sec. 8.06. This order shall also be served upon the office of the administrator pursuant to Wis. Stat. § 551.611.
- (k) PLEASE TAKE NOTICE that the date of service of this order is the date it is placed in the mail. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

D. Notice of Hearing Rights

- (l) PLEASE TAKE NOTICE that you have the right to request a hearing, pursuant to Wis. Stat. § 551.604(2). Every request for a hearing shall be in the form of a written petition filed with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01 and Wis. Stat. § 227.42. A petition for a hearing to review the order shall:
- (1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit such an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and
 - (2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.
- (m) PLEASE TAKE FURTHER NOTICE that you may file your written petition:
- (1) By mailing the written petition to:
Division of Securities
Wisconsin Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701-1768
 - (2) By delivering the written petition in person to:
Division of Securities
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower, 4th Floor
Madison, Wisconsin 53705
 - (3) By faxing the written petition to (608) 264-7979
- (n) PLEASE TAKE FURTHER NOTICE that the petition for hearing must be filed with the Division. Pursuant to Wis. Stat. § 551.102(8), "filing" means "receipt." Therefore, a petition is not "filed" with the Division until it is actually "received" by the Division. If the Division does not receive your written petition before midnight on the 30th day after the date of service of this order, your right to a hearing will be waived and the Summary Order shall become final by operation of law.
- (o) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this order, the findings of fact, conclusions of law, and summary orders and proposed final orders, including the imposition of a civil penalty and requirement for payment of restitution and

interest sought in a statement in the order, become final by operation of law, pursuant to Wis. Stat. § 551.604(2).

- (p) PLEASE TAKE FURTHER NOTICE that, within 15 days after the Division's receipt of a written request for a hearing from you, the matter will be scheduled for a hearing or other public administrative proceedings, pursuant to Wis. Stats. §§ 551.604(2) and (3).

E. Notifications

- (q) PLEASE TAKE FURTHER NOTICE violations of this Order, once final, may be enforced by any investor, or by the Division pursuant to Wis. Stat. § 551.604(7) whether acting in its own right or on behalf of the investor, by petitioning any court of competent jurisdiction to enforce the terms of the order.
- (r) PLEASE TAKE FURTHER NOTICE failure to provide a copy of this Order to prospective investors may be a material misrepresentation in violation of Ch. 551 and this order.
- (s) PLEASE TAKE FURTHER NOTICE that this Order is effective on the date it is issued. NOVA TECH LTD., CYNTHIA PETION, and EDDIE PETION are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

EXECUTED at Madison, Wisconsin this 4th day of April, 2023.



Leslie M. Van Buskirk

Leslie M. Van Buskirk
Administrator
Division of Securities

State of Wisconsin, Department of Financial Institutions
4822 Madison Yards Way, 4th Floor
Madison, Wisconsin 53705



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by registered mail upon Nova Tech FX at their last known address of Griffith Corporate Center, Suite 305, Beachmont Kingstown, St. Vincent and the Grenadines:
i. A copy of the Summary Order to Cease and Desist Including Restitution and Civil Penalties; DFI Case No. S-246552 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

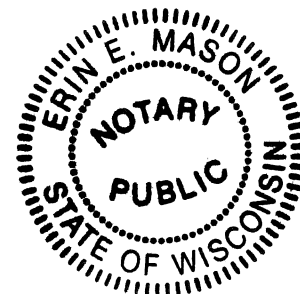
This 4th day of April, 2023.

Eric E. Nelson (handwritten signature)

Notary Public, State of Wisconsin

My commission expires 11/3/2026.

(Notary Seal)





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Cynthia Petion at her last known address of 1801 N. Flagler Drive, Apartment 129, West Palm Beach, Florida 33407:
i. A copy of the Summary Order to Cease and Desist Including Restitution and Civil Penalties; DFI Case No. S-246552 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

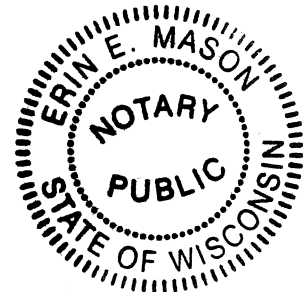
Subscribed and sworn to before me

This 4th day of April, 2023.

Erin E. Mason

(Notary Seal)

Notary Public, State of Wisconsin
My commission expires 11/3/2026.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Eddie Petion at his last known address of 1801 N. Flagler Drive, Apartment 129, West Palm Beach, Florida 33407:
i. A copy of the Summary Order to Cease and Desist Including Restitution and Civil Penalties, DFI Case No. S-246552 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 4th day of April, 2023.

[Signature]

Notary Public, State of Wisconsin

My commission expires 11/3/2026.

(Notary Seal)

