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BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-13-0136
ORDER NO. C-13-0136-14-OR01

ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

D TRADE, INC.

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Money Services Act (“Act”), Ark. Code Ann. §§ 23-55-101 through 23-55-1006, the Arkansas Money Services Rules (“Rules”) promulgated under the Act, and the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement between the Staff of the Arkansas Securities Department (“Staff”) and D Trade, Inc. (“D Trade”), in final settlement of all claims that could be brought against D Trade by the Staff on the basis of the facts set forth herein.

D Trade admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing, consents to the entry of this Consent Order, and agrees to abide by its terms in the settlement of any possible violations committed by D Trade concerning the matters detailed in this Consent Order.

FINDINGS OF FACT

1. D Trade is a Nevada corporation based in Las Vegas, Nevada, that has never been licensed in any capacity with the Arkansas Securities Department (“Department”). D Trade has a pending application for a currency exchange license with the Department.

2. Dinar Trade, Inc. (“Dinar Trade”) is a Nevada corporation under common ownership with D Trade. Dinar Trade was approved for currency exchange license

number 43345 on April 14, 2011, and voluntarily surrendered this license on February 15, 2012. Dinar Trade is not currently licensed under the Act or by the Department in any capacity.

3. On April 14, 2011, the Commissioner approved a Consent Order between Dinar Trade and the Staff, Order No. C-11-0205-11-OR02, resulting from Dinar Trade's unlicensed currency exchange activity in Arkansas from January 1, 2008, through April 14, 2011. Pursuant to the April 14, 2011, Consent Order, Dinar Trade was ordered to pay a civil penalty of \$20,000.00 to the Department.

4. When Dinar Trade voluntarily surrendered its license on February 15, 2012, Dinar Trade told the Staff that it was no longer engaging in the business of currency exchange in Arkansas and was advised by the Staff that it must reapply for a license if it planned to engage in currency exchange services with Arkansas consumers in the future. However, Dinar Trade began engaging in currency exchange services for Arkansas consumers under the name D Trade on April 20, 2012, without reapplying for a currency exchange license with the Department.

5. D Trade holds itself out to the public as providing currency exchange services throughout the United States. On its website at <http://www.dinartrade.com>, D Trade states that since being "[e]stablished in 2004, Dinar Trade has continuously been the market leader and innovator for the exotic currency market." D Trade uses the business names "D Trade" and "Dinar Trade" interchangeably throughout its website and does not indicate the surrender of its currency exchange license in Arkansas or provide a disclaimer regarding its inability to provide currency exchange services to Arkansas consumers. As a result, Arkansas consumers are able to freely exchange currency on D Trade's website.

6. From April 2012 through February 2014, D Trade exchanged approximately \$737,831.99 for Chinese yuan, Iraqi dinar, South Korean won, and Vietnamese dong in approximately 1,216 transactions for Arkansas consumers.

7. D Trade has informed the Staff that it wishes to continue engaging in the business of currency exchange in Arkansas and, to that end, has applied for licensure pursuant to the Act.

APPLICABLE LAW

8. The Commissioner administers the Act and Rules and has jurisdiction over D Trade and the subject matter of this proceeding. Ark. Code Ann. § 23-55-104(a).

9. “Person” means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government; governmental subdivision, agency or instrumentality; public corporation; or any other legal or commercial entity. Ark. Code Ann. § 23-55-102(15).

10. “Currency exchange” means exchanging the money of one government for money of another government, or holding oneself out as able to exchange the money of one government for money of another government. Rule 102(6).

11. A person engages in the business of currency exchange if the person conducts currency exchange for persons located in Arkansas or conducts currency exchange from a physical location in Arkansas for persons located outside Arkansas. Persons engaging in the business of currency exchange shall be presumed to solicit, advertise, or hold itself out as a person that engages in the business of currency exchange in Arkansas if the person fails to provide a disclaimer listing either the states in which it is licensed or approved to do business or the states in which it is not licensed or approved to do business. Rule 401(a)(1) and (2).

12. A person may not engage in currency exchange or advertise, solicit, or hold itself out as providing currency exchange for which the person receives revenues equal or greater than five percent of total revenues unless the person is issued a currency exchange license under the Act, or is licensed for money transmission or an authorized delegate of a person licensed for money transmission under the Act. Ark. Code Ann. § 23-55-401(a).

13. The Commissioner has the authority to assess a civil penalty against a person that violates the Act or Rules in an amount not to exceed \$1,000 per day for each day the violation is outstanding. Ark. Code Ann. § 23-55-805.

14. Ark. Code Ann. § 23-55-804 permits the informal disposition of an allegation by consent order.

CONCLUSIONS OF LAW

15. D Trade, a corporation, is a person pursuant to Ark. Code Ann. § 23-55-102(15).

16. D Trade exchanged U.S. dollars for the money of China, Iraq, South Korea, and Vietnam for Arkansas consumers, and held itself out to Arkansas consumers as able to exchange the money of one government for money of another government, meeting the definition of currency exchange under Rule 102(6).

17. D Trade engaged in the business of currency exchange in Arkansas without a license under the Act from April 20, 2012, through the date of this Consent Order. Pursuant to Rule 401(a)(1), D Trade engaged in the business of currency exchange when it conducted currency exchange for persons located in Arkansas. Further, pursuant to Rule 401(a)(2), D Trade is presumed to have solicited, advertised, and held itself out as a person that engages in the business of currency exchange in Arkansas by failing to provide a disclaimer citing the fact that it is not licensed or approved to do business in Arkansas.

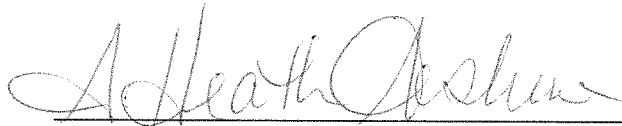
18. D Trade's failure to obtain a currency exchange license in Arkansas prior to engaging in the business of currency exchange, and prior to advertising, soliciting, or holding itself out as providing currency exchange in Arkansas, constitutes a violation of Ark. Code Ann. § 23-55-401(a).

19. The violation of the Act by D Trade supports an assessment by the Commissioner of a civil penalty against D Trade, pursuant to Ark. Code Ann. § 23-55-805.

ORDER

By agreement and with consent of the Staff, D Trade, and D Trade's authorized representatives, it is hereby ordered that D Trade shall pay a civil penalty of \$20,000.00 to the Department within ten days of the entry of this Consent Order.

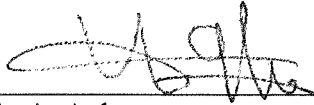
IT IS SO ORDERED.



A. Heath Abshure
Arkansas Securities Commissioner

March 27, 2014
Date

Approved as to Content and Form:



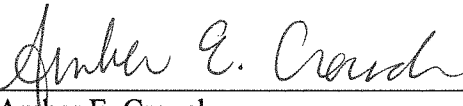
Hasnain A. Agha
President
D Trade, Inc.

3/25/2014
Date



John P. Drohan, III
Drohan Lee LLP
Attorney for the Respondent

3/26/2014
Date



Amber E. Crouch
Staff Attorney
Arkansas Securities Department

3/27/14
Date