

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-24-0023

ORDER NO. S-24-0023-24-OR01

**IN THE MATTER OF:
GOO Markets LLC**

RESPONDENT

CEASE AND DESIST ORDER

On July 31, 2024, the Staff of the Arkansas Securities Department (“Staff”) filed its Request for a Cease and Desist Order (“Request”) stating that it has received certain information and has in its possession certain evidence indicating that GOO Markets LLC (“GOO Markets”) has violated provisions of the Arkansas Securities Act (“Act”), Ark. Code Ann. §§ 23-42-101 through 23-42-509, and the Arkansas Uniform Money Services Act (“AUMSA”), Ark. Code Ann. §§ 23-55-101 through 23-55-1007. The Arkansas Securities Commissioner (“Commissioner”) has reviewed the Request, and based upon the representations made therein, finds as follows:

FINDINGS OF FACT

The Request contains the following representations of fact:

1. GOO Markets is an online platform conducting business through its public website <https://goomarketllc.store/#/home>. It claims to be a platform where investors can buy, trade, and hold 350+ cryptocurrencies. GOO Markets boasts that investors can trade in forex, crypto, stocks, indices, and commodities all in one place.
2. GOO Markets claims to be a Washington limited liability company (“LLC”) and have a principal place of business at 1130 Connecticut Ave. NW, Washington D.C. 20036-3904. When the Staff reviewed the address, they noted it belonged to a commercial building which rents shared office space. Follow-up research showed there are no businesses operating in Washington or Washington D.C. under the “GOO Markets” name. GOO

Markets can be served through its registered agent, Incorp. Services, Inc., at 4505 Pacific Hwy E Ste C-2, Fife, WA 98424.

3. GOO Markets claims to have a headquarters located in the United Kingdom. Upon review of the United Kingdom's publicly-viewable business entity records website at <https://find-and-update.company-information.service.gov.uk/>, the Staff discovered no entities registered under the "GOO Markets" name.
4. On its website, GOO Markets claims to be subject to UK International Financial Regulations, which is overseen by the Financial Conduct Authority ("FCA"). The Staff reviewed the FCA's financial services register and discovered no entities registered under the "GOO Markets" name.
5. GOO Markets claims to offer investors simple, stable and smart trading through individual earning plans. To begin creating an earnings plan, an investor must choose between forex, crypto, stocks, ETFs, or futures as their primary smart trading category. Once chosen, an investor is offered different subcategories of investment opportunities to house in their plan.
6. Once the investment is selected, an investor chooses a timeframe for the investment. The timeframe determines the investment amount limits and the daily yield return percentage. On the lowest end, an investor must invest between \$1,000 and \$5,000 for 7 days and receive a daily yield of 1.20% to 1.50%. On the highest end, an investor must invest \$100,000 and \$300,000 for 90 days and receive a daily yield of 2.30% to 25.00%. This includes the options to purchase stocks and other securities.
7. To boast its claim to be a legitimate platform, GOO Markets claims to have several partnerships with different key figures in the investment industry. Such partnerships

include Gary Gensler the Chairman of the U.S. Securities and Exchange Commission and Jamie Dimon the CEO of JPMorgan Chase. The Staff was unable to find any evidence validating GOO Markets' partnership claims.

8. GOO Markets was brought to the Staff's attention in June 2024 when a complaint was filed by an Arkansas resident ("AR1") with the Arkansas Attorney General's office. AR1 found GOO Markets via social media and after reviewing the website and different options in GOO Markets' primary smart trading category, including forex, crypto, stocks, ETFs, or futures, AR1 decided to invest in gold futures.
9. AR1 created an earnings plan and invested \$3,000 in gold futures. After a few days passed, AR1 successfully withdrew \$4,273 from the platform. Given this success, AR1 decided to invest an additional \$45,000 in gold futures. After a few days, AR1's account showed a balance of \$699,338.11 and was told by an unidentifiable GOO Markets agent \$555,975.62 was profit.
10. Before AR1 could make a withdrawal of the profit, they received an email from GOO Markets claiming AR1's account was frozen because a 20% tax needed to be paid. GOO Markets told AR1 the tax totaled \$111,195.12 and had to be paid by June 20, 2024. When AR1 inquired into the origin of this tax, GOO Markets claimed the profits in AR1's account exceeded the national income standards as set forth by the Financial Regulatory Bureau ("FRB"). Upon review, the Staff determined there is no FRB nor a regulation imposing such a tax.
11. If left unpaid, AR1 was told the funds would be deemed abandoned and that their account would be permanently frozen by GOO Markets. Additionally, GOO Markets threatened to

hand over the unpaid funds to an unknown financial regulatory authority for litigation purposes.

12. AR1 did not have the funds available to pay the tax. However, they were willing to pay the tax from the gross profits of the account. GOO Markets told AR1 this was not an option, and new funds must be used. When AR1 pressed GOO Markets about the matter, GOO Markets told them it could not do anything about the required tax. AR1 attempted to reach out to the FRB for assistance but was unable to make contact.
13. In total, AR1 lost \$45,000 to the scam promulgated by GOO Markets.
14. A review of the Department's records shows that GOO Markets is not registered, licensed, or exempted from registration pursuant to the Act.
15. Additionally, the Staff's review of Department records found that GOO Markets is neither registered nor licensed in Arkansas as a money transmitter to hold virtual currency on its platform as stored value on behalf of consumers, or to sell, transfer, or convert the virtual or fiat currency investors need to fund purchases on the GOO Markets platform.

APPLICABLE LAW

16. Ark. Code Ann. § 23-42-102(17)(A)(ii) defines "security" to include stocks.
17. Ark. Code Ann. § 23-42-102(13) defines "person", in part, as a limited liability company.
18. Ark. Coe Ann. § 23-42-102(15)(A)(ii) defines "offer" to include every attempt or offer to dispose of, or solicitation of an offer to buy, a security or interest in a security for value.
19. Ark. Code Ann. § 23-42-507(2) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make

the statement made, in light of the circumstances under which they are made, not misleading.

20. Ark. Code Ann. § 23-42-507(3) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.
21. Ark. Code Ann. § 23-42-209(a) states that whenever it appears to the Commissioner, upon sufficient grounds or evidence satisfactory to the Commissioner, that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act, the Commissioner may summarily order the person to cease and desist from the act or practice.
22. Ark. Code Ann. § 23-55-102(13)(A) defines “money transmission” as selling or issuing payment instruments or stored value to a person located in this state; facilitating, selling, trading, transferring, or converting virtual currency or monetary value in this state; or receiving money for transmission from a person located in this state.
23. Ark. Code Ann. § 23-55-201(a) states that a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed under the AUMSA, is an authorized delegate of a person under the AUMSA, or is excluded from licensing under Ark. Code Ann. § 23-55-103 of the AUMSA.
24. Ark. Code Ann. § 23-55-807(a)(2) states that if as a result of an investigation the Commissioner finds that a person has engaged or is about to engage in an act or practice

constituting a violation of the AUMSA or a rule of order under the AUMSA, the Commissioner may summarily issue a cease and desist under § 23-55-803.

CONCLUSIONS OF LAW

25. The stocks offered and promoted to investors via the GOO Markets platform are securities as defined by Ark. Code Ann. §§ 23-42-102(17)(A)(ii) and 23-42-102(15)(A)(ii).
26. GOO Markets is registered in Washington as an LLC and therefore is a person as defined by Ark. Code Ann. § 23-42-102(13).
27. GOO Markets violated Ark. Code Ann. § 23-42-507(2) by making false and misleading statements of material facts including, but not limited to, the following: claiming to operate from an office in Washington D.C. when it does not; claiming to operate in Washington when it does not; claiming to have a headquarters in the United Kingdom when it does not; claiming to be subject to the Financial Conduct Authority in the United Kingdom when it is not registered; claiming to have partnerships with key figures in the investment industry; providing AR1 with fictitious, unverifiable reasons as to why they could not withdraw from their account; and telling AR1 a nonexistent regulator, the Financial Regulatory Bureau, was the reason AR1 could not withdraw the profits.
28. GOO Markets violated Ark. Code Ann. § 23-42-507(3) by operating a website that is publishing false and misleading statements, documents, and other information for the purpose of soliciting investors. During the investigation, the Staff was unable to verify the legitimacy of GOO Markets trading claims. The Staff was unable to determine whether an investor traded in their selected trading category or not. Upon information and believe the

Staff concluded that the trading categories were offered to investors in furtherance of the scam.

29. GOO Markets violated Ark. Code Ann. § 23-55-201(a) by holding itself out as being eligible to provide money transmission services, as defined by Ark. Code Ann. § 23-55-102(13)(A), when GOO Markets claimed that it was capable of holding virtual currency on its platform as stored value on behalf consumers and being capable of selling, transferring, or converting virtual or fiat currency that investors need to fund their trading accounts on the GOO Markets platform.
30. GOO Markets' conduct, acts, and practices violate the Act and AUMSA and threaten immediate and irreparable public harm on an ongoing basis. Therefore, a cease and desist order is in the public's interest and is appropriate under Ark. Code Ann. §§ 23-42-209(a) and 23-55-807.

ORDER

IT IS THEREFORE ORDERED that the Respondent GOO Markets LLC immediately CEASE AND DESIST from the following activity and from all other activity in violation of the Act and AUMSA:

1. GOO Markets shall immediately cease and desist from further violations of Ark. Code Ann. § 23-42-507(2) and (3) and refrain from perpetrating securities fraud.
2. GOO Markets shall immediately cease and desist from further violations of Ark. Code Ann. § 23-55-201(a) and refrain from holding itself out as a licensed money transmitter until properly licensed or shown to be exempt from licensing pursuant to the AUMSA.

A hearing on this order shall be held if requested by GOO Markets in writing within thirty (30) days of the entry of this order, or if otherwise ordered by the Commissioner. Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
1 Commerce Way
Suite 402
Little Rock, Arkansas 72202

If no hearing is requested and none is ordered by the Commissioner, this order will remain in effect until it is modified or vacated by the Commissioner. Ark. Code Ann. § 23-42-209(a)(2)(B).

WITNESS MY HAND this the 31st day of July, 2024.

SUSANNAH T. MARSHALL
ARKANSAS SECURITIES COMMISSIONER

By: J. Campbell McLaurin
J. Campbell McLaurin
Deputy Commissioner
Arkansas Securities Department
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