

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: PROFITABLE SUNRISE and
INTER REEF LTD, and
ROMAN NOVAK, their partners, officers
and directors, agents, employees, affiliates, successors and assigns.

No. 1400103

ORDER OF PROHIBITION

TO RESPONDENTS: Profitable Sunrise and
 Inter Reef Ltd.
 P.O. Box 15113
 Birmingham West Midlands B2 2NJ
 Great Britain

 Roman Novak
 P.O. Box 15113
 Birmingham West Midlands B2 2NJ
 Great Britain

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on March 20, 2014 which prohibited Profitable Sunrise, Inner Reef, Ltd. and Roman Novak and their partners, officers and directors, agents, employees, affiliates, successors and assigns from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

Order of Prohibition

-2-

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent Profitable Sunrise (hereinafter at times "Profitable" or together with Inner Reef, Ltd. and Roman Novak "Respondents") is an unincorporated organization with a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britain.
2. Respondent Inter Reef, Ltd (hereinafter at times "Inter Reef" or together with Profitable and Roman Novak "Respondents") is company with a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britain.
3. Respondent Roman Novak (hereinafter at times "Novak" or together with Profitable and Inter Reef "Respondents") has a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britain.
4. Between January 1, 2013 and December 31, 2013 ("Timeframe") Respondents owned, operated and controlled a website known as www.profitablesunrise.com, ("Website") which they claimed operated out of London, Great Britain but which was available to Illinois residents.
5. During the Timeframe the Website was used by Respondents to make general investment solicitations to potential investors ("Investors") to participate in "money making" ventures ("Investments").
6. Investors were promised that funds invested with Respondents would be used by Respondents to make high interest loans to borrowers which would result in a profit of over 2.15 % to Investors within 9 months of the date of Investment.
7. On or about January 10, 2013 an individ_____ from Illinois ("Illinois Investor") visited the Website and read the Respondents' solicitation on the Website in which Respondents promised Illinois Investor the profits set forth above.
8. On January 15, 2013 Illinois Investor, as directed by Respondents, wired \$5,000 to a Bank in Czechoslovakia, and on January 29, 2013 Illinois Investor wired another \$10,000 to the same bank.
9. The activities described above in paragraphs 4-8 constitute the offer and sale of investment contracts and are therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

Order of Prohibition

-3-

FAILURE TO REGISTER AS DEALER

10. "Dealer" means *inter alia*, "any person who engages in this State in the business of offering, selling, buying and selling, or otherwise dealing or trading in securities issued by another person" as defined in Section 2.7 of the Illinois Securities Act of 1953 [815 ILCS 5] (the "Act").
11. The activities of Profitable and Inner Reef through their agents Novak and Frazer described in paragraphs 5 through 9 above, constitute acting as a dealer in the State of Illinois.
12. Section 8.A of the Act provides, *inter alia*, that "except as otherwise provided in this subsection A, every dealer shall be registered with the Secretary of State".
13. Respondents Profitable and Inner Reef failed to file an application with the Secretary of State to register as a dealer as required by the Act, and as a result Respondents Profitable and Inner Reef were not registered as such prior to acting as dealers in the State of Illinois.
14. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act "for any person to act as a dealer unless registered as such, where such registration is required, under the provisions of this Act."
15. Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person "to fail to file with the Secretary of State any application, report or document, required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act."
16. By virtue of the foregoing Respondents Profitable and Inner Reef violated Sections 12.C and 12.D of the Act.

FAILURE TO REGISTER AS A SALESPERSON

17. Section 2.9 of the Act provides that "salesperson" means, *inter alia*, "an individual, other than an issuer or a dealer; employed or appointed or authorized by a dealer, issuer or controlling person to offer, purchase or sell securities in this State."
18. The activities of Respondent Novak as described above in paragraphs 4-8 above constitute the activities of a salesperson of securities in the State of Illinois.
20. Section 8.A of the Act provides, *inter alia*, that "except as otherwise provided in this subsection A, every salesperson shall be registered as such with the Secretary of State."
21. Respondent Novak failed to file applications with the Secretary of State to register as salespersons as required by the Act, and as a result Respondents Novak was not registered as such prior to acting as a salesperson in the State of Illinois.

Order of Prohibition

-4-

22. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act "for any person to act as a salesman unless registered as such, where such registration is required, under the provisions of this Act."
23. Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the Act "for any person to fail to file with the Secretary of State any application, report or document, required to be filed under the provisions of the Act, or any rule or regulation made by the Secretary of State pursuant to the Act."
24. By virtue of the foregoing Respondent Novak has violated Sections 12.C and 12.D of the Act.

FRAUD

25. Respondents, instead of investing the funds as promised in paragraphs 4 through 8 above, converted the funds to their own use and benefit.
26. Respondents failed and refused to notify the Illinois Investor that the funds would be used for their own benefit rather than that of the Illinois Investor.
27. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person, "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."
28. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person, "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstance under which they were made, not misleading."
29. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person, "to employ any device, scheme, or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Profitable Sunrise, Inner Reef, Ltd. and Roman Novak and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State until the further Order of the Secretary of State.

Order of Prohibition

-5-

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a Final Order subject to judicial review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123. Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review. Mailing of this Order to the Respondent or representative of record constitutes service of the Order.

Dated: This 27th day of October 2015.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
James J. Tierney
Illinois Securities Department
69 West Washington Street
Chicago, Illinois 60602
312-793-9650