

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF:)	
)	
)	
AIHG USA, INC. , its managers, officers, affiliates, subsidiaries, representatives, successors, and assigns, and;)	File No. 1600533
FRANK TORRES , an individual, and;)	
OSCAR COOK , an individual)	
)	

ORDER OF PROHIBITION

TO THE RESPONDENTS:

AIHG USA, Inc.
7777 N. Wickham Road, Suite 612
Melbourne, FL 32940-7976

Frank Torres
7777 N. Wickham Road, Suite 612
Melbourne, FL 32940-7976

Oscar Cook
7777 N. Wickham Road, Suite 612
Melbourne, FL 32940-7976

WHEREAS, a Temporary Order of Prohibition was entered by the Illinois Secretary of State on February 23, 2017, temporarily prohibiting the Respondents from offering or selling securities in or from the State of Illinois for a maximum period of ninety (90) days.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq*] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order of Prohibition shall constitute an admission of any alleged facts therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, Respondents **AIHG USA, Inc., Frank Torres, and Oscar Cook** each have failed to request a hearing on the matters contained in the Temporary Order of Prohibition 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 said Temporary Order.

Order of Prohibition

-1600533-

COUNT I

FRAUD

The deemed admitted facts are as follows:

1. Respondent AIHG USA, Inc. ("AIHG") was a Delaware corporation which is now listed as void and had a last known address of 7777 N. Wickham Road, Suite 612, Melbourne, FL 32940-7976.
2. Respondent Frank Torres ("Torres") is the President and CEO of Respondent AIHG, and has the last known business address of 7777 N. Wickham Road, Suite 612, Melbourne, FL 32940-7976.
3. Respondent Oscar Cook ("Cook") is a representative of Respondent AIHG, and was the chief contact person for an Illinois investor.
4. Beginning in or around September 2014, Investor A, an Illinois resident, began receiving emails from Respondent Cook regarding potential investments in Respondent AIHG.
5. Investor A was informed by Respondent Cook that AIHG was an online gambling site, and was seeking investors. Respondent Cook stated that Investor A would receive 10% interest per month on his investment with the first payment occurring January 1, 2015.
6. Investor A, per Oscar Cook's instructions, wire transferred \$20,000 to Respondent AIHG's bank account. Respondent Torres was the sole signatory on the account.
7. The investment in Respondent AIHG constitutes the offer or sale of 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 5/1 *et. seq.*] (the "Act").
8. Investor A did not receive an interest payment on January 1, 2015, and has not received any interest payments or the return of his principal. Investor A has not been able to contact any representative of Respondent AIHG since he made his \$20,000 investment.
9. On information and belief, a majority of funds deposited into Respondent AIHG's account, including Investor A's \$20,000 investment, were wire transferred to two individuals: Francisco Torres Castillo and Antonio Santana Montoya.
10. Respondents AIHG, Torres, and Cook solicited investors to invest in Respondent AIHG, promised a rate of return of 10% their investments per month through email communications. Respondents have not made any interest payments or returned the principal to Investor A. On information and belief the invested funds were not used for any company purpose and were simply transferred to two individual's accounts.

11. Section 12.F states *inter alia* it shall be a violation of the provisions of this Act for any person to engage in any transaction, practice or course of business in connection with the sale of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
12. Section 12.I of the Act states *inter alia* it shall be a violation of the provisions of this 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.
13. By virtue of the foregoing, Respondents AIHG, Torres, and Cook have each violated Sections 12.F and 12.I of the Illinois Securities Law of 1953.

COUNT II

SALE OF UNREGISTERED SECURITIES

14. Paragraphs 1 through 13 are incorporated by reference.
15. As stated above, the investment in Respondent AIHG constitutes the offer or sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Act.
16. Section 5 of the Act requires the registration of a security being offered or sold in the State of Illinois unless an exemption applies.
17. No security or exemption has been registered or filed with the Illinois Secretary of State.
18. Section 12.A of the Act states *inter alia* that it shall be a violation of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
19. Section 12.B of the Act states *inter alia* that it shall be a violation of the provisions of this Act for any person to deliver to a purchaser any security required to be registered under Section 5, Section 6, or Section 7 hereof unless accompanied or preceded by a prospectus that meets the requirements of the pertinent subsection of Section 5, Section 6, and Section 7.
20. By virtue of the foregoing, Respondents AIHG, Torres, and Cook have each violated Sections 12.A and 12.B of the Illinois Securities Law of 1953.

COUNT III

FAILURE TO PRODUCE

21. Paragraphs 1 through 20 are incorporated by reference.

Order of Prohibition

-1600533-

22. During the course of its investigation, the Illinois Secretary of State issued a subpoena to Respondent AIHG requesting the production of books and records, papers and other relevant documents relating to Illinois investors pursuant to Section 11.D of the Act.
23. A response to the Department's subpoena was due by February 17, 2017.
24. Respondents AIHG and Torres failed to respond or produce the requested relevant documents in furtherance of the Department's investigation.
25. Section 12.D of the Act states *inter alia* that it shall be a violation of the provisions of this 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 this Act or any rule or regulation made by the Secretary of State pursuant to this Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
26. By virtue of the foregoing, Respondents AIHG and Torres have each violated Section 12.D of the Illinois Securities Law of 1953.

NOW IT IS HEREBY ORDERED THAT:

Respondent **AIHG USA, INC.**, and any of its representatives, is PROHIBITED from the offer or sale of securities in or from the State of Illinois, and PROHIBITED from engaging in the business of an investment adviser and/or an investment adviser representative in or from the State of Illinois.

Respondent **FRANK TORRES** is PROHIBITED from the offer or sale of securities in or from the State of Illinois, and PROHIBITED from engaging in the business of an investment adviser and/or an investment adviser representative in or from the State of Illinois.

Respondent **OSCAR COOK** is PROHIBITED from the offer or sale of securities in or from the State of Illinois, and PROHIBITED from engaging in the business of an investment adviser and/or an investment adviser representative in or from the State of Illinois.



Delivery of this Order or any subsequent notice to the designated representative of any Respondent constitutes service upon such Respondent.

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.

Order of Prohibition
-1600533-

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.

Date of Mailing: 4th day of April 2017

JESSE WHITE
Secretary of State
State of Illinois

Advisors for the Secretary of State:
Frank Loscuito
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-7319