STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case No. S-19-0113
HARVARD OPTIONS, Respondent.	FINAL ORDER TO CEASE AND DESIST, ASSESSING CIVIL PENALTIES, AND DENYING USE OF EXEMPTIONS, ENTERED BY DEFAULT

On March 25, 2020, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), by and through the Division of Financial Regulation ("Division"), served Order to Cease and Desist, Proposed Order Assessing Civil Penalties, Proposed Order Denying Use of Exemptions, and Notice of Right to Hearing #S-19-0113 ("the Notice") on Harvard Options ("Respondent").

The Notice offered Respondent an opportunity for a hearing, if requested within 20 days from the service of the Notice. The Notice designated the relevant portions of the Division's file on this matter, including all materials submitted by a party, as the record for purposes of default. The Notice further informed Respondent that if a hearing was not conducted because a respondent did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by a party in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive from Respondent a hearing request and did not conduct a hearing.

The Director finds that the record of this proceeding proves a prima facie case.

Now, therefore, after considering the relevant portions of the Division's file relating to this matter, the Director finds and orders as follows.

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Salem, OR 97301-3881
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FINDINGS OF FACT

The Director FINDS that:

1. Harvard Options ("Respondent") is an unincorporated business that operates an internet-trading platform at www.HarvardOptions.com and represents its place of business in the United States as 355 East Campus View Blvd., #160, Columbus, Ohio 43235.

2. Respondent, through its website, solicits investors, registers accounts and allows investors to directly participate in securities transactions online.

3. Respondent, through its website, trades stocks, binary and forex options, exchange-traded funds, mutual funds, bonds, certificates of deposit, and initial public offerings.

4. Respondent, through its website, shows return on investments from 60% to 95% after 60 days with accounts from $1,000 to $500,000 on the Investments and Trading page.

5. Respondent, through its website, shows return on investments of 50% after six months with accounts of $30,000, $45,000 and $50,000 on the Savings and Retirement page.

6. Respondent, through its website, shows return on investments of 35% after one year with a starter account of $50,000 on the Annuities page.

7. Harvard Options, through its website, lists the phone number (505) 595-1207 to call to be approved for trading options but provides no other phone number.

8. Upon information and belief, the property management company for 355 East Campus View Blvd., Columbus, Ohio, 43235 does not have Harvard Options as a current tenant at that address, nor has Harvard Options ever been a tenant at that address.

9. Upon information and belief, the phone number for Harvard Options is

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listed with Telmetrics, Inc., located in Ontario, Canada.

10. On or about October 7, 2017, an investor who resides in Oregon, "MT", invested $1,000 through Respondent.

11. On or about January 9, 2018, MT invested an additional $3,000 through Respondent.

12. MT paid for the investments by bank wire transfer.

13. Respondent, through its website, represented to MT that the balance of MT's investment account at Harvard Options had grown to $8,145.97 by March 2018. On or about March 23, 2018, MT sent an email to Respondent, requesting to withdraw his profit of $4,145.97. Respondent did not respond to MT's email and did not send him $4,145.97.

14. MT sent several requests to Respondent but received no response. Respondent has not sent $4,145.97 to MT and has not returned MT's investment principal to him.

15. MT filed a complaint with the Director.

16. The Division sent a request for information to Harvard Options by regular U.S. mail and by email. Harvard Options failed to respond to the Division's request.

17. At no time has Respondent held an Oregon broker-dealer license, or otherwise been licensed with the Director to sell securities in Oregon pursuant to ORS 59.165.

18. In connection with the sales of the investments to MT, Respondent did not adequately disclose the following to MT before he invested:

A. The fact Respondent is not licensed to transact business in Oregon as a broker-dealer;

B. The investment returns Respondent publishes on its website are exaggerated;

C. The actual business location and contact information for Harvard Options; and

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D. The risks of the investments.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

19. The investments Respondent sold to MT are "securities" as defined by ORS 59.015(19)(a).

20. By effecting transactions in securities for the account of MT, Respondent acted as a "broker-dealer" in Oregon, as defined by ORS 59.015(1).

21. By acting as a broker-dealer in Oregon without holding a broker-dealer license, or otherwise being licensed with the Director to sell securities in Oregon, Respondent violated ORS 59.165(1).

22. In connection with the sales of securities to MT, Respondent directly and indirectly made untrue statements of a material fact and/or omitted to state material facts necessary in order to make the statement made, not misleading in violation of ORS 59.135(2) as follows:

A. by failing to inform MT that Respondent is not licensed to transact business in Oregon as a broker-dealer;

B. by publishing false and misleading information on Respondent's website by displaying exaggerated returns on investments, by providing a false address, and

C. by failing to adequately inform MT the risks of the investments.

23. Respondent engaged in an act, practice or course of business which operated as fraud or deceit upon MT, and violated ORS 59.135(3), as follows:

A. by failing to inform MT that Respondent is not licensed to transact business in Oregon as a broker-dealer;

B. by publishing false and misleading information on Respondent's website by displaying exaggerated returns on investments, by providing a false address; and

C. by failing to adequately inform MT the risks of the investments.

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24. Because the Director has reason to believe that Respondent has engaged, is engaging, or is about to engage in violations of the Oregon Securities Law, the Director may issue an order to Respondent to cease and desist from the violations of the Oregon Securities Law under ORS 59.245(4).

25. Because the Director has reason to believe that Respondent has engaged or is about to engage in violations of the Oregon Securities Law, or that the use of any exemption by Respondent would work as a fraud or imposition on purchasers, the Director may deny Respondent the use of exemptions to the securities registration requirements under ORS 59.045(2).

26. According to ORS 59.995, any person who violates or who procures, aids or abets in the violation of the Oregon Securities Law may be subject to a civil penalty in an amount not to exceed $20,000 per violation, and every violation is a separate offense.

ORDERS

The Director issues the following ORDERS:

27. As authorized by ORS 59.245(4), the Director hereby ORDERS Respondent to CEASE AND DESIST from violating ORS 59.165(1). ORS 59.135(2) and ORS 59.135(3).

28. As authorized by ORS 59.045(2), the Director hereby DENIES Respondent, and any and all agents, authorized representatives, and entities owned, operated or controlled by Respondent, their successors and assigns, the use of any exemptions that would otherwise be available under ORS 59.025 and ORS 59.035, concerning securities and transactions exempt from the registration requirements of the Oregon Securities Law.

29. As authorized by ORS 59.995(1), the Director hereby ORDERS Respondent to pay CIVIL PENALTIES totaling $45,000 as follows:

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A. $5,000 for violations of ORS 59.165(1);

B. $20,000 for violations of ORS 59.135(2); and

C. $20,000 for violations of ORS 59.135(3).

SO ORDERED this 29th day of April _, 2020.

ANDREW R. STOLFI, Acting Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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