

3. Respondent Radoslav Novak is the brother of Roman Novak and an associate of Inter Reef LTD and Profitable Sunrise. Radoslav Novak maintains a business address at 590A Kingsbury Road, Birmingham, United Kingdom, B24 9ND. Radoslav Novak is not licensed or registered to sell securities in Delaware.

4. Profitable Sunrise, Roman Novak, and Radoslav Novak are hereinafter collectively referred to as "Respondents".

5. Respondents maintain a website at <http://www.profitablesunrise.com> (the "Website") to promote their business and disseminate information to potential and actual investors regarding certain investment opportunities offered by Respondents. The Website may be viewed by anyone, including all Delaware residents with access to the internet.

6. A domain name search identifies Profitable Sunrise as the Registrant Contact, along with Respondent Radoslav Novak, for the domain name [profitablesunrise.com](http://www.profitablesunrise.com). Respondent Radoslav Novak is also listed as the Administrative Contact, Technical Contact, and Billing Contact for that domain name.

7. In its solicitations, Respondents claim to be a "hard money lender," providing short-term loans to businesses throughout the United States. Respondents represent themselves as sophisticated money managers with a successful track record. The Website states Respondent's business has been in operation for more than six years; however, in reality Inter Reef LTD was not formed until September 13, 2011.

8. Through the Website, Respondents solicit investments for at least five different "investment plans". The investment plans have minimum investment requirements ranging from \$10.00 to \$2500.00, with promised returns ranging from 1.6 to 2.7 percent, per business day. Minimum investment periods range from 170 to 240 business days. The investment plans being

offered and sold by Respondents are not now and have never been registered as securities in Delaware.

9. Respondents represent to potential investors that “all funds deposited with us are insured against loss ...” and “our investments are insured by a leading investment bank.” Respondents promote investment plans as “risk-free” investments “with a certain rate of return and no chance of default.”

10. In addition, Respondents offer investors commissions on top of their daily returns for bringing in new investors into the scheme. Commissions range from 1 to 5 percent of a new inductee’s principal investment.

11. In addition to the foregoing internet-based conduct directed into Delaware, the Division’s preliminary investigation has determined that the following conduct has occurred in Delaware:

- at least three Delaware residents have invested in Profitable Sunrise in an amount exceeding \$3000;
- at least one investor has promoted himself as the “Delaware Office” of Profitable Sunrise;
- Profitable Sunrise investment plans have been promoted by invitations to private-access Webinars sent directly to potential Delaware investors, hosted by Steve Hoffman, a Florida Resident;
- Roman Novak, using the email address support@profitablesunrise.com, has sent emails to Delaware investors providing details of investment performance; and
- Respondents have made current reports of investment performance available directly to Delaware investors in Profitable Sunrise through online account access.

12. The investment plans offered by Respondents are securities as defined in 6 *Del. C.* § 73-103(20), in the form of investment contracts, evidences of indebtedness, or participations in a profit-sharing agreement. All securities sold within Delaware must be registered under the Delaware Securities Act or exempt from registration, as set forth in 6 *Del. C.* § 73-203.

13. The Website offers securities to investors in Delaware, but does not conform to Rule 505 of the Rules and Regulations Pursuant to the Delaware Securities Act.

14. Respondents violated 6 *Del. C.* § 73-202 by offering and selling securities that were neither registered nor exempt from registration under the Delaware Securities Act.

15. Respondents violated 6 *Del. C.* § 73-301 by transacting business in Delaware as issuer agents or employing issuer agents without such agents being registered under the Delaware Securities Act.

16. Because all investments contain at least some degree of risk, Respondents' characterization of its investment plans as being "Risk-free" is an untrue statement of fact. Because the statement was made in connection with an offer to sell the investment plans to Delaware investors, and would have been material to an investment decision by such investors, the making of the statement constitutes securities fraud in violation of 6 *Del. C.* § 73-301(2) and (3) and is therefore unlawful.

WHEREAS, after due deliberation, the Commissioner finds that it is necessary and appropriate, in the public interest, for the protection of investors and is consistent with purposes

fairly intended by the policy and provisions of the Delaware Securities Act to issue the following Order.

NOW, THEREFORE, by the authority of § 73-601 of the Delaware Securities Act:

IT IS HEREBY ORDERED, this 14th day of March 2013, that Respondents, and each of their successors, affiliates, control persons, agents, servants, and employees, and every entity owned, operated, or indirectly or directly controlled or hereinafter organized by or on behalf of any of the Respondents, shall immediately CEASE AND DESIST from:

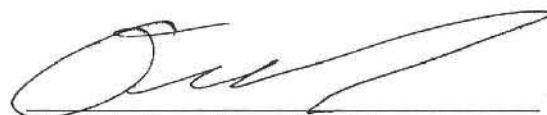
- all marketing, issuing and selling or offering to sell any securities in the State of Delaware in violation of the Delaware Securities Act;
- offering securities over the internet into Delaware in violation of Rule 505 under the Delaware Securities Act; and
- transacting business in Delaware as an agent, or employing an agent to transact business in Delaware, in violation of the Delaware Securities Act.

Any Respondent, and any person associated with any Respondent, may request a hearing on this order, and, if such request is made in writing, the hearing will be scheduled within fifteen days from the date the written request is received by the Commissioner.

FAILURE TO COMPLY WITH THIS ORDER MAY RESULT IN CRIMINAL PROSECUTION, INJUNCTIVE PROCEEDINGS, CIVIL CONTEMPT PROCEEDINGS (INCLUDING CIVIL MONETARY PENALTIES) AND, SUBJECT TO THE RIGHT OF HEARING AFFORDED RESPONDENT UNDER THE DELAWARE SECURITIES ACT, THE IMPOSITION OF ADMINISTRATIVE MONETARY ASSESSMENTS AND STATUTORY BARS.

So ORDERED this 14th day of March, 2013

BY ORDER OF THE COMMISSIONER

A handwritten signature in black ink, appearing to read "Owen Lefkon", written over a horizontal line.

Owen Lefkon, Securities Commissioner