

S E C R E T  
10/16/07 10:30 AM  
D E L A W A R E

**ADMINISTRATIVE PROCEEDING  
BEFORE THE  
SECURITIES COMMISSIONER OF DELAWARE**

IN THE MATTER OF:

TC&P TRADE, d/b/a HIGH CAPITAL,  
DAVID BROOK, and  
MARY FORD,  
Respondents.

Securities Division No. 08-02-02

**SUMMARY ORDER TO CEASE AND DESIST**

Based upon a preliminary investigation conducted by the staff of the Securities Division of the Delaware Department of Justice ("Division"), pursuant to Title 6, § 7326 of the Delaware Code of 1974, as amended, the Division has determined that evidence exists to support the following findings and conclusions:

1. TC&P Trade, d/b/a High Capital, ("TC&P") maintained a website at [www.high-capital.com](http://www.high-capital.com) ("website"), advertising a wide range of high yield investment products, and indicating the company operated out of the following offices (as of 10/16/2007):
  - a. US Office  
2423 Chesterfield Avenue  
Baltimore, Maryland 21213-1001  
USA  
Phone: +1(410) 366-2055
  - b. UK Office  
114 Lunderston Drive  
Glasgow, Scotland G53 6BS  
United Kingdom  
Phone: +44(0)7737300475  
Phone: +44(0)7787821930

c. European Office  
TC&P Trade  
Borivojova 35  
Praha 3, ZIP Code 13000  
Prague, Czech Republic  
Phone: +42-607717796

2. David Brook ("Brook") appeared to be a control person for TC&P during the relevant time, as he was supervising a Maryland employee of TC&P and corresponding, on behalf of TC&P, with a Delaware resident regarding her investment.
3. Mary Ford ("Ford") was, during the relevant time, an individual with an address at . Ford was an agent of TC&P during the relevant time, and was responsible for corresponding with US account holders and received compensation for her work. Ford indicates she was supervised by Brook.
4. The TC&P website solicited investors and offered several investment products for sale, including a "fixed return program" with multiple investment options, a stock day trading program, and several other stock trading programs. The website provided contact information for TC&P, information necessary to open and fund an account, and other investment information. The website stated (as of 10/16/2007):
  - a. "TC&P Trade is an investment group operating on world stock exchanges started its activity in 1993 focusing on US stock market."
  - b. "As a result of long term experience on stock exchanges our advisors developed unique techniques of asset allocation that can deliver above average returns without above average risk."
  - c. "Unlike mutual funds our company has several investment products that provide high returns with no loss possibility due to our loss coverage policy."

- d. "Three years have passed since we presented our stock day trading program. It provided more than 100% year average return since inception date."
  - c. "More than 10,000 people from 37 countries of the world became our clients. In 2006 the number of our investors doubled."
  - f. The fixed return program was advertised as having four options; a one year plan providing a 10% return per annum, a three year plan providing a 18% return per annum, a five year plan providing a 32% return per annum, and an eight year plan providing a 35% return per annum.
5. During the time period of October 2007 to November 2007, at least one Delaware resident ("DE resident") accessed the above mentioned TC&P website, and initiated contact with TC&P regarding potential investment.
  6. DE resident learned of TC&P by doing a google search for "high rate of return," and was directed to the TC&P website.
  7. DE resident communicated with TC&P primarily via email during late October 2007 through February 2008, sending email to and receiving email from support@high-capital.com. The majority of the email received was signed David.
  8. DE resident opened two Fixed Return Program accounts, one on November 8, 2007 and one on or about December 18, 2007, with initial deposits of \$25,000 and \$45,000 respectively, for a total of \$70,000 invested.
  9. DE resident received email instructions describing how to fund her accounts via wire transfer from support@high-capital.com.
  10. DE resident received additional email in late October and early November from goldhouse123@aol.com that was signed Mary Ford, and contained investment information and an Investment Application that DE resident

was to fill out and return to the above referenced Baltimore, MD address of Ford.

11. On or about February 27, 2008, DE resident attempted to access her account records via the website. The website indicated the site was closed and directed investors to contact a bank in the Czech Republic for return of their funds.
12. On or about February 28, 2008, DE resident received a forwarded email from goldhouse123@aol.com. The forwarded email, from support@high-capital.com to goldhouse123@aol.com, was addressed to Mary and requested that she contact DE resident and advise her to contact a bank in the Czech Republic and the Czech Police to recover her funds.
13. TC&P has not refunded any of DE resident's investment and has ceased communication with DE resident.
14. DE resident had no relationship with TC&P, Brook or Ford prior to accessing the TC&P website or opening her accounts with them.
15. The investments offered on the TC&P website and sold by respondents are "securities" within the meaning of § 7302(a)(12) of the Delaware Securities Act.
16. None of the investment products offered for sale on the TC&P website are registered, or exempt from registration, with the Delaware Securities Division.

17. TC&P is not registered as a securities broker dealer, issuer or investment advisor, and is not exempt from registration, with the Delaware Securities Division.
18. Brook is not registered as a securities broker dealer, broker dealer agent, issuer agent, investment advisor, or investment advisor representative, or exempt from registration, with the Delaware Securities Division.
19. Ford is not registered as a securities broker dealer, broker dealer agent, issuer agent, investment advisor, or investment advisor representative, or exempt from registration, with the Delaware Securities Division.

WHEREAS, TC&P is the "issuer" of the investments described above within the meaning of § 7302(a)(7) of the Delaware Securities Act; and

WHEREAS, the TC&P website was designed to appear prominently in response to a google search for "High Returns"; TC&P stated on its website that "as a result of long term experience on stock exchanges our advisors developed unique techniques of asset allocation that can deliver above average returns without above average risk," that they offer "several investment products that provide high returns with no loss possibility," that their day trading stock program has provided 100% returns over the last three years, and that they have over 10,000 clients in 37 different countries; TC&P shut down its website in later February 2008 and failed to refund any of DE resident's investment and ceased communication with DE resident, thereby engaging in acts and practices in violation of § 7303(3) of the Delaware Securities Act;

WHEREAS, the records of the Division indicate that the investment products offered by TC&P are (a) not registered as required by § 7304 of the Delaware Securities

Act, (b) not exempt from registration under § 7309 of the Delaware Securities Act, and (c) not federally covered securities § 7309A of the Delaware Securities Act, TC&P engaged in acts and practices in violation of § 7304 of the Delaware Securities Act; and

WHEREAS, Brook was a control person for TC&P and facilitated the offer and sale of investment products to DE Resident, he is an agent within the meaning of § 7302(a)(2) of the Delaware Securities Act; and

WHEREAS, Ford was an employee of TC&P and received compensation for facilitating the offering and sale of investment products, she is an agent within the meaning of § 7302(a)(2) of the Delaware Securities Act; and

WHEREAS, the records of the Division indicate that TC&P has not registered Brook or Ford as its agent as required by § 7313 of the Delaware Securities Act, and TC&P is employing Brook and Ford, who are neither registered nor exempt from registration within the meaning of § 7313 of the Delaware Securities Act, TC&P, Brook and Ford have engaged in and will engage in acts and practices in violation of § 7313 of the Delaware Securities Act; and

WHEREAS, after due deliberation, the Division find 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 § 7325 of the Delaware Securities Act:

IT IS ORDERED that TC&P, Brook and Ford, and every successor, affiliate, control person, agent, servant, and employee of them, and every entity owned, operated, or indirectly or directly controlled or hereinafter organized by or on behalf of them, shall

immediately CEASE AND DESIST from issuing and selling or offering to sell any securities in the State of Delaware, in violation of the Delaware Securities Act.

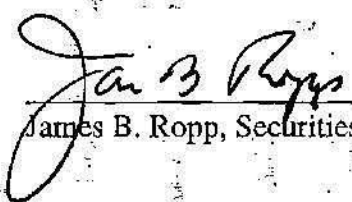
Within twenty five (25) days of receipt of written notification that this Order has been issued, Respondent(s) desiring to engage in the said acts or practices may file a written request with the Secretary to the Division at the Division's Wilmington office that a hearing be held to consider rescinding the Order.

Upon receipt of such a written request for a hearing, the matter will be set down for a hearing to commence within fifteen (15) days after receipt unless the person making the request consents to a later date.

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 6th day of August, 2008

BY ORDER OF THE COMMISSIONER

  
James B. Ropp, Securities Commissioner