



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)	
)	
GARLAND E. HARRIS; and)	Case No. AP-19-02
TROPTIONS CORPORATION,)	
)	
<i>Respondents.</i>)	
)	
Serve: Garland E. Harris)	
1011 Adams Street)	
West Palm Beach, Florida 33407)	
)	
and)	
)	
Troptions Corporation)	
Garland Harris, Registered Agent)	
1011 Adams Street)	
West Palm Beach, Florida 33407)	

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY
RESTITUTION, CIVIL PENALTIES, AND COSTS SHOULD NOT BE IMPOSED**

On January 23, 2019, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“the Enforcement Section”), through Director of Enforcement Steven C. Reed, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed (“the Petition”). After reviewing the Petition, the Missouri Commissioner of Securities (“the Commissioner”) issues the following order:

The Petition alleges the following facts:

I. SUMMARY OF ALLEGATIONS

Since at least November 20, 2018, Garland E. Harris (“Harris”), Troptions Corporation (“Troptions Corp.”), and a now-defunct business called Global Troption Partners Corp., have been operating several websites where they offer and sell TROPTIONS, a cryptocurrency, to investors located in Missouri and other jurisdictions. The primary website is found at <https://troptionsxchange.com>. Troptions Corp. offers investors the opportunity to purchase

TROPTIONS coins, exchange TROPTIONS for cash, trade the coins for other cryptocurrencies, or trade them for items of value. The TROPTIONS websites and social media sites do not explain whether TROPTIONS are a product, commodity, or security and do not disclose fees or commissions charged to buy and sell the coin. Many statements appear to be materially misleading or likely to deceive the public and seem to be made to inflate the supposed value of TROPTIONS to the investing public.

II. ALLEGATIONS OF FACT

A. Respondents and Related Parties

1. Global Trading Partners Corp. was organized in the state of Florida on or around December 2, 2003, with an address at 4809 Northwest 19th Street, Coconut Creek, Florida 33166. Its registered agent was Harris with an address at 4809 Northwest 19th Street, Coconut Creek, Florida 33063. On or around May 9, 2008, Global Trading Partners Corp. changed its name to Global Troption Partners Corp.
2. A check of the Central Registration Depository (“CRD”) indicates that at all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by Global Trading Partners Corp.
3. Global Troption Partners Corp. was a Florida corporation with a purported address at 1011 Adams Street, West Palm Beach, Florida 33407. Its registered agent was Harris. Global Troption Partners Corp.’s business registration has been inactive since September 25, 2009.
4. A check of the records maintained by the Commissioner indicates that at all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by Global Troption Partners Corp.
5. Harris is a 61 year-old Florida resident with a last known address at 1011 Adams Street, West Palm Beach, Florida 33407.
6. A check of the records maintained by the Commissioner indicates that at all times relevant, Harris was not registered as a broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, and/or issuer agent.
7. Troptions Corp. is a corporation registered in the state of Florida on March 16, 2017, with a last known address of 1011 Adams Street, West Palm Beach, Florida 33407. Its registered agent is Harris.
8. A check of the records maintained by the Commissioner indicates that at all times relevant, Troptions Corp. was not registered as a broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, and/or issuer agent.
9. Upon information found in the National Futures Association’s BASIC database, at all times relevant to this matter, Global Trading Partners Corp., Global Troption Partners Corp.,

Troptions Corp., and Harris were never registered as any type of commodity merchant or intermediary in connection with futures trading.¹

10. Upon information found in the U.S. Securities and Exchange Commission's EDGAR database, at all times relevant to this matter, Global Trading Partners Corp., Global Troption Partners Corp., Troptions Corp., and Harris were never registered as any type of National Securities Exchange.²
11. Upon information found in the U.S Treasury's Financial Crimes Enforcement Network database, at all times relevant to this matter, Global Trading Partners Corp., Global Troption Partners Corp., Troptions Corp., and Harris were never registered as any type of Money Service Business.³

B. Enforcement Section Investigation

12. Since at least November 20, 2018, Troptions Corp. and Harris have been operating websites accessible to Missouri investors including, but not limited to: troptionsxchange.com; troptionsexchange.com; troptions.io; bartertobillions.com; and social media sites.
13. The Troptions Corp. "LinkedIn" page claims that its headquarters is located in Branson, Missouri.
14. Troptions Corp. purports in an October 16, 2017 press release to have purchased the Liberty Lodge in Branson "valued at \$1.9 million dollars" by "providing the owners with 163,935,000 worth of TROPTIONS which equates to a value of over \$500,000 as a down payment."
15. Troptions Corp. websites claim it offers educational workshops and weekly calls for holders of TROPTIONS and other cryptocurrency, with seminars held at the Liberty Lodge in Branson, Missouri⁴ and St. Charles, Missouri.
16. Troptions Corp. purports to have "sponsored the American Arena League as well as its 13 member teams for the sum of two million fifty thousand dollars (\$2,050,000.00) in cryptocurrency for the 2018 season".
17. Troptions Corp. sponsors NASCAR truck racing with TROPTIONS.
18. Troptions Corp. claims the following, among others items, were purchased using TROPTIONS cryptocurrency:

¹ BASIC is the database where futures commission merchants or intermediaries must register in order to be considered registered with the Commodities Futures Trading Commission.

² EDGAR (Electronic Data Gathering, Analysis, and Retrieval) is an online public database administered by the SEC where individuals and companies can file forms required by federal law.

³ Among other things, a Money Service Business includes a currency dealer or exchanger. See 31 CFR 1010.100 (ff) for a complete definition of a Money Service Business.

⁴ The only seminar in Branson reportedly took place at Liberty Lodge on June 21, 2018.

- a. Metro Capital for \$26 million TROPTIONS;
 - b. NextG Exempt Telecommunications for \$25 million TROPTIONS;
 - c. Singk Technology Company/Invested \$135 million TROPTIONS; and
 - d. Insurance Company/\$500 million TROPTIONS.
19. The websites claim Troptions Corp. has “bought over 1.5 Billion dollars in assets.”
20. Among other things, Troptions purports to be a cryptocurrency that has been in existence for at least fourteen years.
21. Users of the websites can purchase TROPTIONS coins, exchange TROPTIONS coins for cash, trade TROPTIONS coins for other cryptocurrencies, or trade TROPTIONS for items of value.
22. The history of TROPTIONS is described in its “Whitepaper”, authored by Harris, and in the following posts on their websites:
- a. “In 2003, Garland E. Harris founded the concept of ‘TROPTION’ in a business plan for a company called Global Trading Partners Corp. The word ‘TROPTION’ was the simple combination of two words-‘Trade’ and ‘Option.’”;
 - b. “In 2004, Global Trading Partners Corp. used the previously developed business plan to write and file a private placement memorandum under Rule 504 Regulation D with the Securities and Exchange Commission. TROPTION, renamed TROPTIONS for blockchain purposes, has officially existed as a digital currency, since that SEC filing in 12/27/2004. Global Trading Partners Corp. was renamed Global Troption Partners Corp. in 2008.”;
 - c. “If TROPTIONS are a security, they have certainly passed the required one year waiting period to be freely traded.”; and
 - d. “TROPTIONS found its niche as a financial instrument that helped dozens of small private companies raise capital and in some cases go public with millions of dollars in public funding.”
23. A review of Troptions Corp.’s various websites and social media sites on or around December 5, 2018, revealed numerous statements that are materially misleading or otherwise likely to deceive the public including, but not limited to, the following:
- a. “Did you know crypto currency will create more millionaires and billionaires then [sic] any product or service since the beginning of time?”;

- b. “Troptions the coin of Kings and Queens where billionaires and millionaires are being created daily”;
 - c. “Troptions continues to go up in value each day”;
 - d. “Troptions currency should be purchased over other currencies”;
 - e. “Troptions gained a 13 percent appreciation in 9 days”;
 - f. “Troptions projects to be worth between 2-20 times that in a year”;
 - g. “As an asset TROPTIONS have value, hold value, and can be used for savings of value”;
 - h. “Troptions is a great value and price and it is not subject to wild swings”; and
 - i. “Troptions is like holding other assets, it can preserve value and purchasing power in a form that is immune from any nation’s efforts to control it.”
24. These statements are misleading because:
- a. other cryptocurrencies have decreased in value;
 - b. government regulations can affect the value of cryptocurrency; and
 - c. competition among different cryptocurrencies can affect the value of TROPTIONS cryptocurrency.
25. The troptionsxchange.com website omitted to disclose material information including, but not limited to, the following:
- a. specific information to support the assertion that TROPTIONS cryptocurrency will never decrease in value;
 - b. specific information regarding how TROPTIONS cryptocurrency is valued;
 - c. that Global Troption Partners Corp.’s Florida business registration has not been active since September 25, 2009;
 - d. that although Global Trading Partners Corp. did file an exemption from securities registration with the SEC in 2004, no filings were made after its name was changed to Global Troption Partners Corp. in 2008;
 - e. specific information about Troptions Corp.’s principals, including past business experience;

- f. specific information about Troptions Corp.’s past and current financial history; and
- g. fees or commissions associated with buying, selling, or trading TROPTIONS cryptocurrency.

III. COMMISSIONER’S DETERMINATION AND FINDING

Multiple Violations of Offering and Selling Unregistered, Non-Exempt Securities

26. **THE COMMISSIONER DETERMINES** that Respondents offered and/or sold unregistered, non-exempt securities, by, among other things:
- a. Through troptionsxchange.com and other websites, Respondents offered and sold investment contracts, in that:
 - i. investors invested funds in a common enterprise with Respondents;
 - ii. investors’ funds were to be used by Respondents to sell the investors TROPTIONS cryptocurrency;
 - iii. investors expected a profit from the efforts of Respondents and not from investors’ own efforts; and
 - iv. investors’ expected profits were interwoven with and dependent upon the efforts of Respondents.
27. The purchasers of TROPTIONS cryptocurrency invested money with a reasonable expectation of profits, including through the increased value of their investments in secondary trading, based on the managerial efforts of others.⁵
28. At all times relevant to this matter, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for the securities offered and sold by Respondents.
29. Respondents, through troptionsxchange.com, offered and sold securities in Missouri without these securities being (1) a federal covered security, (2) exempt from registration under Sections 409.2-201 or 409.2-203⁶ or (3) registered under the Missouri Securities Act of 2003.
30. Respondents’ conduct in violation of Section 409.3-301 constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.

⁵ See *SEC v. Edwards*, 540 U.S. 389, 393 (2004); *SEC v. W.J. Howey Co.*, 328 U.S. 293, 301 (1946)

⁶ All statutory references are to the 2016 Revised Statutes of Missouri unless otherwise indicated.

Multiple Violations of Transacting Business as an Unregistered Agent

31. **THE COMMISSIONER FURTHER DETERMINES** that Respondents transacted business as unregistered agents in the state of Missouri.
32. Respondents offered and/or sold securities to investors in Missouri.
33. These activities constitute transacting business as an agent in the state of Missouri under Section 409.1-102(1).
34. At all times relevant to this matter, Respondents were not registered as agents in the state of Missouri.
35. Respondents offered and/or sold securities to investors in Missouri without being registered or exempt from registration as an agent in violation of Section 409.4-402(a), and engaged in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Making an Untrue Statement, Omitting to State Material Facts or Engaging in An Act, Practice, or Course of Business that Would Operate as a Fraud or Deceit Upon Another Person in Connection with the Offer or Sale of a Security

36. **THE COMMISSIONER FURTHER DETERMINES** that in connection with the offer, sale or purchase of a security as described above, Respondents, through troptionsxchange.com, and other websites and social media sites, made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:
 - a. claiming that TROPTIONS cryptocurrency will never decrease in value;
 - b. specific information to support the assertion that TROTIONS cryptocurrency will never decrease in value;
 - c. specific information regarding how TROPTIONS cryptocurrency is valued;
 - d. that Global Troption Partners Corp.'s Florida business registration has not been active since September 25, 2009;
 - e. that although Global Trading Partners Corp. did file an exemption from securities registration with the SEC in 2004, no filings was made after its name was changed to Global Troption Partners Corp. in 2008;
 - f. specific information about Troptions Corp.'s principals including past business experience;

- g. specific information about Troption Corp.'s past and current financial history; and
 - h. omitting to disclose fees or commissions associated with the purchase, sale, or trading of TROPTIONS cryptocurrency.
37. **THE COMMISSIONER FURTHER DETERMINES** that in connection with the offer, sale or purchase of a security as described above, Respondents, through troptionsxchange.com, and other websites and social media, made an untrue statement of material fact, omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading or engaged in an act, practice, or course of business that would operate as a fraud or deceit upon another person in violation of Section 409.5-501, and engaged in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.
38. An order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. *See* Section 409.6-605(b).

IV. ORDER

NOW, THEREFORE, it is hereby ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order be prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301, by offering or selling any securities as defined by Section 409.1-102(28) in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-301;
- B. Section 409.4-402(a), by transacting business as an unregistered agent; and
- C. Section 409.5-501, by, in connection with the offer or sale of securities, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

V. STATEMENT

Pursuant to Section 409.6-604, the Commissioner hereby states that he will determine whether to grant the Enforcement Section's requests for:

- A. \$10,000 civil penalty against each Respondent for more than one violation of Section 409.3-301;

- B. \$10,000 civil penalty against each Respondent for more than one violation of Section 409.4-402(a);
- C. \$10,000 civil penalty against each Respondent for more than one violation of Section 409.5-501;
- D. an order against Respondents to pay restitution for any loss, including the amount of any actual damages that may have been caused by the conduct, and interest at the rate of 8% per year from the date of the violation causing the loss or disgorge any profits arising from the violation of Sections 409.4-402 and 409.5-501, in the final order, unless Respondents request a hearing and show cause why this restitution or disgorgement should not be imposed; and
- E. an order against Respondents to pay the costs of the investigation in this proceeding, after a review of evidence of the amount submitted by the Enforcement Section.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 1st DAY OF FEBRUARY, 2019.



JOHN R. ASHCROFT
SECRETARY OF STATE



DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

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Serve: Garland E. Harris)	
1011 Adams Street)	
West Palm Beach, Florida 33407)	
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and)	
)	
Troptions Corporation)	
Garland Harris, Registered Agent)	
1011 Adams Street)	
West Palm Beach, Florida 33407)	

NOTICE

TO: Respondents and any unnamed representatives aggrieved by this Order:

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Section 409.6-604(b), RSMo. (2016), and 15 CSR 30-55.020. Any request for a hearing before the Commissioner must contain:

- a. a brief statement of the facts;
- b. a summary of the factual and legal issues involved;
- c. a request for relief;
- d. suggestions in support of the relief sought, including the relevant statutes;
- e. the name of the party requesting the hearing; and
- f. the name of the attorney representing the party, if any.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to this order, the Commissioner will schedule this matter for a hearing.

A request for a hearing must be mailed or delivered, in writing, to:

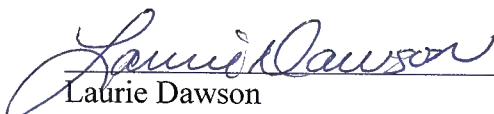
David M. Minnick, Commissioner of Securities
Office of the Secretary of State, Missouri
600 West Main Street, Room 229
Jefferson City, Missouri, 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of February, 2019, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed in the above styled case was **mailed by certified U.S. mail to:**

Garland E. Harris
1011 Adams Street
West Palm Beach, Florida 33407

Troptions Corporation
Garland E. Harris, Registered Agent
1011 Adams Street
West Palm Beach, Florida 33407


Laurie Dawson
Securities Office Manager