

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

**IN THE MATTER OF: PROFITABLE SUNRISE and
INTER REEF LTD, and
ROMAN NOVAK and Nanci JO FRAZER, their partners, officers
and directors, agents, employees, affiliates, successors and assigns.**

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) **No. 1400103**
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TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS:

**Profitable Sunrise and
Inter Reef Ltd.
P.O. Box 15113
Birmingham West Midlands B2 2NJ
Great Britian**

**Roman Novak
P.O. Box 15113
Birmingham West Midlands B2 2NJ
Great Britian**

**Nanci Jo Frazer
337 Center Street
Bryan, Ohio 43506-2024**

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1 Respondent Profitable Sunrise (hereinafter at times "Profitable" or together with Inner Reef, Ltd , Roman Novak and Nanci Jo Frazer "Respondents") is an unincorporated organization with a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britian

2. Respondent Inter Reef, Ltd (hereinafter at times "Inter Reef" or together with Profitable, Roman Novak and Nanci Jo Frazer "Respondents") is company with a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britian.

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3. Respondent Roman Novak (hereinafter at times "Novak" or together with Profitable, Inter Reef and Nanci Jo Frazer "Respondents") has a last known address of P.O. Box 15113, Birmingham West Midlands B2 2NJ, Great Britain
4. Respondent Nanci Jo Frazer (hereinafter at times "Frazer" or together with Profitable, Roman Novak and Novak "Respondents") has a last known address of 337 Center Street, Bryan, Ohio 43506.
5. Between January 1, 2013 and December 31, 2013 ("Timeframe") Respondents owned, operated and controlled a website known as www.profitablesunrise.com, ("Website") which they claimed operated out of London, Great Britain but which was available to Illinois residents.
6. During the Timeframe the Website was used by Respondents to make general investment solicitations to potential investors ("Investors") to participate in "money making" ventures ("Investments").
7. Investors were promised that funds invested with Respondents would be used by Respondents to make high interest loans to borrowers which would result in a profit of over 2 15 % to Investors within 9 months of the date of Investment
8. On or about January 10, 2013 an individual from Illinois ("Illinois Investor") visited the Website and read the Respondents' solicitation on the Website in which Respondents promised Illinois Investor the profits set forth above.
9. On January 15, 2013 Illinois Investor, as directed by Respondents, wired \$5,000 to a Bank in Czechoslovakia, and on January 29, 2013 Illinois Investor wired another \$10,000 to the same bank.
10. The activities described above in paragraphs 5-9 constitute the offer and sale of investment contracts and are therefore 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] (the "Act").

FAILURE TO REGISTER AS DEALER

11. "Dealer" means *inter alia*, "any person who engages in this State in the business of offering, selling, buying and selling, or otherwise dealing or trading in securities issued by another person" as defined in Section 2.7 of the Illinois Securities Act of 1953 [815 ILCS 5] (the "Act").
12. The activities of Profitable and Inner Reef through their agents Novak and Frazer described in paragraphs 5 through 9 above, constitute acting as a dealer in the State of Illinois.

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13. Section 8.A of the Act provides, *inter alia*, that “except as otherwise provided in this subsection A, every dealer shall be registered with the Secretary of State”.
14. Respondents Profitable and Inner Reef failed to file an application with the Secretary of State to register as a dealer as required by the Act, and as a result Respondents Profitable and Inner Reef were not registered as such prior to acting as dealers in the State of Illinois
15. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act “for any person to act as a dealer unless registered as such, where such registration is required, under the provisions of this Act ”
16. Section 12 D of the Act provides, *inter alia*, that it shall be a violation 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 the Act or any rule or regulation made by the Secretary of State pursuant to the Act ”
17. By virtue of the foregoing Respondents Profitable and Inner Reef violated Sections 12.C and 12.D of the Act.

FAILURE TO REGISTER AS A SALESPERSON

18. Section 2.9 of the Act provides that “salesperson” means, *inter alia*, “an individual, other than an issuer or a dealer, employed or appointed or authorized by a dealer, issuer or controlling person to offer, purchase or sell securities in this State.”
19. The activities of Respondents Novak and Frazer as described above in paragraphs 5-9 above constitute the activities of salespersons of securities in the State of Illinois.
20. Section 8.A of the Act provides, *inter alia*, that “except as otherwise provided in this subsection A, every salesperson shall be registered as such with the Secretary of State ”
21. Respondents Novak and Frazer failed to file applications with the Secretary of State to register as salespersons as required by the Act, and as a result Respondents Novak and Frazer were not registered as such prior to acting as salespersons in the State of Illinois.
22. Section 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act “for any person to act as a salesman unless registered as such, where such registration is required, under the provisions of this Act ”
23. Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the 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 the Act, or any rule or regulation made by the Secretary of State pursuant to the Act.”

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24. By virtue of the foregoing Respondents Novak and Frazer have violated Sections 12.C and 12 D of the Act.

FRAUD

25. Respondents instead of investing the funds as promised in paragraphs 5 through 9 above, converted the funds to their own use and benefit.
26. Respondents failed and refused to notify the Illinois Investor that the funds would be used for their own benefit rather than the Illinois Investor's.
27. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person, "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."
28. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person, "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstance under which they were made, not misleading."
29. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the provisions of the 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."
30. By virtue of the foregoing, Respondents **Profitable Sunrise, Inner Reef, Ltd., Roman Novak and Nanci Jo Frazer** violated Sections 12.F, 12 G and 12.I of the Act and will violate the Act again if they make further security offers, or if they make any sales of securities, or if they act as dealers of securities, or if they act as salespersons of securities in the State of Illinois
31. The aforementioned findings are based upon credible evidence.
32. That Section 11 F (2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the rendering of investment advice or the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act
33. That the entry of this Temporary Order of Prohibition prohibiting Respondents, and their partners, officers and directors, agents, employees, affiliates, successors and assigns, from rendering investment advice or from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

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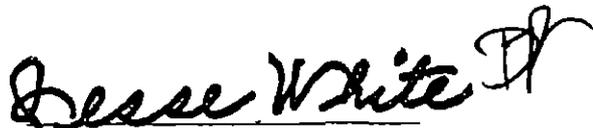
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NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11 F of the Act, Respondents **Profitable Sunrise, Inner Reef, Ltd., Roman Novak and Nanci Jo Frazer** and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are temporarily **PROHIBITED** from offering or selling securities, or as acting as dealers of securities, or as acting as salespersons of securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 20th day of March 2014.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
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