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SECURITIES COMMISSIONER

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Texas State Securities Board

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MEMBER

IN THE MATTER OF
PROFITABLE SUNRISE
AND ROMAN NOVAK

§
§
§

Order No. ENF-13-CDO-1722

TO: Profitable Sunrise
P.O. Box 15113, Birmingham, West Midlands B2 2NJ

Roman Novak
P.O. Box 15113, Birmingham, West Midlands B2 2NJ

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stat. Ann. art. 581-1 to 581-43 (West 2010 & Supp. 2012) (the "Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. Profitable Sunrise ("Respondent PS") purports to provide short-term, high-yield interim loans to companies domiciled in the United States. It may be served at its last known business address at P.O. Box 15113, Birmingham, West Midlands B2 2NJ.
2. Roman Novak ("Respondent Novak") is the owner and founder of Respondent PS. His last known business address is P.O. Box 15113, Birmingham, West Midlands B2 2NJ.

3. Respondents PS and Novak are offering various investment plans in Texas. They are describing the investment plans as follows:
 - a. Starter Plan: the minimum investment is \$10.00. Interest rate is 1.6% per business day. Investment term is 180 business days. Compounding is available. Principal amount is returned upon maturity,
 - b. Regular Plan: the minimum investment is \$500.00. Interest rate is 1.8% per business day. Investment term is 180 business days. Compounding is available. Principal amount is returned upon maturity,
 - c. Advanced Plan: the minimum investment is \$2,500.00. Interest rate is 2% per business day. Investment term is 180 business days. Compounding is available. Principal amount is returned upon maturity, and the
 - d. Private Plan: this plan is available to groups only. All the details are discussed individually.
4. Respondents PS and Novak are touting the safety and security of the investment plans. For example, they are claiming:
 - a. The investment plans are insured by "a leading investment bank," and
 - b. The investment plans are "[r]isk-free," meaning they "have such a low level of risk that it may be ignored."
5. Respondents PS and Novak have established a referral program, and are encouraging investors to solicit others through websites, blogs, and social media. They purport to pay investors a 5% fee for all investments made by persons referred to Respondent PS.
6. The investment plans have not been registered by qualification, notification or coordination, and no permit has been granted for their sale in Texas.
7. Respondents PS and Novak have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.

8. In connection with the offer of the investment plans, Respondents PS and Novak are intentionally failing to disclose one or more material facts including, but not limited to, the following:
 - a. The physical address of Respondent PS,
 - b. The identity of the investment bank that is purportedly insuring the investment plans,
 - c. Information relating to the insurance purportedly provided by the aforementioned investment bank, including the terms and conditions of coverage and any exclusions that may apply, and
 - d. Financial information, such as the assets and liabilities of Respondent PS, and other information that relates to its ability to pay the specified returns.
9. In connection with the offer of the investment plans, Respondents PS and Novak are misrepresenting the risks associated with the investment plans, and said risks constitute relevant facts.
10. Respondents PS and Novak are making offers containing statements that are materially misleading or otherwise likely to deceive the public, to wit:
 - a. Respondents PS and Novak are describing the referral program, which is materially misleading or otherwise likely to deceive the public because Respondents PS and Novak are not disclosing that Texas residents who participate in the referral program will need to comply with the Securities Act, and
 - b. Respondents PS and Novak are touting the safety and security of the investment plans, which is materially misleading or otherwise likely to deceive the public because Respondents PS and Novak are not disclosing the material facts identified herein.

CONCLUSIONS OF LAW

1. These investments are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents are violating Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondents are violating Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making an offer containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts and practices threaten immediate and irreparable public harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered

with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.


3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this, the 14th day of March, 2013.



JOHN MORGAN
Securities Commissioner