

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
DENNIS DAY,
LAWRENCE S. FREEDBERG, and
INTERNATIONAL CURRENCY TRADING CORPORATION

PETITION FOR ORDER

Respondents.

File No. S-98133(EX)

The staff of the Enforcement Unit, Registration & Enforcement Section, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Dennis Day ("Day") is an adult individual with a last known business address at 1747 Van Buren St., Suite 860, Hollywood, FL 33020-5108;
2. Lawrence S. Freedberg ("Freedberg") is an adult individual with a last known residence address at 2222 NE 11th St., Hallandale, FL 33009 and a last known business address at 1747 Van Buren St., Suite 860, Hollywood, FL 33020-5108;
3. International Currency Trading Corporation ("ICTC") is a foreign business entity with a last known business address at 1747 Van Buren St., Suite 860, Hollywood, FL 33020-5108;
4. At all times material hereto, Day was an agent of Freedberg and ICTC;
5. At all times material hereto, Freedberg was the President of ICTC;
6. During at least June 1998, Day, on behalf of Freedberg and ICTC, and Freedberg, on behalf of himself and ICTC, offered to at least one person in Wisconsin the opportunity to invest with ICTC in the interbank foreign exchange market (the "forex market");
7. According to the offering documents, ICTC's management team produced an annual return of 27.54% on its investments;
8. According to the offering documents, investor's funds are pooled together with those of other investors and then invested in the forex market by ICTC according to its proprietary technical system;

9. Investors are required to sign a limited power of attorney providing ICTC and its agents full discretion over the investors funds in his account;
10. According to the offering documents, ICTC receives a monthly management fee based on the account size and an incentive fee based on the investor's profits;
11. Investors play a passive role in the ICTC investment relying on ICTC for all essential managerial efforts ;
12. The investment offered by the Respondents is an investment contract security pursuant to DFI-Sec 1.02(6)(a), Wis. Adm. Code and is a security under sec. 551.02(13), Wis. Stats.;
13. The investment contract security offered by the Respondents has not been registered for offer or sale in Wisconsin pursuant to Ch. 551, Wis. Stats.;
14. Respondents have violated sec. 551.21, Wis. Stats., by offering unregistered securities in Wisconsin;
15. At no time was Day licensed as a securities agent in Wisconsin pursuant to Ch. 551;
16. Day has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin while not licensed as a securities agent;
17. Freedberg and ICTC have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin;
18. ICTC has violated sec. 551.31(1), Wis. Stats., by acting as an unlicensed broker-dealer in Wisconsin;
19. An offeree in Wisconsin was told by Freed berg that he (Freedberg) had been in the business of trading currency for 20 years and had 15 years of experience trading with the Chicago Mercantile Exchange;
20. On December 21, 1995 the National Futures Association ("NFA") issued a complaint (Case No. 95BCC00020) against Freedberg and others alleging Freedberg failed to properly supervise agents which allowed them to use deceptive and misleading promotional material; to cheat, defraud, and deceive customers; and engage in solicitations which operated as a fraud or deceit on customers;
21. On July 2, 1997 the NFA accepted an offer of settlement from Freedberg in which he was fined \$20,000 and prohibited from acting as a principal or supervisor of a NFA member for a period of five years;
22. The Respondents failed to disclose in the offering materials the NFA action described above;

23. The failure to disclose the NFA action is the omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in violation of sec. 551.41, Wis. Stats.

THEREFORE the staff of Enforcement Unit petitions the Administrator for the issuance of the attached Order.

DATED this 7th day of May, 1999.



Mark E. Dorman
Examiner
Enforcement Unit



David A. Cohen
Supervising Attorney
Enforcement Unit