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

In the matter of,

RIVERRUN PARTNERS LIMITED d/b/a DALTON FINANCE, EDUARDO C. RODRIGUEZ, DEAN ROSSINI GREYMOUNTAIN MANAGEMENT, LTD, a/k/a GREY MOUNTAIN MANAGEMENT, and DAVID CARTU	SUMMARY ORDER TO CEASE AND DESIST
Respondents.	DFI Case No. S-236402 (EX),

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities ("Division"), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 ("Ch. 551") and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. Riverrun Partners Limited is a private limited company incorporated under the Companies Act of 2006 as certified by the Registrar of Companies for England and Wales, effective January 28, 2016 and dissolved on March 27, 2018. The last known address of Riverrun Partners Limited was Ground Floor Right, 64 Paul Street, London, UK EC2A 4NG.

2. According to records of the Registrar of Companies for England and Wales, Eduardo C. Rodriguez ("Rodriguez") was the director and controlling person of Riverrun Partners Limited. The last known business address of Rodriguez was Ground Floor Right, 64 Paul Street, London, UK EC2A 4NG.

3. Riverrun Partners Limited does business under the name Dalton Finance. Hereinafter, unless otherwise indicated, Rodriguez and Riverrun Partners Limited shall be referred to as "Dalton Finance."

4. Upon information and belief, Dean Rossini ("Rossini") is an adult male employed by Dalton Finance as a corporate director, with a last known business address at Ground Floor Right, 64 Paul Street, London, UK EC2A 4NG.

5. Greymountain Management, Ltd., a/k/a Grey Mountain Management ("Greymountain") was a company organized under the laws of the Republic of Ireland, with a last known registered office located at 3d floor, Ulysses House, Foley Street, Dublin 1, Ireland. Greymountain commenced liquidation in 2017.

6. David Cartu ("Cartu") is an adult male citizen of the State of Israel with a last known address of Hatihila 12C, Netanya, Israel. At all times material, Cartu was the sole beneficial shareholder of Greymountain and directed all of the business affairs of the company.

Conduct

7. Dalton Finance, through the website https://daltonfinance.com, purported to provide a binary options trading platform to the public. The website provided information on how to trade binary options and facilitated trades in binary options by users of the website.

8. Greymountain provided electronic support services for Dalton Finance's website including but not limited to credit card processing services for binary options trading.

9. In May of 2016, an adult female residing in Janesville, Wisconsin (referred to herein as "CN") received an email from an individual who identified himself as Dean Rossini of Dalton Finance about investing in "options." Thereafter, Rossini telephoned CN. Rossini informed CN that he was an account representative with Dalton Finance, and that if CN invested $250 she could double her money by trading in binary options.

10. Rossini told CN that trading options was easy. He said in 30 seconds or a minute you could make money.

11. At the time, CN was 61 years old, a small business owner, and did not have any prior investment experience. She was not an accredited investor.

12. On or about May 27, 2016, CN agreed to open an account with Dalton Finance in the amount of $250. To open the account, CN provided Dalton Finance with her personal information, including debit card information, driver's license, and utility bill. The investment transaction was processed by Greymountain on CN's debit card.

13. After CN opened her account with Dalton Finance, she was instructed to email the "Conservative Investor" at software@theconservativeinvestor.co. CN's understanding was that Conservative Investor is third party software she would use with Dalton Finance to conduct trades.

14. CN downloaded the conservative investor software and proceeded to have training sessions with Rossini over the telephone to learn about binary options. Rossini told CN she was doing well and had doubled her $250 investment.

15. On or about June 14, 2016, Rossini persuaded CN to invest an additional $5,000 to trade in binary options. The investment transaction was processed by Greymountain on CN's credit card.

16. CN informed the Division the $5,000 she gave to Dalton Finance was all the money she had in the world to invest.

17. CN signed several forms with Dalton Finance during the course of her relationship with the company:

    - Authorization forms dated May 27, 2016 and June 14, 2016
    - Bonus Agreement forms dated June 14, 2016 and July 6, 2016
    - Risk Free Trade Agreement form dated September 20, 2016

18. Disclosure forms on the Dalton Finance website asserted that U.S. citizens were prohibited from using Dalton Finance due to regulations. This statement is false and misleading as Rosinni and Dalton Finance opened an account with CN using her personal information. At no time did Rosinni or anyone else with Dalton Finance inform CN that U.S. citizens were prohibited from using Dalton Finance to conduct trades in binary options.

19. Rossini reported to CN that her account value had increased to $8,000 as a result of successful trading. Thereafter, according to Rossini, her account value decreased to just over $5,000 as a result of market volatility.

20. CN requested that Dalton Finance return her investment funds. They did not respond to her phone calls or emails, and eventually closed CN's Dalton Finance account without returning her investment funds.

21. Upon information and belief, no trading activity was ever conducted on CN's account by Rossini or by any Dalton Finance broker on CN's behalf.

22. Upon receiving CN's complaint, an investigator of the Division wrote to Dalton Finance and Dean Rossini requesting information about their transactions with CN. Dalton Finance and Dean Rossini failed to provide the requested information.

23. The Dalton Finance binary option contracts are investment contract securities as defined by Wis. Stat. § 551.102(28)(d)1., because they constitute an investment in a common enterprise with the expectation of profits to be derived through the essential managerial efforts of someone other than the investor.

24. The Dalton Finance binary option investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

25. At no time was Dalton Finance registered with the Division in any capacity, nor was it registered with the SEC, CFTC, NFA, FINRA, or the Cyprus Securities and Exchange Commission.

26. At no time was Greymountain registered with the Division in any capacity, nor was it registered with the SEC, CFTC, NFA, FINRA, or the Cyprus Securities and Exchange Commission.

27. At no time was David Cartu registered with the Division in any capacity, nor was he registered with the SEC, CFTC, NFA, FINRA, or the Cyprus Securities and Exchange Commission.

28. At no time was Dean Rossini registered with the Division in any capacity, nor was he registered with the SEC, CFTC, NFA, FINRA, or the Cyprus Securities and Exchange Commission.

29. At no time was Eduardo C. Rodriguez registered with the Division in any capacity, nor was he registered with the SEC, CFTC, NFA, FINRA, or the Cyprus Securities and Exchange Commission

B. Conclusions of Law

Legal Authority and Jurisdiction

30. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Wis. Stats. Ch. 551 and the rules and orders promulgated thereunder.

31. Dalton Finance transacted business as a broker-dealer as defined under Wis. Stat. § 555.102(4) and DFI Sec. 1.02(5), Wis. Admin. Code.

32. Rossini transacted business as an agent of a broker-dealer as defined under Wis. Stat. § 551.102(2) and DFI Sec. 1.02(5), Wis. Admin. Code.

33. Pursuant to Wis. Stat. § 551.401(1), it is unlawful for a person to transact business in Wisconsin as a broker-dealer unless the person is registered under Ch. 551 as a broker-dealer or is exempt from registration as a broker-dealer under Wis. Stat. § 551.401(2).

34. Pursuant to Wis. Stat. § 551.402(1), it is unlawful for a person to transact business in Wisconsin as the agent of a broker-dealer unless the person is registered under Ch. 551 as a broker-dealer or is exempt from registration as a broker-dealer under Wis. Stat. § 551.402(2).

35. Pursuant to Wis. Stat. § 551.402(4), it is unlawful for a broker-dealer to employ or associate with an agent who transacts business in this state on behalf of broker-dealers unless the agent is registered under Ch. 551 as an agent or is exempt from registration.

36. Pursuant to Wis. Stat. § 551.301, it is unlawful for a person to offer or sell a security in this state unless the security is registered in this state or is an exempt or covered security.

37. Pursuant to Wis. Stat. § 551.501(3), it is unlawful for a person, in connection with the offer, sale or purchase of a security, directly or indirectly, to engage in an act, practice, or course of business that operates as a fraud or deceit upon another person.

Violations

38. Through the conduct described above, Dalton Finance violated Wis. Stat. § 551.401(1) by transacting business as a broker-dealer in Wisconsin without being registered under Ch. 551 or exempted from registration under Wis. Stat. § 551.401(2).

39. Through the conduct described above, Dean Rossini violated Wis. Stat. § 551.402(1) by transacting business as an agent of a broker-dealer in Wisconsin without being registered under Ch. 551 or exempted from registration under Wis. Stat. § 551.402(2).

40. Through the conduct described above, Dalton Finance and Dean Rossini violated Wis. Stat. § 551.301 by offering and selling unregistered securities in this state to a Wisconsin investor.

41. Through the conduct described above, Dalton Finance and Eduardo C. Rodriguez violated Wis. Stat. § 551.402(4) by employing or associating with an agent who transacts business in this state without being registered under Ch. 551 or exempted from registration under Wis. Stat. § 551.402(2).

42. Through the conduct described above, all Respondents violated Wis. Stat. § 551.501(3) by conducting their businesses, in connection with the offer and sale of securities, so as to operate a fraud and deceit upon CN.

43. Through the conduct described above, Greymountain and David Cartu materially aided and abetted the violations of Wis. Stat. §§ 551.301, 551.401, 551.402, and 551.501(3) by Dalton Finance, Eduardo C. Rodriguez and Dean Rossini.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to wit Wis. Stat. § 551.604, to issue the following orders and notices:

A. Summary Orders issued pursuant to Wis. Stat. § 551.604(2)

(a) IT IS ORDERED that RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, shall cease and desist from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute, pursuant to Wis. Stat. §§ 551.604(1)(a) and (2).

(b) IT IS FURTHER ORDERED that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by any of the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(b) and (2).

(c) IT IS FURTHER ORDERED that RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person

directly or indirectly controlled or hereafter organized by or on behalf of any RESPONDENT, are prohibited from violating Wis. Stat. § 551.501 or successor statute.

(d) PLEASE TAKE NOTICE that the summary orders of the Administrator are effective as of the issuance of this order, pursuant to Wis. Stat. § 551.604(2).

B. Service of Order

(e) IT IS FURTHER ORDERED that this order shall be sent promptly by registered mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code § DFI-Sec. 8.06.

(f) PLEASE TAKE NOTICE that the date of the service of this order is the date it is placed in the mail. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

C. Notice of Hearing Rights

(g) PLEASE TAKE NOTICE that you have the right to request a hearing. Every request for a hearing shall be in the form of a petition with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01. A petition for a hearing to review the order shall:

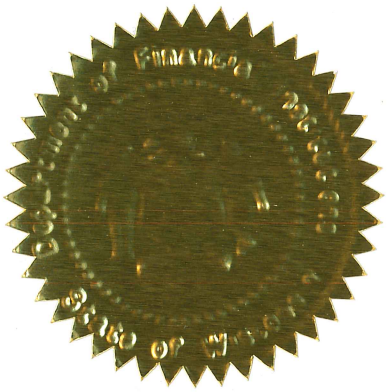
(1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and

(2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.

(h) PLEASE TAKE FURTHER NOTICE that, within 15 days after receipt of a request in a record from you, the matter will be scheduled for a hearing or other public administrative proceedings, pursuant to Wis. Stats. §§ 551.604(2) and (3).

(i) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this order, the findings of fact, conclusions of law, and summary orders, become final as by operation of law, pursuant to Wis. Stat. §551.604(2).

EXECUTED at Madison, Wisconsin, this 17th day of August, 2018.



Leslie M. Van Buskirk
Administrator

Division of Securities
State of Wisconsin
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

State of Wisconsin

Department of Financial Institutions

Scott Walker, **Governor** Jay Risch, **Secretary**

AFFIDAVIT OF SERVICE

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.

2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon the Respondent Riverrun Partners Limited at its last known address of Ground Floor Right, 64 Paul Street, London, UK EC2A 4NG.

   i. Summary Order to Cease and Desist, DFI case no. S-236402 (EX); and

   ii. A copy of this Affidavit of Service.

3. I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities, pursuant to Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 17TH day of AUGUST, 2018.

AMESIA NGIAHAH XANG

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)

Division of Securities
Mail: PO Box 1768 Madison, WI 53701-1768
Courier: 4822 Madison Yards Way, Madison, WI 53705
Voice: (608) 261-9555 Fax: (608) 264-7979 Web: www.wdfi.org

State of Wisconsin

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1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.

2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon the Respondent Eduardo C. Rodriguez at his last known address of Ground Floor Right, 64 Paul Street, London, UK EC2A 4NG.

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Katherin Clementi
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2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon the Respondent Greymountain Management, Ltd., a/k/a Grey Mountain Management at its last known address of 3d floor, Ulysses House, Foley Street, Dublin 1, Ireland.

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2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon the Respondent David Cartu at his last known address of Hatihila 12C, Netanya, Israel.

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   ii. A copy of this Affidavit of Service.

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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

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