

STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. Box 47029
Newark, New Jersey 07101
(973) 504-3600

IN THE MATTER OF:

Akintunde S. Akinniyi, and Ace FX Partners
LLC,

Respondents.

**SUMMARY CEASE AND DESIST AND
PENALTY ORDER**

Pursuant to the authority granted to Elizabeth M. Harris, Chief of the New Jersey Bureau of Securities (“Bureau Chief”), under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to - 89 (“Securities Law”) and certain regulations thereunder, and based upon documents and information obtained during an investigation by the New Jersey Bureau of Securities (“Bureau”), the Bureau Chief hereby finds that there is good cause and it is in the public interest to enter this Summary Penalty Order (“Order”) against Akintunde S. Akinniyi (“Akinniyi”) and Ace FX Partners LLC (“Ace FX”). Accordingly, the Bureau Chief makes the following findings of fact and conclusions of law:

INTRODUCTION

This matter arises from the fraudulent sale of at least \$58,000 in unregistered securities by an unregistered agent and misuse of investor funds. From at least April 2021 through at least May 2021 (“Relevant Period”), Akinniyi and Ace FX raised at least \$58,000 from the sale of unregistered investment contracts and/or notes issued by Ace FX to at least five New Jersey

investors. Akinniyi was not registered with the Bureau in any capacity. Akinniyi and Ace FX falsely represented to the investors that their money would be traded on the foreign exchange market (“ForEx Market”). Akinniyi and Ace FX omitted to disclose to the investors that none of their money would be used to trade ForEx and omitted to disclose to at least one investor that his investment money was deposited into Akinniyi’s personal bank account and misused by Akinniyi for his personal benefit. By this conduct Akinniyi and Ace FX violated the Securities Law warranting the penalties imposed herein.

FINDINGS OF FACT

A. Respondent

1. Akinniyi, residing in Newark, New Jersey, has never been registered with the Bureau or any other securities regulator in any capacity.
2. Ace FX, a New Jersey limited liability company formed on November 6, 2020, maintained a business address at 11-43 Raymond Plaza West, Newark, New Jersey (the “Ace FX Office”) until approximately February 2021. Ace FX has never been registered with the Bureau or any other securities regulator in any capacity.
3. Akinniyi stated that after he lost his job due to Covid in May 2020, Ace FX was established to: (a) trade in the ForEx Market; and (b) train others to trade in the ForEx Market. Akinniyi stated that the purpose of Ace FX was “...all about giving people prior knowledge about ForEx, online ForEx trading.” Akinniyi stated that he taught two people until one of the students contracted Covid and then Akinniyi stopped teaching and going to the Ace FX Office.
4. Akinniyi is the registered agent, director and only officer or director of Ace FX.
5. On June 16, 2023, Ace FX’s business registration was revoked for failure to pay the required annual fee.

Offer and Sale of Unregistered Securities

6. During the Relevant Period, Akinniyi and Ace FX raised at least \$58,000 from the offer and sale of unregistered securities to at least five New Jersey investors.

7. The unregistered securities were in the form of an investment contract/note. The investors received and signed a Client Agreement Form (“Investment Contracts/Notes”).

8. The Investment Contracts/Notes stated that Akinniyi and Ace FX would trade the investors’ funds in the ForEx Market and promised a 30% return on investment.

9. The Investment Contracts/Notes also stated that “[f]ailure to meet up with the target in a month should lead to automatic termination of the agreement, and the initial capital should be refunded without delay.”

10. All these representations by Akinniyi and Ace FX to investors were false and/or misleading.

11. The Investment Contracts/Notes are securities as defined in N.J.S.A. 49:3-49(m) of the Securities Law and were required to be registered.

12. The Investment Contracts/Notes were not registered with the Bureau, not “federally covered,” and not exempt from registration.

13. Akinniyi, on behalf of Ace FX, signed the Investment Contracts/Notes. However, at the time Akinniyi signed the Investment Contracts/Notes, Ace FX was no longer operational and had not paid its annual registration fees to the New Jersey Division of Commercial Recording.

14. Akinniyi used investor funds for purposes other than those disclosed to investors.

15. None of the investor funds were deposited into Akinniyi’s ForEx account or the Ace FX bank accounts. At least one of the investor’s funds was deposited into Akinniyi’s

personal checking account at Wells Fargo, for which he was the sole signatory. Once deposited, Akinniyi misused the funds for his personal benefit rather than trading in the ForEx Market as represented to investors.

16. Investors had no control over how their funds would be used.

Investor P.O.

17. On April 8, 2021, Investor P.O. entered into an Investment Contract/Note with Akinniyi and Ace FX (“P.O. April 2021 Investment Contract/Note”). Investor P.O., an engineer residing in Newark, New Jersey, was previously introduced to Akinniyi by a mutual friend in October 2020.

18. The P.O. April 2021 Investment Contract/Note represented that: (a) Akinniyi had \$20,000 “in custody” from P.O.; and (b) “[t]he purpose is for [Akinniyi] to trade the fund in the Forex Market and give 30% ROI to fund owner.”

19. The P.O. April 2021 Investment Contract/Note also represented that “[f]ailure to meet up with the target in a month should lead to automatic termination of the agreement [Investment Contract/Note], and the initial capital should be refunded without delay.”

20. Investor P.O.’s \$20,000 of investment funds were in the form of: (a) a \$10,000 cashier’s check drawn on Wells Fargo payable to “Akintunde S. Akinniyi”; and (b) a \$10,000 cashier’s check drawn on TD Bank payable to “Akintunde S. Akinniyi Ref: for Investment.”

21. Instead of trading Investor P.O.’s investment funds in the ForEx Market as represented, on April 8 2021, Akinniyi deposited investor P.O.’s \$20,000 into Akinniyi’s personal Wells Fargo account, which had a balance of \$658.42 on April 7, 2021, and was commingled with other money. Akinniyi used investment funds for personal use including:

- a. \$13,500 cash withdrawals;
- b. \$2,100 ATM withdrawals;
- c. \$1,500 wire transfer to Ace FX;
- d. \$4,551 in Zelle payments to other individuals;
- e. \$137.35 to Grubhub;
- f. \$90.64 to Verizon;
- g. \$35.15 to Amazon;
- h. \$52.00 at a local market;
- i. \$60.83 car wash; and
- j. \$48.07 to a graduation outlet.

22. On May 12, 2021, Akinniyi paid Investor P.O. \$6,000 in cash as a purported return on Investor P.O.'s investment.

23. Investor P.O. then gave Akinniyi the \$6,000 cash and \$2,350 of additional cash totaling \$8,250 to invest in ForEx.

24. On May 14, 2021, Investor P.O. and Akinniyi and Ace FX signed a second Investment Contract/Note ("P.O. May 2021 Investment Contract/Note").

25. The P.O. May 2021 Investment Contract/Note represented that: (a) Akinniyi had \$28,350 "in custody" from P.O.; and (b) "[t]he purpose is for [Akinniyi] to trade the fund in the Forex Market and give 30% ROI to fund owner."

26. The P.O. May 2021 Investment Contract/Note also represented that "[f]ailure to meet up with the target in a month should lead to automatic termination of the agreement [Investment Contract/Note], and the initial capital should be refunded without delay."

27. In June 2021, Akinniyi and Ace FX failed to pay investor P.O. any funds as required by the P.O. May 2021 Investment Contract/Note.

28. Investor P.O. stated that when Akinniyi failed to pay Investor P.O. back in August, Investor P.O. told Akinniyi that he would contact the authorities if he did not receive his money back.

29. Akinniyi threatened Investor P.O. with violence, stating that if Investor P.O. contacted the authorities, Akinniyi had his own means of dealing with Investor P.O.

30. To date, Akinniyi and Ace FX have not returned Investor P.O.'s initial capital.

Investor E.A.

31. Investor E.A., a housemaid residing in Irvington, New Jersey, was introduced to Akinniyi by Investor P.O. in or around May 2021.

32. On May 25, 2021, Investor E.A. purchased an Investment Contract/Note from Akinniyi and Ace FX ("E.A. May 2021 Investment Contract/Note").

33. The E.A. May 2021 Investment Contract/Note represented that: (a) Akinniyi had \$3,500 "in custody" from E.A.; and (b) "[t]he purpose is for [Akinniyi] to trade the fund in the Forex Market and give 30% ROI to fund owner."

34. The E.A. May 2021 Investment Contract/Note represented that Akinniyi and Ace FX would pay investor E.A. 30% per month return on her investment on every 26th day of the month.

35. The E.A. May 2021 Investment Contract/Note represented that "[f]ailure to meet with the target in a month should result in automatic termination of the agreement, and the initial capital should be refunded without delay."

36. On May 25, 2021, Investor E.A. gave \$3,500 in cash to Akinniyi to invest in the ForEx Market.

37. Investor E.A.'s funds were not invested in Akinniyi's ForEx account or the Ace FX bank account.

38. Akinniyi and Ace FX, through Akinniyi, failed to pay Investor E.A. any funds as required by the E.A. May 2021 Investment Contract/Note.

39. In or about June 2021, Akinniyi returned \$1,000 to Investor E.A., because Investor E.A. threatened to report him to the FBI.

40. After June 2021, Investor E.A. called and texted Akinniyi several times and asked for her investment back.

Investor C.A.

41. In or about March 2021, Investor P.O. introduced Investor C.A., a certified nursing assistant residing in Newark, New Jersey, to Akinniyi.

42. In or around March 2021, Investor C.A. gave Akinniyi \$5,000 cash to invest in the ForEx Market.

43. Investor C.A.'s funds were not deposited in Akinniyi's ForEx account for investment.

44. In March 2021, Akinniyi paid Investor C.A. \$1,500 representing a 30% return on his \$5,000 investment.

45. On April 1, 2021, after receiving the purported 30% return on investment, Investor C.A. entered into an Investment Contract/Note with Akinniyi and Ace FX ("C.A. April 2021 Investment Contract/Note").

46. The C.A. April 2021 Investment Contract/Note represented that: (a) Akinniyi had \$26,670 “in custody” from C.A.; and (b) “[t]he purpose is for [Akinniyi] to trade the fund in the ForEx Market and give 30% ROI to fund owner.”

47. The C.A. April 2021 Investment Contract/Note also represented that “[f]ailure to meet up with the target in a month should lead to automatic termination of the agreement [Investment Contract/Note], and the initial capital should be refunded without delay.”

48. Akinniyi did not explain the risks of ForEx investments to C.A.

49. None of Investor C.A.’s funds were deposited into Akinniyi’s ForEx account or the Ace FX bank account.

50. In July 2021, Akinniyi and Ace FX failed to pay Investor C.A. the purported 30% return on investment.

51. Although Investor C.A. requested his money back from Akinniyi, to date Akinniyi has not returned his \$26,670 investment to Investor C.A.

CONCLUSIONS OF LAW

AKINNIYI AND ACE FX MADE UNTRUE STATEMENTS OF MATERIAL FACT AND OMITTED TO STATE MATERIAL FACTS NECESSARY IN ORDER TO MAKE THE STATEMENTS MADE, IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY WERE MADE, NOT MISLEADING

(N.J.S.A. 49:3-52(b))

52. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

53. Pursuant to N.J.S.A. 49:3-52(b): “It shall be unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly . . . [t]o make any untrue

statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.”

54. Akinniyi and Ace FX falsely represented to the Investment Contract/Note investors that: (a) their money would be invested in the ForEx Market; (b) there would be a 30% ROI to the fund owner; and (c) “[f]ailure to meet up with the target in a month should lead to automatic termination of the agreement [Investment Contract/Note], and the initial capital should be refunded without delay.” These representations were false because, at the time Akinniyi made them, he did not intend to invest the investor funds in the ForEx market to generate a 30 percent ROI or to even preserve the monies necessary to refund the investors’ principal.

55. Akinniyi and Ace FX omitted to disclose material facts to certain Investment Contract/Note investors, including that their money would be used for the benefit of Akinniyi rather than invested in the ForEx Market.

56. Each omission or materially false or misleading statement by Akinniyi and Ace FX to each investor constitutes a violation of N.J.S.A. 49:3-52(b) and is cause for the imposition of civil monetary penalties pursuant to N.J.S.A. 49:3-70.1.

**AKINNIYI AND ACE FX ENGAGED IN AN ACT,
PRACTICE AND COURSE OF BUSINESS WHICH
OPERATED AS A FRAUD OR DECEIT UPON ANY PERSON
IN CONNECTION WITH THE OFFER, SALE, OR
PURCHASE OF SECURITIES**

(N.J.S.A. 49:3-52(c))

57. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

58. Akinniyi and Ace FX engaged in an act, practice, or course of business which operated or would operate as a fraud or deceit upon investors P.O., E.A. and C.A. by using their funds for Akinniyi’s personal benefit.

59. Each violation of N.J.S.A. 49:3-52(c) by Akinniyi and Ace FX upon each investor is a separate violation and is cause for the imposition of civil monetary penalties pursuant to N.J.S.A. 49:3-70.1.

**AKINNIYI AND ACE FX SOLD UNREGISTERED
SECURITIES**

(N.J.S.A. 49:3-60)

60. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

61. Akinniyi and Ace FX offered and sold unregistered securities in the form of investment contracts and/or notes to at least five investors in violation of N.J.S.A. 49:3-60.

62. The investment contracts and/or notes are securities as defined by N.J.S.A. 49:3-49(m) of the Securities Law and were required by N.J.S.A. 49:3-60 to be registered with the Bureau.

63. The investment contracts and/or notes were not registered with the Bureau and were not “federally covered,” or exempt from registration.

64. Each offer and sale of an unregistered security constitutes a separate violation of N.J.S.A. 49:3-60 and is cause for the imposition of civil monetary penalties pursuant to N.J.S.A. 49:3-70.1.

AKINNIYI ACTED AS AN UNREGISTERED AGENT

(N.J.S.A. 49:3-56(a))

65. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

66. Akinniyi acted as an agent, as defined in N.J.S.A. 49:3-49(s), on behalf of Ace FX from, to and in New Jersey.

67. Akinniyi violated N.J.S.A. 49:3-56(a), which requires, among other things, that only persons registered with the Bureau may lawfully act as agents.

68. Each violation of N.J.S.A. 49:3-56(a) by Akinniyi is a separate violation and cause for the imposition of civil monetary penalties pursuant to N.J.S.A. 49:3-70.1.

CONCLUSION

THEREFORE, it is on this 21st day of February 2024, hereby **ORDERED** that:


69. Akintunde S. Akinniyi and Ace FX Partners LLC and any person, employee, officer, director, entity, agent, finder, or independent contractor under their individual or collective direction or control shall immediately **CEASE AND DESIST** from engaging in the conduct stated above and violating the Securities Law and the rules promulgated thereunder.

70. Akintunde S. Akinniyi and Ace FX Partners LLC, jointly and severally, pursuant to N.J.S.A. 49:3-70.1, are assessed civil monetary penalties in the amount of \$170,000 for the violations of the Securities Law described in this Order, which penalties are immediately due and payable.

71. Payment of civil monetary penalties shall be made by certified check, bank check, or an attorney trust account check, payable to "State of New Jersey, Bureau of Securities," and delivered to the Bureau of Securities, Attn: Bureau Chief, 153 Halsey Street, 6th Floor, Newark, New Jersey 07102. The civil monetary penalties shall be deposited in the Securities Enforcement Fund, pursuant to N.J.S.A. 49:3-66.1.

72. All exemptions contained in N.J.S.A. 49:3-50 subsection (b) paragraph 12, are hereby **DENIED** as to Akintunde S. Akinniyi and Ace FX Partners LLC.

73. All exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. 49:3-56(c) and N.J.S.A. 49:3-56(g) are hereby **DENIED** as to Akintunde S. Akinniyi and Ace FX Partners LLC.



Elizabeth M. Harris
Bureau Chief
New Jersey Bureau of Securities

NOTICE OF RIGHT TO HEARING

Pursuant to the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to -89, specifically, N.J.S.A. 49:3-69(a)(1)(i), the Bureau Chief shall entertain on no less than three (3) days' notice, a written application to lift the summary cease and desist on written application of the applicant or person subject thereto and in connection therewith may, but need not, hold a hearing or hear testimony, but shall provide to the applicant or registrant a written statement of the reasons for the summary revocation and order to cease and desist.

Pursuant to N.J.S.A. 49:3-69(a), this matter will be set down for a hearing if a written request for such a hearing is filed with the Bureau within 20 days after the respondent receives this Order. A request for a hearing must be accompanied by a written response, in the form of a written answer, which addresses specifically each of the allegations set forth in the Order. A general denial is unacceptable. At any hearing involving this matter, an individual respondent may appear on his/her own behalf or be represented by an attorney. The Bureau Chief shall, within five (5) days of receiving the answer and request for hearing, either transmit the matter to the Office of Administrative Law for a hearing or schedule a hearing at the Bureau of Securities.

Orders issued pursuant to N.J.S.A. 49:3-69 shall be subject to an application to vacate upon 10 days' notice, and a preliminary hearing on the Order shall be held in any event within 20 days after it is requested, and the filing of a motion to vacate the Order shall toll the time for filing an answer and written request for a hearing.

Pursuant to N.J.S.A. 49:3-69(a)(1)(iii), if any person subject to the Order fails to respond by filing a written answer and written request for hearing with the Bureau or moving to vacate the order within 15 days prescribed period, that person shall have waived the opportunity to be heard. The Order will be a Final Order and shall remain in effect until modified or vacated.

NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies, which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include, in addition to this action revoking your registration, the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70.1.

You are further advised that the entry of relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.