

**IN THE MATTER OF
TRANS-ATLANTIC DIRECT, TRD-EUROMARKETS S.L., MARTIN SCHWARTZ, also
known as MARTIN SHWARTZ, STEWART PRICE, BERNARD JUSTIN SEVILLA and
MARK LEE SINGER**

**APPLICATION OF STAFF
OF THE ONTARIO SECURITIES COMMISSION**

ONTARIO SECURITIES COMMISSION
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

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Counsel for the Ontario Securities Commission

TO: **Trans-Atlantic Direct**
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Amsterdam, 1077 XV, Netherlands
accounts@transatlantic-dir.com

AND TO: **TRD-Euromarkets S.L.**
Avda. de Riviera con Apartamentos Las Terrazas De Banus,
Num. 3, Esc. 1, Puerta 2.
Marbella 29660 (Malaga)
Spain
accounts@transatlantic-dir.com

AND TO: **Martin Schwartz,**
also known as Martin Shwartz
accounts@transatlantic-dir.com

AND TO: **Stewart Price**
stewartprice@livenet.ch

AND TO: **Bernard Justin Sevilla**
Avda. de Riviera con Apartamentos Las Terrazas De Banus,
Num. 3, Esc. 1, Puerta 2.
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AND TO: **Mark Lee Singer**
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Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
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**APPLICATION OF
STAFF OF THE ONTARIO SECURITIES COMMISSION**

(For Extension of a Temporary Order Under
Subsections 127(7) and 127(8) of the *Securities Act*)

A. ORDER SOUGHT

The Applicant, Staff of the Ontario Securities Commission (“**Staff**”), requests that the Ontario Securities Commission (the “**Commission**”) make the following orders:

1. an order amending the temporary order dated June 20, 2018 (the “**Temporary Order**”), attached hereto as **Appendix “A”**, under subsection 127(5) of the *Securities Act*, RSO 1990, c S.5, as amended (the “**Act**”), by deleting paragraph 1 of the Temporary Order and substituting the following paragraph:
 - (a) pursuant to paragraph 2 of subsection 127(1), all trading in securities or derivatives by Trans-Atlantic Direct, TRD SL, Schwartz, Price, Sevilla and Singer or by any person on their behalf shall cease, including but not limited to any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of a trade;
2. an order to extend the Temporary Order, as amended, for a period of six months or until such time as considered necessary by the Commission; and

3. such further orders as the Commission considers appropriate.

B. GROUNDS

The grounds for the request are:

1. The Commission made the Temporary Order on June 20, 2018.

The Respondents

2. Trans-Atlantic Direct represents that it offers a foreign exchange managed account service for investors. Trans-Atlantic Direct's website lists an address in Amsterdam, the Netherlands, which appears to be the address of a virtual office service.
3. TRD-Euromarkets S.L. ("**TRD SL**") is a company incorporated and domiciled in Spain. TRD SL appears to have been previously named or have operated under the following names: TRA-Segregated S.L., TRD Euromarkets, S.L., and TRD Euromarkets S.L.U.
4. Martin Schwartz, also known as Martin Shwartz ("**Schwartz**"), is a person who holds himself out to be a resident of the United Kingdom and a principal of Trans-Atlantic Direct.
5. Stewart Price ("**Price**") is a person who holds himself out to be a resident of France and a principal of Trans-Atlantic Direct.
6. Bernard Justin Sevilla ("**Sevilla**") is a citizen of the United Kingdom and a recipient of investor funds transferred by TRD SL, as described below. He is the registered manager and sole shareholder of TRD SL. It appears that Sevilla may be operating under the name of Schwartz.

7. Mark Lee Singer (“**Singer**”) is a citizen of the United States and a recipient of investor funds transferred by TRD SL, as described below. It appears that Singer may be operating under the name of Price.
8. None of the Respondents are registered with the Commission in any capacity.

Solicitation of Investor Funds

9. Trans-Atlantic Direct maintains a website, www.transatlantic-dir.com, through which it solicits funds from retail investors. According to Trans-Atlantic Direct, invested funds would be used to carry out foreign exchange trading by a Trans-Atlantic Direct professional trader through a managed account held in the client’s name (the “**Managed Accounts**”).
10. From 2016 to November 2017, Trans-Atlantic Direct solicited funds from investors through a number of paid radio programmes aired in Ontario.
11. Schwartz and Price appeared on these radio programmes to promote Trans-Atlantic Direct’s business and made a number of representations about the operation of the Managed Accounts. The representations made on Trans-Atlantic Direct’s website and by Schwartz and Price include the following:
 - (a) investor funds would be held in a segregated account in the investor’s name;
 - (b) no more than 5 percent of the equity in the investor’s account would be put at risk through trades during any given month;
 - (c) investors would be able to view the current status of their segregated account and their account balance by logging into an online account platform;
 - (d) investors would have the right to direct trades in their own accounts, including closing any open trades; and

- (e) investors would be entitled to the return of their funds at any time, so long as there were no open trades in the account.

- 12. Investors who wished to open a Managed Account were directed to call Trans-Atlantic Direct and were then contacted by Schwartz or Price, who directed investors to send their investment funds to an account in the name of TRD SL at Banco Popular Español, S.A., a financial institution located in Spain (the “**TRD Banco Popular Account**”). Sevilla was the sole signatory for the TRD Banco Popular Account.

- 13. It appears that investors may have also been directed to transfer funds to an account in the name of TRD SL at Banco de Sabadell, S.A., a financial institution located in Spain (the “**TRD Banco Sabadell Account**”).

Flow of Investor Funds

- 14. From January 2016 to November 2017, transfers totalling approximately EUR 1,689,421 were made to the TRD Banco Popular Account from individual remitters, most of whom were residents of Ontario.

- 15. A further EUR 1,449,276 was received directly from individual remitters into the TRD Banco Sabadell Account.

- 16. Trans-Atlantic Direct maintains an online system that purports to show the status of the investment accounts of investors and trading positions that are purportedly held on behalf of investors.

- 17. However, none of the funds in the TRD Banco Popular Account or the TRD Banco Sabadell Account were placed in segregated accounts in the names of the investors or appear to have been used for the purpose of making investments on behalf of the investors.

18. Funds were transferred from the TRD Banco Popular Account and the TRD Banco Sabadell Account to accounts under the names of TRD Euromarkets S.L.U., Sevilla, Singer, and another individual (the “**Transferee Accounts**”).
19. None of the funds in the Transferee Accounts were placed in segregated accounts in the names of the investors or appear to have been used for the purpose of making investments on behalf of the investors.

Misrepresentations

20. Contrary to the representations to investors made by Trans-Atlantic Direct, Schwartz and Price, investor funds have not been held in segregated accounts in the names of the investors or appear to have been used for the purpose of making investments on behalf of the investors. Instead, investor funds appear to have been used to pay personal expenses of the respondents or have otherwise been used for the personal benefit of the respondents.
21. In at least one instance, account statements were issued identifying open positions that placed over 5 percent of the investor’s invested funds at risk.
22. In a number of cases, instructions by investors to close their accounts have not been carried out and funds have not been returned to investors when and as requested.

Basis for the Extension of the Temporary Order

23. Staff’s investigation into this matter is continuing.
24. The respondents and individuals and/or entities associated with them may have:
 - (a) acted contrary to subsection 25(1) of the Act by engaging in or holding themselves out as engaging in the business of trading in securities in circumstances where no registration exemption was available;

- (b) acted contrary to subsection 25(3) of the Act by engaging in or holding themselves out as engaging in the business of advising anyone with respect to investing in, buying or selling securities in circumstances where no registration exemption was available; and
- (c) acted contrary to subsection 126.1(1) of the Act by, directly or indirectly, engaging in or participating in any act, practice, or course of conduct relating to securities, derivatives or the underlying interest of a derivative that the person or company knows or ought reasonably to know perpetrates a fraud on any person or company, or attempting to do so.

25. Subsections 127(7) and 127(8) of the Act.

26. Rule 13 of the *Rules of Procedure*, as amended.

27. Such further and other grounds as Staff may advise and the Commission may permit.

C. EVIDENCE

Staff intend to rely on the following evidence at the hearing:

1. the affidavit of Stephanie Collins, senior accountant in the Enforcement Branch of the Commission, to be sworn;
2. such further and other materials as counsel may advise and the Commission may permit.

DATED this 22nd day of June, 2018.

Staff of the Enforcement Branch
Ontario Securities Commission
20 Queen Street West, Suite 2200
Toronto, Ontario M5H 3S8

Appendix "A"



Ontario
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Commission des
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MARK LEE SINGER**

**TEMPORARY ORDER
(Subsections 127(1) and 127(5))**

WHEREAS:

1. it appears to the Ontario Securities Commission (the "Commission") that:
 - a. Trans-Atlantic Direct represents that it offers a foreign exchange managed account service for investors. Trans-Atlantic Direct's website lists an address in Amsterdam, the Netherlands;
 - b. TRD-Euromarkets S.L. ("TRD SL") is a company incorporated and domiciled in Spain. TRD SL was previously named, has operated, or operates under the names TRA-Segregated S.L., TRD Euromarkets, S.L., and TRD Euromarkets S.L.U.;
 - c. Martin Schwartz, also known as Martin Shwartz ("Schwartz"), is a person who holds himself out to be a resident of the United Kingdom and a principal of Trans-Atlantic Direct;
 - d. Stewart Price ("Price") is a person who holds himself out to be a resident of France and a principal of Trans-Atlantic Direct;
 - e. Bernard Justin Sevilla ("Sevilla") is a citizen of the United Kingdom. He is the registered manager and sole shareholder of TRD SL. It appears that Sevilla may be operating under the name of Schwartz;
 - f. Mark Lee Singer ("Singer") is a citizen of the United States. It appears that Singer may be operating under the name of Price;

- g. none of the respondents have been registered with the Commission in any capacity;
- h. Trans-Atlantic Direct, Schwartz and Price solicited Ontario investors to contribute funds to what they represented to be segregated accounts in which they would carry out foreign exchange trading on behalf of investors;
- i. individuals in Ontario sent funds to two bank accounts located in Spain held by TRD SL (the "TRD SL Accounts");
- j. it appears that none of the funds received in the TRD SL Accounts were held in a segregated account for investors or were used for investment purposes on behalf of investors;
- k. it appears that Sevilla and Singer both received significant transfers of funds from the TRD SL Accounts;
- l. the respondents may have acted contrary to subsection 25(1) of the Act by engaging in or holding themselves out as engaging in the business of trading in securities in circumstances where no registration exemption was available;
- m. the respondents may have acted contrary to subsection 25(3) of the Act by engaging in or holding themselves out as engaging in the business of advising anyone with respect to investing in, buying or selling securities in circumstances where no registration exemption was available;
- n. the respondents may have acted contrary to paragraph 126.1(1)(b) of the Act by, directly or indirectly, engaging in or participating in an act, practice, or course of conduct relating to securities that they knew or ought reasonably to have known perpetrated a fraud on any person or company;
- o. the respondents may have acted contrary to the public interest;
- p. Staff are continuing to investigate the conduct described above;

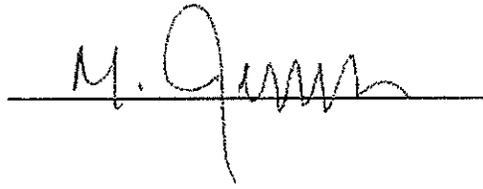
2. the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as set out in subsection 127(5) of the Act;
3. the Commission is of the opinion that it is in the public interest to make this Order;
4. by Authorization Order made March 23, 2018, pursuant to subsection 3.5(3) of the Act, each of Maureen Jensen, D. Grant Vingoe, Timothy Moseley, Philip Anisman, Lawrence P. Haber, Robert P. Hutchison, Janet Leiper, Poonam Puri, Mark J. Sandler, and M. Cecilia Williams, acting alone, is authorized to make orders under section 127 of the Act; and
5. the Commission is of the opinion that it is in the public interest to make this Order.

IT IS ORDERED pursuant to section 127 of the Act that:

1. pursuant to paragraph 2 of subsection 127(1), all trading in securities by Trans-Atlantic Direct, TRD SL, Schwartz, Price, Sevilla and Singer or by any person on their behalf shall cease, including but not limited to any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of a trade;
2. pursuant to paragraph 2.1 of subsection 127(1), the acquisition of securities by Trans-Atlantic Direct, TRD SL, Schwartz, Price, Sevilla and Singer or by any person on their behalf shall cease;
3. pursuant to paragraph 3 of subsection 127(1) of the Act, that any exemptions in Ontario securities law do not apply to Trans-Atlantic Direct, TRD SL, Schwartz, Price, Sevilla and Singer; and

4. pursuant to subsection 127(6) of the Act, this order shall take effect immediately and shall expire on the 15th day after its making unless extended by order of the Commission.

DATED at Toronto, this ~~20~~²¹ day of June, 2018.



A handwritten signature in cursive script, appearing to read "M. Quinn", is written over a horizontal line.