

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Steven Eric Milstein-Roth, a.k.a.
Steve E. Milsteinroth, Steven E.M. Roth,
and Steve Roth
1448 Queens Road
West Hollywood, CA 90069
and
13700 Marina Pointe Drive, #1010
Marina del Rey, CA 90292

Susan Lok, a.k.a.
Susan Kheng Loc and Susan Kheng-Loc
1265 Indian Springs Drive
Glendora, CA 91741

Arthur Ferdig, Founder
Tradex, Ltd., f.k.a. International
Bright Investments, a.k.a. Richwell, Ltd., and
Richwell Financial, Inc.
15902 Halliburton Road, Suite 184A
Hacienda Heights, CA 91745
and
91 Clinton, Wall House
P.O. Box 1437
Rosseau Dominica, West Indies

DESIST AND REFRAIN ORDER

(For violations of sections 29520 and 29536 of the Corporations Code)

The California Corporations Commissioner (“Commissioner”) finds that:

1. At all relevant times herein, Steven Eric Milstein-Roth (“Roth”), a.k.a. Steve E. Milsteinroth, Steven E.M. Roth, and Steve Roth is or was an individual residing at 1448 Queens Road, West Hollywood, CA 90069 or 13700 Marina Pointe Drive, #1010, Marina del Rey, CA 90292.

2. At all relevant times herein, Susan Lok, a.k.a. Susan Keng Loc and Susan Kheng-Loc is or was an individual residing at 1265 Indian Springs Drive, Glendora, CA 91741.

3. At all relevant times herein, Arthur Ferdig (“Ferdig”) is or was an individual and the

1 founder of Tradex, Ltd., (“Tradex”).

2 4. At all relevant times herein, Tradex formerly known as International Bright
3 Investments, a.k.a. Richwell, Ltd., and Richwell Financial, Inc. is or was a trading company duly
4 registered and located in Roseau, Dominica, West Indies with its principal place of business in the
5 United States at 15902 Halliburton Road, Suite 184A, Hacienda Heights, CA 91745.

6 5. Tradex was a trading company that solicited individuals to place their money
7 with Tradex, memorializing the arrangement with a capital management agreement. The Tradex
8 capital management agreement stated that Tradex is a company that facilitates the trading of world
9 currency in the international foreign exchange market. These agreements constitute commodity
10 contracts under Section 29505 of the California Commodity Law of 1990.

11 6. Beginning in or about 1999, while Roth was employed by New York Life Insurance
12 Company, Roth solicited investments in commodities from individuals, including some of his New
13 York Life Insurance clients, in Tradex with Lok as the trader and Ferdig as the founder.

14 7. Foreign currencies are commodities under Section 29504 of the California Commodity
15 Law of 1990.

16 8. In connection with these offers and sales, Tradex, Roth, Lok and Ferdig willfully
17 failed to disclose to investors that:

- 18
- 19 a. Neither Tradex, Roth, Lok or Ferdig were licensed with the Commodity Futures
20 Trading Commission to sell commodities.
 - 21 b. Tradex, Roth, Lok and Ferdig are not exempt from the California Commodities
22 Law of 1990 (“CCL”).

23 9. In connection with these offers and sales, Tradex, Roth, Lok and Ferdig willfully
24 made false reports, including fabricating client account statements showing foreign currency trading
25 and profits taking place.

26 Based on the foregoing findings, the Commissioner is of the opinion that the capital
27 management agreements for trading in foreign currency offered and sold by Tradex, Roth, Lok and
28

1 Ferdig were commodity contracts that were offered and sold in this state, in violation of section
2 29520 of the CCL.

3 The Commissioner is also of the opinion that, in connection with the offers and sales, Tradex,
4 Roth, Lok and Ferdig willfully omitted to state material facts necessary in order to make the
5 statements made, in light of the circumstances under which they were made, not misleading and made
6 false reports in violation of section 29536 of the CCL.

7 Pursuant to Section 29542 of the CCL, Tradex, Ltd., Steven Eric Milstein-Roth, Susan Lok,
8 and Arthur Ferdig are hereby ordered to desist and refrain from purchasing or selling, offering to sell
9 or purchase, offering to enter into, or entering into a commodity, commodity contract or commodity
10 option in the State of California involving capital management agreements or any other agreements,
11 accounts, or contracts for trading in foreign currency or other commodities, by omitting to state a
12 material fact necessary in order to make the statements made, in light of the circumstances under
13 which they were made, not misleading or by making false reports. This Order is necessary, in the
14 public interest, for the protection of investors and consistent with the purposes, policies, and
15 provisions of the CCL.

16 Dated: August 30, 2005
17 Los Angeles, California

18 WAYNE STRUMPFER
19 Acting California Corporations Commissioner

20 By _____
21 ALAN S. WEINGER
22 Acting Deputy Commissioner
23 Enforcement Division
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**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: Steven Eric Milstein-Roth, a.k.a.
Steve E. Milsteinroth, Steven E.M. Roth,
and Steve Roth
1448 Queens Road
West Hollywood, CA 90069
and
13700 Marina Pointe Drive, #1010
Marina del Rey, CA 90292

REVISED DESIST AND REFRAIN ORDER

(For violations of sections 29520 and 29536 of the Corporations Code)

The California Corporations Commissioner (“Commissioner”) finds that:

1. At all relevant times herein, Steven Eric Milstein-Roth (“Roth”), a.k.a. Steve E. Milsteinroth, Steven E.M. Roth, and Steve Roth is or was an individual residing at 1448 Queens Road, West Hollywood, CA 90069 or 13700 Marina Pointe Drive, #1010, Marina del Rey, CA 90292.
2. At all relevant times herein, Susan Lok, a.k.a. Susan Keng Loc and Susan Kheng-Loc is or was an individual residing at 1265 Indian Springs Drive, Glendora, CA 91741.
3. At all relevant times herein, Arthur Ferdig (“Ferdig”) is or was an individual and the founder of Tradex, Ltd. (“Tradex”).
4. At all relevant times herein, Tradex formerly known as International Bright Investments, a.k.a. Richwell, Ltd., and Richwell Financial, Inc. is or was a trading company duly registered and located in Roseau, Dominica, West Indies with its principal place of business in the United States at 15902 Halliburton Road, Suite 184A, Hacienda Heights, CA 91745.
5. Tradex was a trading company that solicited individuals to place their money with Tradex, memorializing the arrangement with a capital management agreement. The Tradex capital management agreement stated that Tradex is a company that facilitates the trading of world

1 currency in the international foreign exchange market. These agreements constitute commodity
2 contracts under Section 29505 of the California Commodity Law of 1990.

3 6. Beginning in or about 1999, Roth was an investor in Tradex while he was employed
4 by New York Life Insurance Company. Roth also solicited investments in commodities from
5 individuals, including some of his New York Life Insurance clients, in Tradex with Lok as the trader
6 and Ferdig as the founder.

7 7. Foreign currencies are commodities under Section 29504 of the California Commodity
8 Law of 1990.

9 8. In connection with these offers and sales Roth willfully failed to disclose to investors
10 that:

- 11 a. Neither Tradex, Roth, Lok or Ferdig were licensed with the Commodity Futures
12 Trading Commission to sell commodities.
- 13 b. Tradex, Roth, Lok and Ferdig are not exempt from the California Commodities
14 Law of 1990 (“CCL”).

15 Based on the foregoing findings, the Commissioner is of the opinion that the capital
16 management agreements for trading in foreign currency offered and sold by Roth were commodity
17 contracts that were offered and sold in this state, in violation of section 29520 of the CCL.

18 The Commissioner is also of the opinion that in connection with the offers and sales, Roth
19 willfully omitted to state the material facts alleged in 8 above, which were necessary in order to make
20 the statements made, in the light of the circumstances under which they were made, not misleading in
21 violation of section 29536 of the CCL.

22 Pursuant to Section 29542 of the CCL Steven Eric Milstein-Roth is hereby ordered to desist
23 and refrain from purchasing or selling, offering to sell or purchase, offering to enter into, or entering
24 into a commodity, commodity contract or commodity option in the State of California involving
25 capital management agreements or any other agreements, accounts, or contracts for trading in foreign
26 currency or other commodities, by omitting to state a material fact necessary in order to make the
27 statements made, in light of the circumstances under which they were made, not misleading.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the CCL.

Dated: October 15, 2007
 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division