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STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

TO: CryptoFX LLC
CryptoFX Academy
CryptoFX Learning Academy
CFX Lifestyle Academy
CFX Academy
CFX
Hector Aquino
Claudia Velazquez

9900 Spectrum Drive
Austin, Texas 78717

800 Town and Country Blvd., Suite 300
Houston, Texas 77024

www.cryptofxla.com
www.cryptofxlearningacademy.com

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the Corporations Code)

The Commissioner of Financial Protection and Innovation (Commissioner) finds that:

1. At all relevant times, CryptoFX LLC, also known as CryptoFX Academy, CryptoFX Learning Academy, CFX Lifestyle Academy, CFX Academy, and CFX (CryptoFX) is and was a Texas limited liability company that maintained business addresses at 9900 Spectrum Drive, Austin, Texas 78717 and 800 Town and Country Blvd., Suite 300, Houston, Texas 77024. CryptoFX operated the websites www.cryptofxla.com and www.cryptofxlearningacademy.com. CryptoFX advertised its businesses on Facebook, Instagram, and Twitter.

2. Through its promoters, CryptoFX targeted the Latino community. CryptoFX and its promoters collected investors' monies and purported to invest their monies in crypto assets. CryptoFX also purported to provide educational classes to empower the Latino community to build

1 wealth through crypto asset trading.

2 3. At all relevant times, Mauricio Chavez (Chavez) is and was the Chief Executive
3 Officer and founder of CryptoFX.

4 4. At all relevant times, Hector Aquino, also known as Hector Angeles Aquino Sr.
5 (Aquino), is and was a promoter of CryptoFX. Aquino controlled and induced or provided
6 substantial assistance to CryptoFX within the meaning of Corporations Code section 25403,
7 subdivisions (a) and (b), in violating the above cited laws.

8 5. At all relevant times, Claudia Velazquez, also known as Claudia Hernandez
9 Velazquez and Claudia Velazquez-Hern (Velazquez), is and was a promoter of CryptoFX.
10 Velazquez controlled and induced or provided substantial assistance to CryptoFX within the
11 meaning of Corporations Code section 25403, subdivisions (a) and (b), in violating the above cited
12 laws.

13 6. CryptoFX, Aquino, and Velazquez represented to members of the public that
14 investors could expect a profit as a result of their crypto asset investment. Investor funds were
15 intermingled and investors had an expectation of profits derived from the success of CryptoFX’s
16 efforts.

17 7. Beginning in or about February 2022 and continuing until at least September 2022,
18 CryptoFX, Aquino, and Velazquez offered and sold securities to California residents in the form of
19 an investment contract called “Venture Agreement CryptoFX, LLC.” Aquino and Velazquez
20 collected cash investments ranging from \$5,000 to \$20,000. In return, investors received a copy of
21 their “Venture Agreement CryptoFX, LLC.”

22 8. Through general solicitations, in the form of telephone cold-calls, in-person meetings,
23 and an investor recruitment network, CryptoFX, Aquino, and Velazquez offered and sold securities
24 to investors and potential investors. Aquino and Velazquez used a multi-level marketing scheme that
25 would reward investors for inducing others to invest with CryptoFX.

26 9. CryptoFX, Aquino, and Velazquez held weekly meetings for prospective investors,
27 where existing investors shared their experiences receiving generous bonuses through CryptoFX’s
28 “referral program.” The “referral program” paid investors for recruiting new investors and the

1 referral bonus received was a fixed percentage of the newly recruited investor’s investment. The
2 soliciting investors were listed as “sponsors” on each investment contract.

3 10. The Commissioner has jurisdiction over the offer and sale of securities in California
4 under the Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL).

5 11. The CryptoFX securities were offered and sold in this State in issuer transactions. The
6 Commissioner has not issued a permit or other form of qualification authorizing any person to offer
7 or sell these securities in this State.

8 12. In connection with the offer and sale of these securities, CryptoFX, Aquino, and
9 Velazquez made, or caused to be made, misrepresentations of material fact to investors and potential
10 investors, namely that investors would receive a return on their initial investment every three
11 months.

12 13. Investors have not received any return on their initial investment from CryptoFX,
13 Aquino or Velazquez. Despite multiple requests, investors also have not received their money back.

14 Based on the foregoing findings, the Commissioner is of the opinion that the securities
15 offered and sold in the form of investment contracts by CryptoFX LLC, also known as CryptoFX
16 Academy, CryptoFX Learning Academy, CFX Lifestyle Academy, CFX Academy, and CFX; by
17 Hector Aquino, also known as Hector Angeles Aquino Sr.; and by Claudia Velasquez, also known as
18 Claudia Hernandez Velazquez and Claudia Velazquez-Hern, are subject to qualification under the
19 CSL and have been or are being offered or sold without first being qualified in violation of
20 Corporations Code section 25110. Pursuant to Corporations Code section 25532, CryptoFX LLC,
21 also known as CryptoFX Academy, CryptoFX Learning Academy, CFX Lifestyle Academy, CFX
22 Academy, and CFX; Hector Aquino, also known as Hector Angeles Aquino Sr. and Claudia
23 Velasquez, also known as Claudia Hernandez Velazquez and Claudia Velazquez-Hern, are hereby
24 ordered to desist and refrain from the further offer and sale of securities in the State of California,
25 including but not limited to investment contracts, unless and until qualification has been made under
26 the law, or unless exempt.

27 In addition, the Commissioner is of the opinion that CryptoFX LLC, also known as
28 CryptoFX Academy, CryptoFX Learning Academy, CFX Lifestyle Academy, CFX Academy, and

1 CFX; Hector Aquino, also known as Hector Angeles Aquino Sr.; and Claudia Velasquez, also
2 known as Claudia Hernandez Velazquez and Claudia Velazquez-Hern, offered or sold securities in
3 this State by means of written or oral communications which included an untrue statement of
4 material fact or which omitted to state a material fact necessary to make the statements made, in light
5 of the circumstances under which they were made, not misleading, in violation of Corporations Code
6 section 25401. Pursuant to Corporations Code section 25532, CryptoFX LLC, also known as
7 CryptoFX Academy, CryptoFX Learning Academy, CFX Lifestyle Academy, CFX Academy, and
8 CFX; Hector Aquino, also known as Hector Angeles Aquino Sr.; and Claudia Velasquez, also
9 known as Claudia Hernandez Velazquez and Claudia Velazquez-Hern, are hereby ordered to desist
10 and refrain from offering or selling any security in the State of California, including but not limited
11 to investment contracts, by means of any written or oral communication which includes an untrue
12 statement of a material fact or which omits to state a material fact necessary to make the statements
13 made, in light of the circumstances under which they were made, not misleading.

14 Pursuant to Corporations Code section 25401, any person who controls or induces another
15 person to violate a provision of the Corporate Securities Law of 1968, or any person who provides
16 substantial assistance to another person in violation of the Corporate Securities Law of 1968 shall be
17 liable for the violations.

18 This Order is necessary, in the public interest, for the protection of consumers, and consistent
19 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This Order shall
20 remain in full force and effective until further order of the Commissioner.

21
22 Dated: June 27, 2023

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



23
24
25 By: _____
26 MARY ANN SMITH
27 Deputy Commissioner
28 Enforcement Division