

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

THREE WISE MEN TRADING LLC	)	ADMINISTRATIVE ORDER
JACK COHEN	)	NO. CD-2012-0026
VICTOR CHARLES CORELLA	)	
	)	
<u>RESPONDENTS</u>	)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. THREE WISE MEN TRADING, LLC ("3WM"), was represented to be a Forex trading company with a business address of 11601 Wilshire Boulevard, 5<sup>th</sup> floor, Los Angeles, California 90025, and was incorporated in the state of California on April 8, 2004. 3WM also have an overseas address listing 81 Oxford Street, London W1D 2EU, United Kingdom.

2. JACK COHEN ("COHEN"), is represented as the Senior Account Manager of 3WM with a business address of 11601 Wilshire Boulevard, 5<sup>th</sup> floor, Los Angeles, California 90025.

3. VICTOR CHARLES CORELLA ("CORELLA"), is listed on the 3WM bank account opening documents as the Managing Member for the account with a business address of 11601 Wilshire Boulevard, 5<sup>th</sup> floor, Los Angeles, California 90025, and a home address of 17350 Temple Avenue Unit 167, La Puente, California 91744.

## STATEMENT OF FACTS

4. The Commission is in receipt of information that in April 2011, 3WM through their agent COHEN, engaged in the offer and/or sale of securities to an Alabama resident; involving the proposed sale/trade of foreign currency, to wit investment contracts entitled "3WM Private Agreement".

5. The investment plan which was described as a "3WM private agreement, by invitation only, hedge fund", called for solicited investors to invest a minimum of \$10,000. The investment had to remain deposited with 3WM for one year, and upon completion of the requisite time would yield returns. Investment funds were pooled and deposited into the Three Wise Men bank account held at JP Morgan Chase Bank.

6. The Alabama resident wrote one check on April 8, 2011, check # 514 in the amount of \$1,000.00 and another on April 14, 2011, check # 21852, in the amount of \$9,000.00 totaling \$10,000.00. The resident signed a 3WM private agreement issued by COHEN.

7. On June 7, 2011, a review of the Commission Registration Division files revealed no registration for THREE WISE MEN TRADING, JACK COHEN, or for VICTOR CHARLES CORELLA as a Securities Dealer, Securities Agent, Investment Advisor (IA) or Investment Advisor Representative (IAR) in the state of Alabama.

8. On June 7, 2011, a review of the Commission's Registration Division files disclosed no record of registration, or any perfected exemption from registration for the securities, in question, to wit: the investment issued by 3WM.

## CONCLUSIONS OF LAW

9. Section 8-6-2(2) Code of Alabama 1975, defines an Agent as any individual other than a Dealer who represents a Dealer or Issuer in effecting or attempting to effect sales of securities. COHEN and CORELLA in effecting sales of securities, to wit: The private agreements, of 3WM are Agents as defined in the Act.

10. Section 8-6-2(10) Code of Alabama 1975, the definition of a "security" includes any "note, stock, treasury stock... or investment contract...". The investment contract to wit: the private agreement, issued to the Alabama resident by 3WM is a security as defined in the Act.

11. Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as an agent or dealer for securities unless such person is registered under the Act. COHEN and CORELLA by offering and selling securities, to wit: the investment contract issued to an Alabama resident, acted as an agent without benefit of registration with the Commission in violation of the Act.

12. Section 8-6-4 Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless: it is registered under the Act; the security is exempt from registration under §8-6-10; or, the transaction is exempt under §8-6-11. The securities offered and/or sold by COHEN and CORELLA, to wit: the investment contract issued by 3WM was neither registered nor exempt from registration and was offered and/or sold in violation of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 8th day of August, 2012.



ALABAMA SECURITIES COMMISSION  
P. O. Box 304700  
401 Adams Avenue, Ste. 280  
Montgomery, AL 36130-4700  
(334) 242-2984

BY:

  
Joseph P. Borg  
Director