

UNITED STATES OF AMERICA  
Before the  
COMMODITY FUTURES TRADING COMMISSION

In the Matter of )  
NEXT FINANCIAL SERVICES )  
UNLIMITED, INC., )  
and )  
NEW WORLD TRADING, LLC )  
Registrants. )

CFTC DOCKET NO. SD 07-03

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**NOTICE OF INTENT TO SUSPEND, REVOKE, OR RESTRICT THE  
INTRODUCING BROKERS REGISTRATIONS OF NEXT FINANCIAL SERVICES  
UNLIMITED, INC. AND NEW WORLD TRADING, LLC**

**I.**

The Commodity Futures Trading Commission ("Commission") has received information from its staff that tends to show, and the Commission's Division of Enforcement ("Division") alleges and has proved, that:

1. Next Financial Services Unlimited, Inc. ("Next Financial") maintains its principal place of business at 110 East Atlantic Avenue, Suite 310, Delray Beach, Florida 33444.
2. Since December 5, 2003, Next Financial has been registered with the Commission as an introducing broker ("IB"), pursuant to Section 4f of the Commodity Exchange Act, as amended (the "Act"), 7 U.S.C. § 6f.
3. New World Trading, LLC ("New World") maintains its principal place of business at 110 East Atlantic Avenue, Suite 310, Delray Beach, Florida 33444.

4. Since March 26, 2004, New World has been registered with the Commission as an IB, pursuant to Section 4f of the Act, 7 U.S.C. § 6f.

5. On June 21, 2004, the Commission filed an injunctive action in the U.S. District Court for the Southern District of Florida against Next Financial, New World, and others. *CFTC v. Next Financial Services Unlimited, Inc., et al.*, No. 04-80562-CIV-RYSKAMP/VITUNAC (S.D. Fla. filed June 21, 2004, amended June 20, 2005).

6. The Complaint alleged that from at least September 2003 through at least June 2004, defendants fraudulently solicited retail customers to invest in foreign currency options contracts by (1) misrepresenting the profit potential of foreign currency options contracts, (2) misrepresenting the risk involved in trading foreign currency options contracts, (3) misleading customers by citing and relying upon well-known public information that was already factored into the options prices, (4) misrepresenting the current trading record of at least one customer's account, and (5) misrepresenting the level of trading experience of its employees, in violation of Section 4c(b) of the Act, 7 U.S.C. §§ 6c(b)(2002), and Commission Regulation 32.9(a) and (c), 17 C.F.R. § 32.9(a) and (c)(2004).

7. On March 30, 2006, the Court granted the Commission's motion for summary judgment, finding that the defendants had engaged in fraudulent solicitation in violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b), and Commission Regulation 32.9(a) and (c), 17 C.F.R. § 32.9(a) and (c).

8. On January 12, 2007, the Court entered a Consent Order of Permanent Injunction and Other Equitable Relief against Next Financial, New World, and other individual defendants ("Consent Order"). The Consent Order, in relevant part, finds that Next Financial and New

World engaged in fraudulent solicitation of customers in violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b), and Commission Regulation 32.9(a) and (c), 17 C.F.R. § 32.9(a) and (c).

9. Based on these findings, the Consent Order, in relevant part
  - a. Permanently enjoins Next Financial and New World from committing fraud in violation of Section 4c(b) of the Act and Commission Regulation 32.9(a) and (c);
  - b. Permanently enjoins Next Financial and New World from trading on or subject to the rules of a registered entity, soliciting or receiving customer funds in connection with the purchase or sale of any futures contract or options on a futures contract, engaging, controlling, or directing the trading of commodity futures, security futures, options on futures, foreign currency futures or options on foreign currency accounts for or on behalf of any other person or entity, whether by power of attorney or otherwise;
  - c. Permanently enjoins Next Financial and New World from applying for registration or claiming exemption from registration with the Commission in any capacity, and from engaging in any activity requiring such registration or exemption from registration, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9), or acting as a principal, agent or any other officer or employee of any person registered, exempted from registration or required to be registered with the Commission, except as provided for Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9); and
  - d. Order payment of restitution (Next Financial \$1,833,470, and New World \$1,284,855, plus pre and post-judgment interest, and civil monetary penalties

(Next Financial \$1,000,000, and New World \$1,000,000), plus post-judgment interest.

10. Pursuant to Section 8a(2)(C) of the Act, 7 U.S.C. § 12a(2)(C), the Commission may revoke the registration of any person “if such person is permanently ... enjoined by order ... of any court of competent jurisdiction, including an order entered pursuant to an agreement of settlement to which the Commission ... is a party, from ... engaging in or continuing any activity where such activity involves ... fraud.” Furthermore, under Section 8a(2)(E) of the Act, the Commission may revoke the registration of any person “if such person, within ten years ... has been found ... by agreement of settlement to which the Commission ... is a party, (i) to have violated any provision of this Act... where such violation involves ... fraud ....”

11. The facts set forth in paragraphs 1 through 10 above constitute a basis for the Commission to revoke Next Financial’s IB registration and New World’s IB registration.

## II.

12. Pursuant to Commission Regulation 3.60(a), 17 C.F.R. § 3.60(a), Next Financial and New World are hereby notified that a public proceeding shall be conducted in accordance with the provisions of Commission Regulation 3.60, 17 C.F.R. § 3.60, on the following questions:

- a. Whether Next Financial and New World are subject to statutory disqualification from registration under Section 8a(2)(C) and (E) of the Act as set forth in Section I above; and
- b. If the answer to question “a” in paragraph 12 above is affirmative, whether the registration of Next Financial and New World as IBs should be suspended, restricted or revoked.

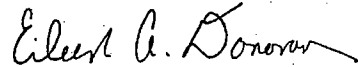
13. Such proceeding shall be held before an Administrative Law Judge, in accordance with Commission Regulation 3.60, and all post-hearing procedures shall be conducted pursuant to Commission Regulation 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j).

14. In accordance with the provisions of Commission Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3), Next Financial and New World are entitled to file a response challenging the evidentiary bases of the statutory disqualification or show cause why, notwithstanding the accuracy of the allegations, its registration should not be suspended, revoked, or restricted. Such response must be filed with the Hearing Clerk, Office of Hearings and Appeals, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21<sup>st</sup> Street, N.W., Washington, D.C. 20581, and served upon Kevin Batteh, Trial Attorney, Division of Enforcement at the same address, within thirty (30) days after the date of service of this Notice upon Next Financial and New World in accordance with the provisions of Commission Regulation 3.60(b). If Next Financial and New World fail to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true and the presiding officer may issue an Order of Default in accordance with the provisions of Commission Regulation 3.60(g), 17 C.F.R. § 3.60(g).

**III.**

The Hearing Clerk shall serve this Notice of Intent to Suspend, Revoke, or Restrict Registration by registered or certified mail pursuant to Commission Regulation 3.50, 17 C.F.R. § 3.50.

By the Commission.



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Eileen A. Donovan  
Acting Secretary to the Commission  
Commodity Futures Trading Commission

Dated: July 23, 2007