

TRAVIS J. ILES  
SECURITIES COMMISSIONER



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DEPUTY SECURITIES COMMISSIONER

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## *Texas State Securities Board*

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MEMBER

IN THE MATTER OF  
JOSE ELUID CAVAZOS

§  
§

Order No. ENF-24-CDO-1887

Jose Eluid Cavazos

Service by certified mail, return receipt requested, addressed to Ricardo Palacios, counsel, at 2724 West Canton, Edinburg, Texas 78539, and by electronic mail addressed to Ricardo Palacios, counsel, rpalacios@pgtlawfirm.com.

### AGREED ORDER

Be it remembered that Jose Eluid Cavazos ("**Respondent**") appeared before the Securities Commissioner of Texas and consented to the entry of this Agreed Order and the Findings of Fact, Conclusions of Law, and Order contained herein.

### FINDINGS OF FACTS

1. Respondent waived (a) his right to notice and hearing in this matter, (b) his right to appear and present evidence in this matter, (c) his right to appeal this order and (d) all other procedural rights granted by the Securities Act, Tex. Gov't Code §§ 4001.001 - 4008.105 (the "**Securities Act**"), and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001-2001.903 (the "**Administrative Procedure Act**").
2. On or about July 3, 2017, Respondent filed an assumed name certificate with the Hidalgo County Clerk's office listing FXI- Forex Investments ("**FXI**") as a name used by Respondent to conduct business in Texas as a sole proprietorship.
3. From July 2017 through January 2018, Respondent, doing business as FXI, offered for sale and sold investments in a forex trading program ("**FXI Trading Program**") to at least 89 Texas residents primarily in the Rio Grande Valley area.
4. Respondent represented that FXI would use investor money for forex trading on their behalf, and he promised to pay returns to investors generated from his profitable trading. As an example, Respondent projected that he would generate a return of \$1,500 on an initial investment of \$1,001 in less than 90 days.

5. Respondent knowingly and intentionally misrepresented that the funds invested by investors in the FXI Trading Program would be used for the purpose of forex trading.
6. Respondent knowingly and intentionally misrepresented that FXI was successfully trading forex on behalf of investors by sending false trading account statements to investors.
7. The FXI Trading Program was not registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
8. Respondent was not registered with the Securities Commissioner as a dealer or agent at any time material hereto.

### **CONCLUSIONS OF LAW**

9. The investments in the FXI Trading Program offered for sale and sold by Respondent are securities as the term is defined by Section 4001.068 of the Securities Act.
10. Respondent violated Section 4003.001 of the Securities Act by offering securities for sale in Texas at a time when the securities were not registered with the Securities Commissioner or permitted for sale in Texas.
11. Respondent violated Section 4004.101 of the Securities Act by offering securities for sale and selling securities in Texas without being registered pursuant to the provisions of section 4004.101 of the Securities Act.
12. Respondent engaged in fraud in connection with the offer for the sale of securities.
13. The foregoing Conclusions of Law constitute a basis for entering this Agreed Order pursuant to Section 4007.101 of the Securities Act.

### **UNDERTAKING**

14. Respondent agrees to deliver notification to the Director of Enforcement of the State Securities Board of an intent to rely upon any exemption from the securities registration and/or dealer/agent registration provisions of the Texas Securities Act or safe harbor exemptions of the federal securities laws, in connection with the offer and/or sale of any security in and/or from the State of Texas, at least 30 days prior to the date of the first offer of any security. Notice may be sent via email to [EnforceInfo@ssb.texas.gov](mailto:EnforceInfo@ssb.texas.gov).

### **ORDER**

15. It is therefore ORDERED that Respondent CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities

Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.

16. It is further ORDERED that Respondent CEASE AND DESIST from acting as a securities dealer or agent of the securities dealer in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from registration under the Securities Act.
17. It is further ORDERED that Respondent CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.

SIGNED AND ENTERED by the Securities Commissioner this 20<sup>th</sup> day of November 2024.



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TRAVIS J. ILES  
Securities Commissioner

Respondent:

By:

  
\_\_\_\_\_  
Jose Eluid Cavazos, Individually

Approved as to form:

By:

\_\_\_\_\_  
Joseph Rotunda  
Director  
Enforcement Division

By:



\_\_\_\_\_  
Ricardo Palacios  
2724 West Canton Road  
Edinburg, TX 78539

Attorney for Respondent

By:

\_\_\_\_\_  
Angela Cole  
Assistant Director  
Enforcement Division

Respondent:

By: \_\_\_\_\_  
Jose Eluid Cavazos, Individually

Approved as to form:

By: **Joe Rotunda** Digitally signed by Joe Rotunda  
Date: 2024.11.20 07:44:05  
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\_\_\_\_\_  
Joseph Rotunda  
Director  
Enforcement Division

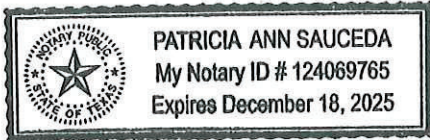
By: \_\_\_\_\_  
Ricardo Palacios  
2724 West Canton Road  
Edinburg, TX 78539  
  
Attorney for Respondent

By: **Angela Cole** Digitally signed by Angela Cole  
Date: 2024.11.14 08:18:41  
-06'00'  
\_\_\_\_\_  
Angela Cole  
Assistant Director  
Enforcement Division

ACKNOWLEDGEMENT

On the 13<sup>th</sup> day of November 2024, Jose Eluid Cavazos, ("**Respondent**") personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent has read the foregoing Order,
2. Respondent has been fully advised of Respondent's rights under the Texas Securities Act and the Administrative Procedure Act,
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order, and the Findings of Fact, Undertaking and Conclusions of Law contained therein,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived Respondent's rights as set forth therein.



Patricia Ann Saucedo  
Notary Public in and for the State of Texas

My commission expires on 12/18/2025