



**COMMISSIONER OF SECURITIES
STATE OF GEORGIA**

In the Matter of

Lakeyta Robinson Baker

Respondent.

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Case Number: ENSC-190841

ORDER TO CEASE AND DESIST AND IMPOSITION OF CIVIL PENALTIES

This matter comes before the Commissioner of Securities for the State of Georgia (“Commissioner”) pursuant to the authority granted in O.C.G.A. § 10-5-70, *et seq.* of the Georgia Uniform Securities Act of 2008, as amended (“Act”) and the Rules of the Georgia Commissioner of Securities promulgated thereunder (“Rules”). Whereas, the Commissioner undertook an investigation into the acts and practices of Lakeyta Robinson Baker (“Respondent” or “Baker”).

On the basis of the investigation, the Commissioner has found grounds to conclude that Respondent has engaged in acts or practices constituting violations of the Act. The Commissioner has determined it is in the public interest to issue this Order.

The Commissioner finds as follows:

I. FINDINGS OF FACT

1. Baker is a resident of the State of Georgia. Baker is not registered with the Commissioner as an agent of a broker-dealer nor as an investment adviser representative pursuant to O.C.G.A. §§ 10-5-31 or 10-5-33, respectively.

2. On or around July 2018, a mutual friend introduced Investor 1 to Baker where Baker represented she was a “professional forex trader.”

3. On or around August 2018, Investor 1 introduced Investor 2 (collectively, “Investors”) to Baker where Baker, once again, represented she was a “professional forex trader.” Baker made further representations to Investors that with an investment ranging from three thousand

dollars (\$3,000.00) to five thousand dollars (\$5,000.00) Baker could guarantee returns of six thousand dollars (\$6,000.00) and ten thousand dollars (\$10,000.00), respectively, in thirty (30) days.

4. Moreover, Baker told Investors that with an investment of ten thousand dollars (\$10,000.00) Baker could guarantee a return of twenty thousand dollars (\$20,000.00) in two (2) weeks.

5. Additionally, Baker made further representations to Investors that with an investment of thirty thousand dollars (\$30,000.00) Baker could guarantee returns of sixty thousand dollars (\$60,000.00) in one (1) week.

6. In response to Baker's solicitation of investments from Investors, Investor 2 stated Investor 2 would obtain a loan in order to invest with Baker. Investors represented they would provide Baker with a total of sixty-five thousand dollars (\$65,000.00) to invest on their behalf.

7. Baker made representations guaranteeing the investment of sixty-five thousand dollars (\$65,000.00) would increase in value to one hundred and thirty thousand dollars (\$130,000.00) in less than thirty (30) days.

8. Baker made representations guaranteeing Investor 2 would receive Investor 2's principal within thirty (30) days in order to pay Investor 2's loan balance. Baker made representations that the remaining balance of the investment would be divided as follows:

Thirty-three percent (33%) - Baker

Five percent (5%) – Investor 1

Sixty-two percent (62%) – Investor 2

9. On September 4, 2018, Investor 2 provided Baker with two (2) Cashier's Checks drawn from SunTrust Bank in the amounts of thirty thousand dollars (\$30,000.00) each, for a total of sixty thousand dollars (\$60,000.00). Additionally, Investor 2 provided Baker five thousand dollars (\$5,000.00) in cash, of which two thousand five hundred dollars (\$2,500.00) had been contributed by Investor 1.

10. On September 4, 2018, Baker deposited Cashier's Check #1 with an amount for thirty thousand dollars (\$30,000.00) into Baker's personal checking account. Prior to this deposit, Baker's personal checking account had a balance of sixty-two dollars and eighty-three cents

(\$62.83). After the deposit of Cashier's Check #1, the balance in Baker's personal checking account was thirty thousand and sixty-two dollars and eighty-three cents (\$30,062.83). By September 29, 2018, Baker depleted the thirty thousand dollars (\$30,000.00) of Investors' funds on personal expenditures including but not limited to dining, Georgia Lottery tickets, Verizon Wireless payments, Delta airline tickets, and hotel accommodations, as well as other travel related expenses to Houston, Texas.

11. On September 10, 2018, Baker cashed Cashier's Check #2 for an amount of thirty thousand dollars (\$30,000.00) at a local SunTrust Bank branch. Subsequently, on September 10, 2018, ten thousand dollars (\$10,000.00) in cash was deposited in Baker's savings account. Moreover, on September 10, 2018, ten thousand dollars (\$10,000.00) in cash was deposited in an account where Baker is listed as a "Joint Owner."

12. Upon the Commissioner's review, the funds provided by Investors through Cashier's Check #2 for investment purposes that were deposited into accounts associated with Baker were commingled with Baker's and Baker's relatives' personal funds and were depleted on personal expenditures including but not limited to dining, Delta airline tickets, and Best Buy purchases

13. Upon the Commissioner's review, Investors' funds were not used to invest in the currency foreign exchange market as purported. Baker misappropriated the sixty-five thousand dollars (\$65,000.00) of Investors' funds. Specifically, thirty thousand dollars (\$30,000.00) of Investors' funds were directly deposited into Baker's personal accounts and used for personal expenditures. Furthermore, the thirty thousand dollars (\$30,000.00) of Investors' funds cashed through Cashier's Check #2 as well as the five thousand dollars (\$5,000.00) provided by Investors in cash were either deposited into Baker's personal accounts, accounts associated with Baker, or remained in cash form and were used for personal expenditures.

II. CONCLUSIONS OF LAW

14. Paragraphs 1 through 13 are incorporated by reference as though fully set forth herein.

15. The Commissioner has jurisdiction over this matter pursuant to the Act.¹

16. Pursuant to O.C.G.A. § 10-5-70, *et seq.*, the Commissioner is authorized to institute this investigation and issue this Order.

17. Pursuant to O.C.G.A. § 10-5-73, the Commissioner may issue an order directing a

¹ See O.C.G.A. §§ 10-5-70 and 10-5-71.

person to cease and desist from engaging in the act, practice, or course of business if the Commissioner determines that the person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of the Act or Rules adopted thereunder.

18. Pursuant to O.C.G.A. § 10-5-73(d), the Commissioner may impose a civil penalty up to \$50,000.00 for a single violation or up to \$500,000.00 for more than one violation.

19. Pursuant to O.C.G.A. § 10-5-2(31), in part, “[s]ecurity means a[n]...investment contract...” where the term “[i]ncludes as an investment contract an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor where common enterprise means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors.”

20. Pursuant to O.C.G.A. § 10-5-20, “[i]t is unlawful for a person to offer or sell a security in this state unless: (1) [t]he security is a federal covered security; (2) [t]he security, transaction, or offer is exempted from registration under [the Act]; or (3) [t]he security is registered under [the Act].”

21. The pooling of Investors’ funds and Investors’ expectations of profits to be derived by Respondent in investing in the currency foreign exchange market is an investment contract and thus a security as defined by O.C.G.A. § 10-5-2(31). Respondent’s securities are not federal covered securities and are not registered pursuant to the Act. Respondent’s failure to comply with the registration requirement is a violation of O.C.G.A. § 10-5-20. The violations are actionable events pursuant to O.C.G.A. § 10-5-73; therefore, Respondent is subject to discipline.

22. Pursuant to O.C.G.A. § 10-5-50, “[i]t is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly: (1) [t]o employ a device, scheme, or artifice to defraud; (2) [t]o make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it is made, not misleading; or (3) [t]o engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.”

23. In connection with the offer and sale of the securities detailed above, Respondent deposited Investors’ funds into bank accounts associated with Respondent where Respondent converted Investors’ funds for personal use to satisfy personal expenses. Investors’ funds were

not used to invest in the currency foreign exchange market and were not used for investment purposes. The acts, practices, or course of business of Respondent operated as fraud or deceit upon Investors. Respondent's activities are violations of O.C.G.A. § 10-5-50. The violations are actionable events pursuant to O.C.G.A. § 10-5-73; therefore, Respondent is subject to discipline.

24. During the offer and sale of the securities detailed above, Respondent made an untrue statement of a material fact by representing to Investors that with an investment ranging from three thousand dollars (\$3,000.00) to five thousand dollars (\$5,000.00) Baker could guarantee returns of six thousand dollars (\$6,000.00) and ten thousand dollars (\$10,000.00), respectively, in thirty (30) days. Furthermore, Respondent made an untrue statement of a material fact by representing to Investors that with an investment of ten thousand dollars (\$10,000.00) Baker could guarantee a return of twenty thousand dollars (\$20,000.00) in two (2) weeks. Investing in the currency foreign exchange markets entails significant risk. Respondent failed to disclose such risks. Respondent's representations are materially misleading and likely to deceive the public. Furthermore, the acts, practices, or course of business of Respondent operated as fraud or deceit upon Investors. Respondent's activities are violations of O.C.G.A. § 10-5-50. The violations are actionable events pursuant to O.C.G.A. § 10-5-73; therefore, Respondent is subject to discipline.

25. During the offer and sale of the securities detailed above, Respondent made an untrue statement of a material fact by representing to Investors that with an investment of sixty-five thousand dollars (\$65,000.00) Baker guaranteed an increase in value to one hundred thirty thousand dollars (\$130,000.00) in less than thirty (30) days. Respondent's representations are materially misleading and likely to deceive the public. Furthermore, the acts, practices, or course of business of Respondent operated as fraud or deceit upon Investors. Respondent's activities are violations of O.C.G.A. § 10-5-50. The violations are actionable events pursuant to O.C.G.A. § 10-5-73; therefore, Respondent is subject to discipline.

III. ORDER

WHEREFORE, by the authority vested in me as the Commissioner of Securities for the State of Georgia, **IT IS HEREBY ORDERED**:

1. That **Lakeyta Robinson Baker** immediately **CEASE AND DESIST** any and all violations of the Georgia Uniform Securities Act of 2008, as amended.

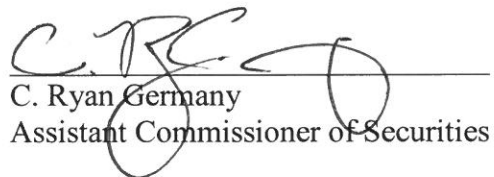
5. That **Lakeyta Robinson Baker** pay a civil penalty in the amount of seventy thousand dollars (\$70,000.00). Said penalty includes the cost of Commissioner's investigation of five thousand dollars (\$5,000.00). The civil penalty is payable to the Commissioner within thirty (30) days of the finalization date of this Order.

The entry of this Order is deemed to be in the public interest, and shall not be deemed to constitute findings or conclusions relating to other persons unrelated to the Respondent and shall not be deemed to be a waiver or estoppel on the part of the Commissioner from proceeding in individual actions against any person who may have violated the Act or any transactions not specifically referred to herein or not known to the Commissioner at the time this Order was issued.

SO ORDERED this 16th day of October, 2019.

BRAD RAFFENSPERGER
SECRETARY OF STATE
COMMISSIONER OF SECURITIES

By:


C. Ryan Germany
Assistant Commissioner of Securities