

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CASE NO.

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
v.)
)
MATTHEW P. IONNO,)
)
Defendant.)
_____)

COMPLAINT

Plaintiff Securities and Exchange Commission alleges as follows:

I. INTRODUCTION

1. From no later than December 2012 through October 2013, Defendant Matthew P. Ionno and his business partner (“Business Partner”) operated Traders Café, LLC as an unregistered broker-dealer and defrauded investors by misappropriating assets, making material misstatements and omissions, and operating a fraudulent scheme.

2. Ionno and his Business Partner established Traders Café to act as a broker-dealer for day-trading customers. They touted Traders Café’s software trading platform, low commissions and fees, high leverage, and the safety and use of investors’ assets, and raised more than \$500,000 from investors. Instead of using these funds for their intended purpose, they misappropriated a majority of investors’ funds for personal use. Primarily due to Ionno and his Business Partner’s repeated misuse of investors’ funds, as of late 2013, less than \$1,200 remained in Traders Café’s accounts.

3. Through his misconduct, Ionno violated Section 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a); and Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78j(b) and 78o(a), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5. Unless permanently enjoined, Ionno is reasonably likely to continue to violate the federal securities laws.

II. DEFENDANT AND RELATED PARTY

A. Defendant

4. **Ionno**, 35, resides in Tampa, Florida. He was a managing member/manager of Traders Café until he resigned on October 4, 2013. Ionno has never been registered with the Commission in any capacity.

B. Related Party

5. **Traders Café, LLC** is a Florida Limited Liability Company formed on July 30, 2012 with its principal office in Tampa, Florida. Some marketing materials and other publications refer to Traders Café as Traders Café Worldwide. In some instances, Traders Café is referred to as a division of Centurion Holdings and Asset Management, a Florida limited liability company formed on September 18, 2012 with Ionno and his Business Partner as managing members/managers. Neither Traders Café nor its securities are registered with the Commission in any capacity.

III. JURISDICTION AND VENUE

6. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d) and 77v(a); and Sections 21(d), 21(e), and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e) and 78aa.

7. The Court has personal jurisdiction over Ionno and venue is proper in the Middle District of Florida because many of the acts and transactions constituting the violations alleged in this complaint occurred in the Middle District of Florida. Moreover, Ionno resides in the Middle District of Florida and Traders Café had its principal office in this District.

8. In connection with the conduct alleged in the complaint, Ionno, directly or indirectly, singly or in concert with others, made use of the means or instrumentalities of interstate commerce or the mails.

IV. BACKGROUND

A. Traders Café's Operations

9. In July 2012, Ionno and his Business Partner founded Traders Café to offer day-trading services to customers. Traders Café's opened a main office and trading floor in a leased space in Tampa, Florida. According to the website www.traderscafeworldwide.com:

Traders Café Worldwide is a global trading firm targeted to build capital through limitless remote geographical trading. We build value for our clients and strive to consistently produce superior gains through a unique method of professional trading within the industry.

Traders Café purported to offer a "pod" trading model that allowed clients to trade amongst other Traders Café customers. The same website claimed:

Traders Café Worldwide has just released its New POD trading floor, which enables remote traders the synergy of a physical office without the costs and geographical restrictions commonly associated with such. The exclusive POD trading floor from Traders Café Worldwide is a unique (sic) and seeks to be the future method of remote trading.

* * *

Traders Café Worldwide is the #1 solution for Remote Traders seeking the secret of success with SYNERGY in Day Trading.

10. Ionno and his Business Partner claimed Traders Café would utilize a master/sub-account model. Traders Café was supposed to pool customer funds into a master account in the firm's name at another broker-dealer, which was first held with an offshore broker-dealer

licensed by the Securities Commission of The Bahamas and later switched to an unregistered broker-dealer based in London. Ionno and his Business Partner were supposed to assign each customer a sub-account where they would deposit the customer deposits to individual sub-accounts. Customers could then buy and sell securities through Traders Café's master account. Ionno and his Business Partner were also supposed to allocate each customer's trading profits or losses, fees, and commissions to the customers sub-account. The sub-accounts were maintained by Traders Café's own back office systems.

11. Traders Café relied on two related software programs to provide trading services. DAS Trader Pro gave Traders Café customers direct market access to execute their trades. A second program, IBoss, was used to provide back office functions. Traders Café customers used the IBoss system to log-in and view their sub-account balances, the amount of trading leverage assigned to them, and any fees or charges assessed to their sub-account. Customers did not receive statements from Traders Café and, instead, accessed information about their Traders Café account through the IBoss system.

12. For several reasons, the master/sub-account model was supposed to allow Traders Café to offer low commissions and high trading leverage. First, by bringing large numbers of traders to the broker-dealer holding the master account, the broker-dealers gave Traders Café discounted pricing. Consequently, even with its own mark-up, Traders Café was able to offer its customers lower fees and commissions than available through a separate broker-dealer account. Second, the trading leverage granted by the broker-dealer holding the master account was based on the total amount in the master account. This allowed Traders Café customers to trade with far greater margin, or buying power, than the securities rules otherwise permit, because customers could draw upon some or even all of the leverage in Traders Café's master account and not be

limited by the amounts of their own deposits. Lastly, Traders Café customers were not constrained by the Financial Industry Regulatory Authority's \$25,000 minimum equity requirement for day traders because they traded through Traders Café's master account, which maintained the requisite minimum by pooling customer funds.

13. Approximately 26 customers from across the nation established accounts at Traders Café by signing a "Partnership Agreement" or a "Branch Partnership Agreement." These agreements differed slightly among customers, but all granted rights to the customer to trade securities in Traders Café's master account. Each agreement also set forth the manner in which the customer would receive any trading profits and what, if any, percentage of those profits Traders Café would retain. Moreover, the agreements set the commissions and fees Traders Café would charge to each customer.

14. Traders Café was not registered as a broker-dealer with the Commission. Moreover, neither Ionno nor his Business Partner was associated with a registered broker-dealer while they operated Traders Café.

B. Ionno and his Business Partner Made Misrepresentations and Omissions to Customers

15. Beginning in the fall of 2012, Ionno and his Business Partner began to solicit customers to open accounts at Traders Café by touting the low commissions, high leverage of up to ten dollars of buying power for each dollar invested, and purportedly unique software Traders Café offered. Ionno and his Business Partner both personally reached out to potential customers and attempted to persuade them to open accounts with Traders Café. From these efforts, between December 2012 and October 2013, 26 customers deposited approximately \$367,000 with Traders Café in order to fund investments to open day-trading accounts.

16. Ionno and his Business Partner made several oral misrepresentations and omissions when soliciting customers to day trade through Traders Café. First, they misrepresented the experience, financial condition, and success of Traders Café. In a December 14, 2012 meeting, Ionno and his Business Partner told at least one potential customer that Traders Café had 80 to 90 customers with about \$250,000 in total deposits. Ionno further stated Traders Café had been operating for five years. These claims were false because Traders Café was formed in July 2012 and had just opened its two main operating accounts with zero balances on December 14, 2012.

17. Second in May 2013, Ionno's Business Partner recruited another customer by falsely stating Traders Café had 180 customers or traders. This claim was also false as Traders Café's bank account records show the firm never had more than approximately 26 customers or traders.

18. Third, in August 2013, Ionno's Business Partner told another customer that Traders Café had \$15 million in day trading accounts. These claims were also false as Traders Café's bank account records show the firm never had more than \$367,000 in day trading accounts.

19. Fourth, Ionno and his Business Partner misrepresented Traders Café's risk protocols and procedures. In November 2012, Ionno told one potential customer, through oral and written representations, that Traders Café could only use the funds deposited into the customer's account to pay the customer's commissions, software fees, and any losses associated with that customer's trading. In a December 2012 meeting, Ionno and his Business Partner further told this customer that Traders Café had two full-time risk controllers (in reality, Traders Café had no employees besides Ionno and his Business Partner) and there were procedural

safeguards to protect against single traders harming the firm. As further explained below, the representations by Ionno and his Business Partner were false and omitted key information, because, among other reasons, Ionno and his Business Partner misappropriated customers' deposits instead of using them for their intended purpose.

C. Ionno and his Business Partner Misappropriated Customer Deposits

20. Many customers had problems with Traders Café from the outset of the relationship. Customers experienced delays in establishing their Traders Café subaccounts, multiple technical service interruptions that prevented them from trading, and problems accessing the leverage Ionno and his Business Partner had promised them.

21. As a result, many customers canceled their accounts with Traders Café and requested a return of their remaining account balances. Instead of refunds, Ionno and his Business Partner tried to cover up their fraudulent scheme by offering excuses and delays for why customers could not get refunds. For instance, one customer deposited approximately \$61,000 in his Traders Café account between December 19, 2012 and February 2013. Later in February, this trader encountered multiple service interruptions and was unable to satisfactorily trade in the account. As a result, on March 6, 2013, this customer requested a return of the \$43,973 remaining in the account after the customer's trading losses. Ionno and his Business Partner did not return the customer's money. Instead, in late March 2013, Ionno's Business Partner explained to this customer that Traders Café did not have the funds to return the remaining account balance. According to this customer, Ionno's Business Partner stated that Traders Café was due to receive new funds from other investors and he would use those funds to repay the customer. To date this customer has received nothing from Traders Café.

22. Another customer wired \$50,000 to Traders Café to open an account in August 2013. The customer logged on to Traders Café's systems and noticed his account reflected only

a \$30,000 balance. Concerned about his funds, this customer flew to London to meet with the broker-dealer holding Traders Café's master account. A representative of that broker-dealer showed the customer bank records indicating Traders Café had wired only \$30,000 to the customer's subaccount. Traders Café's own bank records show a series of cash withdrawals totaling \$19,900 in the two days following this customer's \$50,000 wire. When confronted with the account discrepancy, Ionno's Business Partner assured the customer he would receive the funds. However, this customer never received the \$20,000.

23. Traders Café's bank records reveal that Ionno and his Business Partner repeatedly misappropriated customers' assets for personal gain. Between December 14, 2012 and October 31, 2013, Traders Café received approximately \$367,000 from customers; however, Ionno and his Business Partner only transferred approximately \$170,000 to the broker-dealers that held Traders Café's master accounts. On the other hand, more than \$181,000 was withdrawn from Traders Café's accounts as cash from bank tellers or automated teller machines. For the majority of the scheme, Ionno was the only authorized user on Traders Café's accounts, and account records show he transferred large sums to himself, his Business Partner, and their family members. Furthermore, the records show Traders Café spent significant amounts on expenses unrelated to its business, including retail purchases, restaurants, and gas.

24. The pattern of transfers in and out of Traders Café's bank accounts further demonstrates Ionno and his Business Partner repeatedly misappropriated customers' assets. In one instance, a customer deposited \$20,999 on February 6, 2013, and, on the same day, the Business Partner's wife cashed an \$8,000 check from Traders Café signed by Ionno. The following day, \$12,000 was wired to an account jointly held by Ionno and one of his relatives. There is no contemporaneous transfer to either broker-dealer holding Traders Café's master

account. On June 20, 2013, a customer deposited \$5,000. Later that same day, Ionno withdrew \$5,000 in cash from Traders Café's account. On June 26, 2013, a customer deposited \$10,000, and on the following day, Ionno withdrew \$9,800 in cash. Neither deposit was accompanied by a transfer to either broker-dealer holding Traders Café's master account. In another example, a customer deposited \$20,000 on July 2, 2013, but Traders Café only transferred \$5,000 to the broker-dealer holding its master account. That same day Ionno withdrew \$11,000 in cash from the Traders Café bank accounts.

D. Ionno and his Business Partner Also Defrauded an Investor in Traders Café's Business

25. One potential customer that Ionno and his Business Partner solicited declined to open an account at Traders Café. Undeterred, Ionno and his Business Partner offered this individual ("Traders Café Investor") several opportunities to invest in Traders Café's business. During a December 18, 2013 visit to Traders Café's offices, Ionno and his Business Partner told the Traders Café Investor that the company competed against online brokerage firms like E*TRADE and TD Ameritrade. The Business Partner further claimed Traders Café was fully licensed and complied with all securities laws, and represented that Traders Café trained, educated, and advised customers on the purchase and sale of securities. Moreover, he said he placed trades on behalf of customers through Traders Café. Ionno and his Business Partner stated that Traders Café was required to maintain at least \$250,000 of net capital in order to conduct business. They further claimed this net capital amount came from contributions made by its managing members.

26. The first opportunity Ionno and his Business Partner offered the Traders Café Investor was to become a leverage provider for Traders Café. During this same visit, Ionno and his Business Partner explained to the Traders Café Investor the company profited from the

trading commissions it charged its customers, but the customers relied on the leverage Traders Café provided to make these trades. Ionno and his Business Partner offered to set up a separate account so the company's customers could use the Traders Café Investor's funds as leverage for their trades, who would then profit by receiving the commissions from all transactions using these funds as leverage. Ionno and his Business Partner stated they would only use the separate account to provide leverage to Traders Café's customers and that the risk management systems utilized by Traders Café would guarantee the safety of the investment. Defendant's Business Partner further represented he would personally select and supervise the traders using the funds as leverage, and that the Traders Café Investor would be like a silent partner with no ability to conduct or participate in the company's business.

27. Based on these and other representations and with the expectation of obtaining investment returns, the Traders Café Investor made an initial investment of \$10,000 on December 24, 2012, and, through a controlled entity, made an additional investment of \$30,000 on January 11, 2013. In both instances, the Traders Café Investor signed a "Branch Partnership Agreement" similar to the ones executed by Traders Café's customers. Both agreements, one signed by both Ionno and his Business Partner and the other signed only by the Business Partner, stated the investment "will be used solely to add margin/leverage ability" for Traders Café customers. In January 2013, the Traders Café Investor received two payments from the company totaling \$6,010, purportedly for commissions. On February 1, 2012, Ionno emailed the Traders Café Investor a reconciliation statement purportedly confirming his total equity remained at \$40,000.

28. Ionno and his Business Partner approached the Traders Café Investor again in January 2013, this time with the opportunity to establish a "shadow account" at Traders Café.

Ionno's Business Partner claimed he would use the funds in this shadow account to place trades mimicking the trades of a certain successful customer of Traders Café. Ionno and his Business Partner also claimed they would not use the money for any other purpose. Ionno and his Business Partner stated they would each contribute \$20,000 to the account if the Traders Cafe Investor would contribute \$40,000. However, the Trader Cafes Investor did not further invest at this time.

29. Almost a month later, Ionno contacted the Traders Café Investor and falsely claimed he and his Business Partner had already funded the shadow account with their share and had earned \$6,000 by shadowing the trades of a customer who made \$25,000 in one day. He assured the Traders Café Investor the account was safe because his Business Partner would apply risk measures when mimicking the trades to exclude bad stocks and replace them with good stocks the Business Partner selected. In early February 2013, the Traders Café Investor, to obtain investment returns, personally and through a controlled entity, made two separate contributions to this purported shadow account totaling \$40,000. In May 2013, Ionno confirmed to the Traders Café Investor that the special account balance remained at \$80,000 (the amount of the Traders Café Investor's contribution, plus Ionno's and his Business Partner's purported contributions).

30. In March 2013, Ionno and his Business Partner presented the Traders Café Investor with a third investment opportunity. They indicated Traders Café wanted to open a branch in Los Angeles, and they needed a total of \$100,000 in net capital to open the office. Defendant's Business Partner stated he had already committed \$50,000, and was giving the Traders Café Investor the chance to contribute the other \$50,000. The Business Partner claimed he would keep the Traders Café Investor's \$50,000 in a separate account and only use it to

provide leverage to Traders Café's customers. The Business Partner stated that the investment would operate just like the Traders Café Investor's first investment. In April 2013, to obtain investment returns, the Traders Café Investor wired \$50,000 to Traders Café and signed another "Branch Partnership Agreement" with Ionno and his Business Partner. This Agreement purportedly included a grant to the Traders Café Investor of a 50 percent ownership in the Los Angeles branch. In May 2013, Ionno and his Business Partner confirmed to the Traders Café Investor the Los Angeles office was operating profitably and the accounts were earning commission. As further described below, these representations were false.

31. In June 2013, Ionno and his Business Partner approached the Traders Café Investor for the fourth and final time before the scheme collapsed. In a June 5, 2013 meeting, Ionno and his Business Partner told the Traders Café Investor that a single bad trade resulted in a significant loss, and, as a result, the Tampa branch's net capital had fallen below the \$250,000 required by the firm's broker-dealer. Ionno and his Business Partner claimed that unless the minimum net capital amount was restored, the entire business would collapse and the Traders Café Investor would receive no more commissions, trading profits, or the return of the \$130,000 already invested. Ionno and his Business Partner asked the Traders Café Investor to provide \$25,000 to restore the minimum net capital balance. The Business Partner claimed another trader had agreed to fund the additional \$25,000 needed to meet the firm's net capital requirements. After significant pressure from Ionno and his Business Partner, the Traders Café Investor acquiesced and wired \$25,000 to Traders Café's master account on June 11, 2013. The Traders Café Investor entered into an Investment Repayment Agreement signed by both Ionno and his Business Partner indicating that the investment would be repaid by August 2013 and that the funds were "to allow for the continuation of trading activity."

32. In July 2013, Ionno and his Business Partner falsely reported to the Traders Café Investor the business was operating profitably and they were collecting commissions and other revenue in the master account. By facilitating Traders Café's continued operations, the Traders Café Investor hoped to obtain investment returns from the continued success of his previous investments in Traders Café.

33. Just as Traders Café's customers' funds vanished, so too did the Traders Café Investor's funds. Despite continuing assurances from Ionno and his Business Partner throughout the summer of 2013 that Traders Café was operating and profitable, the Traders Café Investor only received a few payments totaling approximately \$7,000. In July 2013, the Traders Café Investor traveled to Traders Café's offices in Tampa, Florida to discuss his investments only to discover an empty office with no signs of Traders Café's business. Attempts to recover any funds from Traders Café, Ionno, and his Business Partner have failed.

34. Bank records reflect that Ionno and his Business Partner did not use the Traders Café Investor's funds for the stated purposes. In one example, the Traders Café Investor deposited \$50,000 into Traders Café's account on April 16, 2013. Ionno and his Business Partner were supposed to place these funds in a separate account and use the funds to provide leverage to Traders Café customers. However, bank records show that on April 17, 2013, \$25,000 was withdrawn as cash and another \$5,000 was withdrawn as cash on April 18, 2013. No transfer to a segregated account occurred. Contrary to the representations by Ionno and his Business Partner, they did not place the Traders Café Investor's funds in separate accounts or use them only to provide leverage, mimic customer trades, or meet purported net capital requirements. Ionno and his Business Partner also had not contributed to the shadow account as Ionno represented to the Traders Café Investor. Furthermore, Traders Café was not fully legal

and in compliance with all securities laws and regulations as Ionno and his Business Partner claimed to the Traders Café Investor. Throughout their discussions with the Traders Café Investor, Ionno and his Business Partner knew they were operating a fraudulent scheme and misappropriating funds.

V. CLAIMS FOR RELIEF

COUNT I

**FRAUD IN VIOLATION OF
SECTIONS 17(a)(1) OF THE SECURITIES ACT**

35. The Commission repeats and realleges Paragraphs 1 through 35 of this Complaint as if fully set forth herein.

36. From at least December 2012 through at least October 2013, Ionno, in connection with the Traders Café Investor, directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

37. By reason of the foregoing, Ionno directly and indirectly violated, and unless enjoined, is reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

COUNT II

**FRAUD IN VIOLATION OF
SECTIONS 17(a)(2) AND 17(a)(3) OF THE SECURITIES ACT**

38. The Commission repeats and realleges Paragraphs 1 through 35 of this Complaint as if fully set forth herein.

39. From at least December 2012 through at least October 2013, Ionno, in connection with the Traders Café Investor, directly and indirectly, by use of the means or instruments of

transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities: (a) obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or (b) engaged in transactions, practices and courses of business which have operated as a fraud or deceit upon purchasers and prospective purchasers of such securities.

40. By reason of the foregoing, Ionno directly and indirectly violated, and unless enjoined, is reasonably likely to continue to violate, Sections 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77(q)(a)(2) and 77(q)(a)(3).

COUNT III

FRAUD IN VIOLATION OF SECTION 10(b) AND RULE 10b-5 OF THE EXCHANGE ACT

41. The Commission repeats and realleges Paragraphs 1 through 35 of this Complaint as if fully set forth herein.

42. From at least December 2012 through at least October 2013, Ionno, directly and indirectly, in connection with the Traders Café Investor and Trader Café customers who invested so they could day trade, by use of the means and instrumentality of interstate commerce, and of the mails in connection with the purchase or sale of securities, knowingly, willfully or recklessly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or (c) engaged in acts, practices and courses of business which operated as a fraud upon the purchasers of such securities.

43. By reason of the foregoing, Ionno directly and indirectly violated, and unless enjoined, is reasonably likely to continue to violate, Section 10(b) of the Securities Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

COUNT IV

**UNLAWFULLY OPERATING AS A BROKER-DEALER
WITHOUT REGISTERING WITH THE COMMISSION
IN VIOLATION OF SECTION 15(a) OF THE EXCHANGE ACT**

44. The Commission repeats and realleges Paragraphs 1 through 35 of this Complaint as if fully set forth herein.

45. From at least December 2012 through at least October 2013, Ionno, in connection with the Traders Café Investor and Trader Café customers who invested so they could day trade, made use of the mails and means or instrumentalities of interstate commerce to effect transactions in, and induced and attempted to induce the purchase or sale of, securities (other than exempted securities or commercial paper, bankers' acceptances, or commercial bills) without being registered with the Commission in accordance with Section 15(b) of the Exchange Act, 15 U.S.C. § 78o(b), and without complying with any exemptions promulgated pursuant to Section 15(a)(2) of the Exchange Act, 15 U.S.C § 78o(a)(2).

46. By reason of the foregoing, Ionno directly and indirectly violated, and unless enjoined, is reasonably likely to continue to violate, Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a).

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court:

I.

Declaratory Relief

Declare, determine and find that Ionno committed the violations of the federal securities laws alleged in this Complaint.

II.

Permanent Injunctive Relief

Issue a Permanent Injunction restraining and enjoining Ionno from violating Section 17(a) of the Securities Act and Sections 10(b) and 15(a) and Rule 10b-5 of the Exchange Act.

III.

Disgorgement

Issue an Order holding Ionno jointly and severally liable to disgorge all ill-gotten profits or proceeds received from investors as a result of the acts and/or courses of conduct complained of herein, with prejudgment interest thereon.

IV.

Civil Money Penalty

Issue an Order directing Ionno to pay a civil money penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3).

V.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

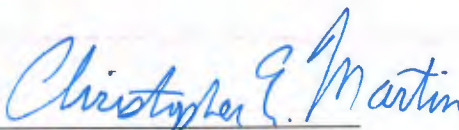
VI.

Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that may hereby be entered, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Dated: June 20, 2014

Respectfully submitted,

By: 

Christopher E. Martin
Senior Trial Counsel
Arizona Bar No. 018486
Direct Dial: (305) 982-6386
E-mail: martinc@sec.gov

Cory Lawson
Senior Counsel
Texas Bar No. 24047197
Direct Dial: (305) 982-6303
E-mail: lawsond@sec.gov

Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Telephone: (305) 982-6300
Facsimile: (305) 536-4154

JS 44 (Rev. 12/12)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Securities and Exchange Commission

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Christopher E. Martin, Esq., Securities and Exchange Commission
801 Brickell Ave., Suite 1800, Miami, FL 33131 (305) 982-6386

DEFENDANTS

Matthew P. Ionno

County of Residence of First Listed Defendant Hillsborough
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | | | | | |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS			
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from Another District (specify)
- 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
 15 U.S.C. §§ 77q(a), 78(b), 78o(a) and 17 C.F.R. § 240.10b.
 Brief description of cause:
 Violations of the federal securities laws.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ permanent inj. disgorgement, penalty DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE _____ DOCKET NUMBER _____

DATE: June 20, 2014 SIGNATURE OF ATTORNEY OF RECORD: Christopher E. Martin



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RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____