

**UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA**

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
TODD W. MIXON, )  
 )  
Defendant. )  
 )

Case No. 20-650

**CIVIL COMPLAINT FOR INJUNCTIVE  
AND OTHER RELIEF**

**JURY TRIAL DEMANDED**

Plaintiff Securities and Exchange Commission (the “Commission”) alleges:

**I. INTRODUCTION**

1. The Commission brings this action to enjoin Todd W. Mixon (“Mixon”) from further violations of the anti-fraud provisions of the federal securities laws.

2. From no later than August 2017 until at least December 2019 (the “Relevant Period”), Mixon represented to investors that he learned how to successfully trade foreign currencies, and that he held accounts at brokerage firms, which he maintained for the purpose of trading foreign currencies.

3. Mixon also represented that he would trade foreign currencies on investors’ behalves in exchange for a percentage of the purported net profits or, in cases in which Mixon represented that he was a co-investor, a pro rata share of the purported profits.

4. Through his misrepresentations, Mixon raised in excess of \$576,000 from at least twenty-eight investors, most from the Baton Rouge area, few of whom had any experience investing in foreign currencies.

5. To lure investors to make initial and repeated investments, Mixon knowingly or recklessly made material misrepresentations throughout the Relevant Period about his use of investor funds, the success of his purported trading and his ability to fulfill investor redemption requests.

6. In truth, Mixon did not use any of the investor funds for foreign currency trading. Instead, Mixon deposited investor funds into his personal bank account and used the funds for personal expenses and to make Ponzi-like distributions to investors.

7. To conceal the truth from investors, Mixon prepared and distributed to investors fake account statements that displayed consistent monthly profits as high as 160%.

8. In the investment contracts and in response to investor redemption requests, Mixon promised investors that he would distribute investor capital and the purported pro rata profits. Despite his repeated promises and lulling excuses, the vast majority of investors lost all of their money.

9. Through his conduct, Mixon has violated the anti-fraud provisions of the federal securities laws.

10. Based on the egregious nature of Mixon's violations, he has shown he will violate the law unless the Court grants the injunctive and other relief the Commission seeks against him.

## **II. DEFENDANT**

11. Mixon is a resident of Baton Rouge, Louisiana and has been employed in the golf cart sales industry. He has not been licensed or registered with the Commission, and has not been associated with any registered entity. He has no known professional financial industry experience.

### **III. JURISDICTION AND VENUE**

12. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d), and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77t(b), 77t(d), and 77v(a), and Sections 21(d), 21(e), and 27(a) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78u(d), (e) and 78aa(a).

13. This Court has personal jurisdiction over Mixon, and venue is proper in the Middle District of Louisiana, because many of Mixon’s acts and transactions constituting violations of the Securities Act and Exchange Act occurred in the Middle District of Louisiana. In addition, at all times relevant to the Complaint, Mixon resided in the Middle District of Louisiana.

14. In connection with the conduct alleged in this Complaint, Mixon, directly or indirectly, singly or in concert with others, has made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation and communication in interstate commerce, or of the mails.

### **IV. THE SECURITIES FRAUD**

15. Starting in or before August 2017, Mixon solicited investments from friends and acquaintances, including those he met through his son’s travel baseball team. He explained how he learned to successfully trade foreign currencies and offered to trade for them.

16. Mixon made statements to potential investors that reinforced the notion that he would be engaging in foreign exchange trading. For example, on May 24, 2018, he emailed at least three potential investors about the importance of receiving their money prior to “NFP day (Non Farmer’s Payroll),” because that was “usually the most profitable day of each month.”

17. If an investor agreed to invest, Mixon and the investor would enter into a “Foreign Exchange Investment Contract” (the “Contract”) under which the investor agreed to contribute

funds “for the purpose of investing in the Foreign Exchange market” and would be entitled to a pro rata share of the purported net profits from Mixon’s trading at the end of the investment period. In exchange, Mixon would be entitled to a percentage of the purported net profits (generally, five percent) or, in cases in which Mixon represented that he was a co-investor, a pro rata share of the purported profits. Investors relied on Mixon’s claimed expertise in foreign exchange trading and any investor profits would come solely from Mixon’s ability to generate returns.

18. The Contract is an “investment contract,” and therefore a security, within the meaning of Section 2(a)(1) of the Securities Act and Section 3(a)(10) of the Exchange Act, 15 U.S.C. §§ 77b(a)(1), 78c(a)(10).

19. As detailed in paragraphs 21-22 below, Mixon provided investors with documentation and other communications showing that their investments were highly profitable. Several early investors told friends and family about the seemingly extraordinary returns, and many of them invested with Mixon. By December 2018, Mixon claimed that he managed at least eight different brokerage accounts for different groups of investors.

20. Overall, between August 2017 and October 2019, Mixon raised in excess of \$576,000 from at least twenty-eight investors, most of whom were from the Baton Rouge area.

21. Mixon represented to investors that he held accounts at two foreign exchange brokerage firms. After receiving an investor’s funds, Mixon at least monthly, and often weekly, sent investors account statements purportedly from one of the firms and emails with data purportedly copied from account statements of the other firm, all seeming to indicate that Mixon was placing hundreds or thousands of transactions per month and making substantial profits. For example, some investors received statements that their collective investment of \$100,000 had purportedly grown in about five months to \$1,112,931.67.

22. In August 2018, Mixon texted to certain investors screenshots showing apparently profitable foreign currency transactions, along with comments by Mixon, reinforcing that he was actually trading for the benefit of investors.

23. On April 11, 2019, in discussing options for investors who had already invested, Mixon represented that the announcement regarding a potential agreement between the United Kingdom and the European Union relating to “Brexit” would result in “a huge day in the forex market.”

24. It was all a lie. Mixon had not transferred any funds – from investors or otherwise – to any brokerage account. Mixon had done no trading. The brokerage statements were forgeries, and Mixon had made up out of whole cloth the information he provided to investors about trading, profits, and strategy.

25. Instead of using investors’ money as represented, Mixon spent approximately \$217,000 on his personal expenses. He also used approximately \$359,000 to make Ponzi-like payments to investors who elected to cash out all or part of their investment, which payments made it appear that Mixon was actually generating trading profits.

26. To forestall the collapse of his scheme, Mixon manipulated investors into delaying redemption requests. For example, in December 2018, Mixon emailed investors that they would be able to avoid long-term capital gains taxes by remaining invested through June 1, 2019.

27. By the middle of 2019, Mixon’s misappropriation, Ponzi payments and failure to trade or generate returns from trading severely constrained and ultimately eliminated his ability to return any funds to investors. As a result, in or around the dates below, Mixon attempted to lull investors who sought the return of their funds by concocting a series of excuses:

a. June 2019: Mixon claimed it would take up to 90 days for the brokerage firm to process redemptions.

b. July 2019: Mixon claimed he went on vacation without his computer, which prevented him from withdrawing funds.

c. November 2019: Mixon claimed he transferred investor funds to the account of his recently deceased father and that the funds were inaccessible due to an error on the death certificate.

d. December 2019: Mixon claimed that he had not returned phone calls from investors because he had misplaced his cell phone.

28. Mixon ultimately stopped communicating with investors, the vast majority of whom lost all of their money.

## **V. CLAIMS FOR RELIEF**

### **COUNT I**

#### **(Violations of Section 17(a)(1) of the Securities Act)**

29. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

30. From no later than August 2017 until at least December 2019, Mixon, in the offer or sale of securities, directly or indirectly, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, knowingly or recklessly employed devices, schemes or artifices to defraud.

31. By engaging in the foregoing, Mixon, directly or 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**

**(Violations of Section 17(a)(2) of the Securities Act)**

32. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

33. From no later than August 2017 until at least December 2019, Mixon, directly or indirectly, in the offer or sale of securities, by the use of means or instruments of transportation or communication in interstate commerce, or of the mails, negligently obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

34. By engaging in the foregoing, Mixon, directly or indirectly violated and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)].

**COUNT III**

**(Violations of Section 17(a)(3) of the Securities Act)**

35. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

36. From no later than August 2017 until at least December 2019, Mixon, in the offer or sale of securities, directly or indirectly, by the use of means or instruments of transportation or communication in interstate commerce, or of the mails, negligently engaged in transactions, practices, or courses of business which operated or would have operated as a fraud or deceit upon the purchasers.

37. By engaging in the foregoing, Mixon, directly or indirectly violated and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(3)].

**COUNT IV**

**(Violations of Section 10(b) of the Exchange Act and Rule 10b-5(a) Thereunder)**

38. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

39. From no later than August 2017 until at least December 2019, Mixon, directly or indirectly, by use of the means and instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly employed devices, schemes or artifices to defraud.

40. By engaging in the foregoing, Mixon, directly or indirectly violated and, unless enjoined, is reasonably likely to continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(a) thereunder [17 C.F.R. § 240.10b-5(a)].

**COUNT V**

**(Violations of Section 10(b) of the Exchange Act and Rule 10b-5(b) Thereunder)**

41. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

42. From no later than August 2017 until at least December 2019, Mixon, directly or indirectly, by use of the means or instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly made untrue statements of material facts or omitted to state material facts in order to make the statements made, in the light of the circumstances in which they were made, not misleading.

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



**COUNT VI**

**(Violations of Section 10(b) of the Exchange Act and Rule 10b-5(c) Thereunder)**

44. The Commission repeats and realleges paragraphs 1 through 28 of its Complaint.

45. From no later than August 2017 until at least December 2019, Mixon, directly or indirectly, by use of the means or instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly engaged in acts, practices, and courses of business which have operated, are now operating, and will operate as a fraud upon the purchasers of such securities.

46. By engaging in the foregoing, Mixon, directly or indirectly violated and, unless enjoined, is reasonably likely to continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(c) thereunder [17 C.F.R. § 240.10b-5(c)].

**VI. RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests the Court find the Defendant committed the violations alleged and:

**A.**

**Permanent Injunctive Relief**

Issue a Permanent Injunction, enjoining Mixon from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)]; and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

**B.**

**Disgorgement**

Issue an Order directing Mixon to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts and/or courses of conduct alleged herein.

**C.**

**Civil Penalty**

Issue an Order directing Mixon to pay civil money penalties 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. § 78u(d)].

**D.**

**Further Relief**

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

**E.**

**Retention of Jurisdiction**

Retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

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**VII. DEMAND FOR JURY TRIAL**

The Securities and Exchange Commission hereby demands a jury trial in this case.

Dated: September 29, 2020

Respectfully submitted,

UNITED STATES OF AMERICA, by

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