

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 101936 / December 17, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-22363

In the Matter of

SOGOTRADE, INC.,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE AND CEASE-AND-
DESIST PROCEEDINGS, PURSUANT
TO SECTIONS 15(b) AND 21C OF THE
SECURITIES EXCHANGE ACT OF
1934, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS
AND A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission” or “SEC”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against SogoTrade, Inc. (“Respondent” or “SogoTrade”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over Respondent and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) and 21C of the Exchange Act, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

1. From at least May 2019 through October 2023 (the "Relevant Period"), SogoTrade, a registered broker-dealer, failed to file Suspicious Activity Reports ("SARs") with the U.S. Treasury Department's Financial Crimes Enforcement Network ("FinCEN") when it knew, suspected, or had reason to suspect that its customers were facilitating illegal activity or engaging in activity with no business or apparent lawful purpose. Due to deficiencies in SogoTrade's design and implementation of its Anti-Money Laundering ("AML") policies and procedures, SogoTrade repeatedly failed to investigate its customers' engagement in suspicious activity and to file SARs when required. SogoTrade also failed to follow its written identity verification procedures and therefore failed to document accurately the procedures set forth in its Customer Identification Program ("CIP").

2. Specifically, SogoTrade provided an online discount brokerage platform to approximately 24,000, primarily retail, customers, many of whom were based in foreign jurisdictions. A significant number of these customers engaged in activity that regulatory guidance has identified as potentially suspicious, including depositing and immediately liquidating low-priced and thinly-traded securities and wiring the sales proceeds out of customers' SogoTrade accounts, engaging in coordinated and non-competitive trading, orchestrating cash movements structured to avoid law enforcement or compliance scrutiny, and making security deposits and cash movements significantly in excess of the customers' financial resources based on their customer profiles. Although SogoTrade's Written Supervisory Procedures ("WSPs") identified these activities as red flags of potential illegal activity, SogoTrade failed to either identify or investigate the activity and to file SARs on the overwhelming majority of occasions. Furthermore, SogoTrade allowed some of its foreign customers to open accounts at the firm without subjecting them to third-party identity verification measures and after accepting customer translations of foreign language documents, contrary to the requirements of the firm's CIP procedures.

3. By failing to file SARs as required and failing to document accurately the written verification procedures set forth in its CIP, SogoTrade willfully violated Section 17(a) of the Exchange Act and Rule 17a-8 thereunder.

Respondent

4. SogoTrade is incorporated in Delaware, headquartered in New York, NY, and maintains a branch office in Chesterfield, MO, where its AML compliance function is located. In 2010, SogoTrade was registered with the SEC as a broker-dealer pursuant to its acquisition by Wang Investment Associates, Inc., an SEC-registered broker-dealer since July 1986. SogoTrade

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

is an introducing broker-dealer and its primary source of revenue is commissions from customer trading. SogoTrade is affiliated with MarketRiders, Inc. (d/b/a SogoTrade Asset Management), an SEC-registered investment adviser incorporated in California and headquartered in Chesterfield, MO, and with Sogo Crypto Technologies, LLC, a cryptocurrency trading platform incorporated in Delaware and headquartered in Chesterfield, MO.

Background

5. The Bank Secrecy Act (“BSA”) and its implementing regulations require that broker-dealers such as SogoTrade file SARs with FinCEN to report, among other things, a transaction (or a pattern of transactions of which the transaction is a part) conducted or attempted by, at, or through the broker-dealer involving or aggregating to at least \$5,000 that the broker-dealer knows, suspects, or has reason to suspect: (1) involves funds derived from illegal activity or is intended or conducted to disguise funds or assets derived from illegal activities; (2) is designed to evade any requirement of the BSA; (3) has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the broker-dealer knows of no reasonable explanation of the transaction after examining the available facts, including the background and possible purpose of the transaction; or (4) involves use of the broker-dealer to facilitate criminal activity. 31 C.F.R. § 1023.320(a)(2) (the “SAR Rule”). Broker-dealers are required to file a SAR within 30 calendar days after the date of the initial detection of facts that may constitute a basis for filing a SAR. 31 C.F.R. § 1023.320(b)(3). If the broker-dealer cannot identify a suspect, it must file the SAR within 60 days of the initial detection of facts that may constitute a basis for filing a SAR. *Id.*

6. The BSA and its implementing regulations also require broker-dealers to “establish, document, and maintain a written Customer Identification Program appropriate for [the broker-dealer’s] size and business” pursuant to 31 C.F.R. § 1023.220(a) (the “CIP Rule”), which was jointly issued by the Commission and the U.S. Treasury Department. 31 C.F.R. § 1023.220(a)(1). The broker-dealer’s CIP must include risk-based procedures for verifying the identity of each customer such as to enable the broker-dealer to form a reasonable belief that it knows the true identify of each customer. 31 C.F.R. § 1023.220(a)(2). Further, the broker-dealer’s CIP must include procedures for making and maintaining records of the customer’s identifying information and its verification of the customer’s identity. 31 C.F.R. § 1023.220(a)(3).

7. Rule 17a-8, which was promulgated under Section 17(a) of the Exchange Act, requires broker-dealers to comply with the reporting, recordkeeping and record retention requirements in regulations implemented under the BSA, including the SAR and CIP Rules. The failure to file a SAR when required is a violation of Section 17(a) of the Exchange Act and Rule 17a-8 thereunder. *See SEC v. Alpine Sec. Corp.*, 308 F. Supp. 3d 775, 798-800 (S.D.N.Y. 2018), *aff’d*, 982 F.3d 68 (2d Cir. 2020), *cert. denied*, *Alpine Sec. Corp. v. SEC*, 142 S. Ct. 461 (2021). The failure to accurately document CIP procedures is also a violation of these provisions.

Facts

A. SogoTrade's AML Compliance Program

8. Through its website, available in English and Chinese, SogoTrade solicited prospective domestic and foreign customers to open self-directed brokerage accounts to trade stocks, exchange-traded funds (“ETFs”), and options. SogoTrade promoted its brokerage platform to potential customers by advertising the ease of account opening and funding and the availability of discounted trades. During the Relevant Period, SogoTrade’s independent AML auditor consistently assigned the firm a “high” AML risk rating, based on SogoTrade’s customers’ profiles (including their geographic locations) and the products and services that SogoTrade offered, including trading of low-priced and thinly traded securities. Nonetheless, as described below, SogoTrade did not have a reasonably designed AML compliance program, which resulted in its routine failure to file SARs.

9. During the Relevant Period, David Kyi served as SogoTrade’s Anti-Money Laundering Compliance Officer (“AMLCO”). At all relevant times, Kyi was SogoTrade’s only dedicated AML compliance employee. Two other SogoTrade employees, one from the firm’s compliance department and one from its customer service department, assisted Kyi with AML-related tasks on a part-time basis. Kyi was primarily responsible for the design and implementation of SogoTrade’s AML program and, until December 2021, was solely responsible for deciding whether SogoTrade would investigate suspicious activity and whether it would file SARs. After December 2021, the firm established a three-person AML Committee, that included Kyi, to investigate activity and determine whether a SAR should be filed.

10. At all relevant times, SogoTrade’s WSPs provided that it would file SARs for a “wide range of questionable activities” that may be indicative of money laundering. It included as examples: “trading that constitutes a substantial portion of all trading for the day in a particular security; trading or journaling between/among accounts, particularly between related owners; late day trading; heavy trading in low-priced securities; unexplained wire transfers, including those to known tax havens; [and] unusually large deposits of funds or securities.”

11. SogoTrade’s WSPs also incorporated FINRA guidance concerning red flags of money laundering.² The red flags SogoTrade identified included, among other things, instances when a customer: deposited penny stocks, liquidated them, and wired out proceeds; engaged in prearranged or other non-competitive trading, including wash or cross trades of illiquid securities; received inflows of funds or other assets well beyond the known income or resources of the customer; had an unexplained high level of account activity with very low levels of securities transactions; deposited funds then immediately requested that the funds be wired out; engaged in transactions involving cash or cash equivalents or other monetary instruments that

² See FINRA Regulatory Notice 19-18, *Anti-Money Laundering (AML) Program: FINRA Provides Guidance to Firms Regarding Suspicious Activity Monitoring and Reporting Obligations* (May 2019); FINRA Regulatory Notice 09-05, *Unrestricted Resales of Unregistered Securities* (January 2009).

appear to be structured to avoid the U.S. government's \$10,000 reporting requirements³; and/or attempted to make frequent or large deposits of currency.

12. As of 2019, the firm ran daily reports to identify potentially suspicious trading and money movement activity. Kyi was primarily responsible for reviewing these reports until April 2022, at which point two additional reviewers were designated to assist Kyi on a part-time basis. After April 2022, Kyi remained primarily responsible for reviewing certain reports and also supervised the review by the designees. In June 2022, SogoTrade added three additional reports intended to identify suspicious trading activity.

13. Throughout the Relevant Period, SogoTrade and Kyi's design and implementation of SogoTrade's AML program presented recurring weaknesses. SogoTrade and Kyi were alerted to many of these weaknesses, including by SogoTrade's independent AML auditor, but failed to promptly correct them.

14. First, Kyi did not apply the required standard for determining whether to file a SAR pursuant to the BSA and implementing regulations. It was Kyi's typical practice to determine whether a customer had engaged in actual fraud or other illegal activity before filing a SAR, rather than doing so when the firm suspected or had reason to suspect that the activity involved funds derived from or was conducted to disguise funds derived from illegal activities; was designed to evade any requirement of the BSA; had no business or apparent lawful purpose or was not the sort in which the particular customer would normally be expected to engage; or involved the use of the broker-dealer to facilitate criminal activity.

15. In addition, Kyi had a practice of alerting customers that SogoTrade's surveillance reports had identified their suspicious trading activity and would advise or direct employees to advise customers to keep their trading activities below the average daily volume threshold to avoid triggering firm review.

16. Furthermore, SogoTrade's independent AML auditor identified recurring weaknesses in SogoTrade's AML program, which it repeated in each of its annual reports during the Relevant Period. Yet, SogoTrade and Kyi failed to take corrective action. First, beginning in 2019, the AML auditor flagged SogoTrade's practice of requesting translations of foreign identification documents from customers, which was inconsistent with SogoTrade's CIP procedures. Second, also beginning in 2019, the AML auditor recommended that the firm establish processes for identifying AML risk based on account geographic location and for conducting enhanced due diligence and monitoring of higher risk accounts. In 2022, the auditor additionally recommended that the firm establish processes to identify AML risk based on customer profiles and products and services offered, in addition to jurisdiction. Third, beginning in June 2020, after identifying suspicious activities for which SARs were not filed, the AML

³ Structuring is the breaking up of transactions for the purpose of evading the Bank Secrecy Act reporting and recordkeeping requirements and, if appropriate thresholds are met, should be reported as a suspicious transaction under 31 C.F.R. § 103.18. FinCEN Ruling 2005-6, *FinCEN Ruling 2005-6 – Suspicious Activity Reporting (Structuring)* (July 15, 2005).

auditor recommended that SogoTrade examine its SAR filing decision criteria to ensure that suspicious activity was being appropriately reported. Fourth, in 2021, the auditor recommended that SogoTrade develop and implement a low-priced securities report to detect suspicious microcap trading and also found that many of SogoTrade's foreign accounts did not have completed third-party background checks. Finally, the auditor also identified recurring failures to circulate AML WSPs to employees and to provide AML training to certain employees. Each of these weaknesses remained unaddressed during the Relevant Period.

17. In August 2021, SogoTrade and Kyi also received notice from regulators of the firm's failures to implement processes or tools to effectively detect activity consistent with the AML red flags laid out in the firm's WSPs and to implement processes and procedures concerning the investigation, escalation, resolution, and documentation of the SAR review process, and to implement its CIP procedures as documented in its WSPs.

B. SogoTrade Failed to File SARs.

18. Throughout the Relevant Period, SogoTrade was aware of or should have been aware of numerous red flags of suspicious activity, which were identified in SogoTrade's WSPs and FINRA guidance and within the scope of the firm's AML monitoring. Yet, SogoTrade conducted investigations to determine whether a SAR should be filed or filed SARs for only a small fraction of the activity covered by these red flags. Accordingly, SogoTrade failed to file SARs when the firm was required to do so.

19. Throughout the Relevant Period, SogoTrade customers, many of whom were based in China, Malaysia, or Taiwan, routinely engaged in suspicious activity, including, among other things:

- a. Depositing then liquidating low-priced or over-the-counter ("OTC") securities and wiring the sales proceeds out of their SogoTrade accounts;
- b. Engaging in cross-trading of the low-priced securities of China- and Malaysia-based issuers;
- c. Engaging in securities transactions that represented more than 20% of a low-priced or OTC security's daily trading volume (on many occasions the trading represented 90%-100% of the security's daily trading volume);
- d. Making securities deposits that substantially exceeded the customer's stated liquid net worth;
- e. Engaging in no trading during the Relevant Period, yet engaging in money movements exceeding \$5,000 and ranging up to more than \$99,000;
- f. Making cash transfers that may have been structured to avoid triggering U.S. government reporting requirements, i.e. during a 7-day period,

depositing or withdrawing \$9,999 or more with SogoTrade in one or more transactions between \$0 and \$9,999;

- g. Depositing cash in amounts greater than or equal to \$50,000 and, within 14 days of the deposit, transferring out 90%-100% of the amount of the deposit; or
- h. Conducting cash movements in amounts that significantly exceeded the customer's stated liquid net worth.

20. For example, in 2019, SogoTrade's clearing firm alerted Kyi that a SogoTrade customer appeared to be structuring cash movements. In correspondence with the clearing firm, Kyi agreed that the account appeared to be engaged in structuring, but SogoTrade did not file a SAR or further investigate the activity to assess whether a SAR should be filed.

21. Also in 2019, SogoTrade's clearing firm flagged potential insider trading activity by a SogoTrade customer. Kyi concluded that the trader "was just fortunate to guess correctly on the [company's] earnings." The firm did not file a SAR or further investigate the activity to assess whether a SAR should be filed.

22. During 2019 and 2020, numerous customers deposited, then immediately withdrew, funds from their SogoTrade accounts. SogoTrade personnel informed Kyi of this activity and SogoTrade's independent AML auditor also flagged it in its reports. SogoTrade did not file SARs or further investigate the activity to assess whether SARs should be filed.

23. In 2020, two customers engaged in a pattern of purchasing mostly illiquid option positions in the open market and then selling the positions at significantly higher prices. Both accounts wired out the proceeds of the trading; Kyi reviewed and approved the wires. SogoTrade received regulatory inquiries concerning the securities the customers traded. SogoTrade did not file a SAR or further investigate the activity to assess whether a SAR should be filed.

24. Other customers made large deposits of low-priced securities, liquidated them, then wired the proceeds out of their SogoTrade accounts. For example, in 2020, two foreign customers opened accounts at SogoTrade, and shortly thereafter, transferred low-priced securities of foreign issuers into their accounts, liquidated the securities and transferred out the proceeds. The firm's AML monitoring flagged the customers' trading because their trading represented a significant percentage of the average daily trading volume of the issuers' securities. Kyi instructed SogoTrade personnel to contact the customers and tell them to keep their trading below the trading volume threshold that would cause their accounts to be flagged and potentially closed by SogoTrade's clearing firm. He also approved the customers' wires from their accounts. The firm did not file SARs or investigate further to determine whether SARs should be filed.

25. During the same year, three days after opening a SogoTrade account, a foreign customer transferred a large amount of low-priced securities issued by a foreign issuer into the customer's account. Kyi received information indicating that the customer was a potential insider of the issuer. The following month, the customer deposited shares of the same issuer. Kyi

approved the deposits and did not conduct any investigation concerning the customer's potential insider status. The customer sold all of the deposited shares and wired the proceeds to a bank account located in a country other than the customer's home country. The wires out of the customer's account appeared on multiple AML-related exception reports reviewed by Kyi. The firm did not file a SAR or investigate further to determine whether a SAR should be filed.

26. Also in 2020, a foreign customer opened a SogoTrade account and deposited a large amount of the low-priced securities of a foreign issuer into the customer's account. The customer sold the securities and wired out the proceeds. Prior to opening this account, SogoTrade personnel informed Kyi that the customer provided information that overlapped with that of an account SogoTrade had closed previously due to suspicious activity. Kyi did not investigate this issue and proceeded with the account opening. Following a regulatory inquiry, Kyi identified the customer's high volume of trading in the security. The firm did not file a SAR or investigate further to determine whether a SAR filing was warranted.

27. SogoTrade also processed trades and money movements for the omnibus account of a Hong Kong- and Taiwan-based broker-dealer whose customers engaged in activities that raised multiple red flags. The firm did not file a SAR or investigate further to determine whether a SAR filing was warranted.

C. SogoTrade Failed to Accurately Document its CIP Procedures.

28. At account opening, SogoTrade's CIP required new customers to fill out account opening information on its website and to upload identification documents; the CIP also required foreign customers to submit a copy of an unexpired government-issued photo identification, such as a passport or driver's license. SogoTrade used two different third-party services to verify customer information, depending on whether a customer was domestic or foreign. For foreign customer identity verification, the service provider covered 10 jurisdictions. Accounts opened for customers in foreign countries not covered by the service provider—approximately 25% of foreign accounts—were not subjected to a third-party background check. If customer information could not be verified, SogoTrade personnel would request additional documentary evidence from the customer, typically a second form of identification. Under the firm's WSPs, foreign language documents were to be examined by SogoTrade personnel fluent in the language or verified using external translation applications. Customer translations of foreign documents were not acceptable.

29. As AMLCO, Kyi was responsible for developing and implementing the firm's AML program, including its CIP. He also supervised SogoTrade's CIP during the Relevant Period. In addition, until September 6, 2021, Kyi's designated responsibilities in the firm's AML WSPs included "verifying [the] identity of online account holders, monitoring account activity, and maintaining records of the verification and account activity review." Kyi was also responsible for implementing recommendations of the firm's independent AML auditor related to CIP compliance.

30. During the Relevant Period, SogoTrade and Kyi were notified of indications that SogoTrade was not complying with its CIP but failed to take remedial action. In its 2018 and

2019 reports, issued in March 2019 and June 2020, the firm’s independent AML auditor flagged SogoTrade’s acceptance of foreign language document translations from customers, contrary to SogoTrade’s CIP, which specifically forbade accepting customer translations. Subsequent audit reports continued to recommend that SogoTrade establish a formal procedure for translation of foreign language documents and certification thereof. SogoTrade and Kyi disregarded the auditor’s repeated flags and permitted customers to provide their own foreign language document translations in violation of firm policy. In addition, in or around April 2021, a potential customer submitted a picture of a flower in place of an unexpired government-issued photo identification, such as a passport or driver’s license, as required by SogoTrade’s CIP procedures. Although at the time Kyi was responsible for verifying customer identities and for supervision of the CIP, Kyi permitted SogoTrade to open the account and did not identify the issue as potentially suspicious until the clearing firm flagged it to him. Finally, in August 2021, SogoTrade and Kyi were notified of 10 foreign customers (of 16 reviewed by regulators) for which SogoTrade should have but failed to run third-party background reports as required by SogoTrade’s CIP procedures. These included customers who engaged in the potentially suspicious options trading activities described above.

31. Accordingly, SogoTrade did not comply with the recordkeeping requirements under the CIP Rule because it did not adhere to the written verification procedures set forth in its CIP with respect to verifying the identity of some of its foreign customers using third-party verification measures, and, thus, failed to accurately document its procedures.

Violations

32. As a result of the conduct described above, SogoTrade willfully violated Section 17(a) of the Exchange Act and Rule 17a-8 thereunder.

SogoTrade’s Remedial Efforts

33. In determining to accept the Offer, the Commission considered remedial acts undertaken by Respondent.

Undertakings

34. Respondent has undertaken the following:

A. Within 30 days from the issuance of this Order, at its own cost, Respondent shall hire an independent AML Compliance Consultant, not unacceptable to the Commission staff, to conduct a comprehensive review of Respondent’s AML compliance program and the implementation and effectiveness of Respondent’s AML policies and procedures. The Respondent shall require the Compliance Consultant to submit to the Commission’s staff a written report (the “Report”) on the 90th day from the issuance of this Order describing the review it performed, the names of the individuals who performed the review, the conclusions reached, and the Compliance Consultant’s recommendations for changes in or improvements to Respondent’s AML program.

B. Respondent shall adopt all recommendations contained in the Report within one hundred fifty (150) days of the issuance of this Order; provided, that within one hundred and twenty (120) days after the date of the Order's issuance, Respondent shall in writing advise the Compliance Consultant and the Commission staff of any recommendation that Respondent considers to be unduly burdensome, impractical, or inappropriate. With respect to any recommendation that Respondent considers unduly burdensome, impractical, or inappropriate, Respondent need not adopt that recommendation at that time but shall propose in writing an alternative policy, procedure, or system designed to achieve the same objective or purpose.

C. As to any recommendation with respect to Respondent's policies and procedures on which Respondent and the Compliance Consultant do not agree, Respondent and the Compliance Consultant shall attempt in good faith to reach an agreement within one hundred and fifty (150) days after the date the Order is issued. Within fifteen (15) days after the conclusion of the discussion and evaluation by Respondent and the Compliance Consultant, Respondent shall require that the Compliance Consultant inform Respondent and the Commission staff in writing of the Compliance Consultant's final determination concerning any recommendation that Respondent considers to be unduly burdensome, impractical, or inappropriate. Respondent shall abide by the determinations of the Compliance Consultant and, within thirty (30) days after final agreement between Respondent and the Compliance Consultant or final determination of the Compliance Consultant, whichever occurs first, Respondent shall adopt and implement all of the recommendations that the Compliance Consultant deems appropriate.

D. Within thirty (30) days of Respondent's adoption of all of the recommendations in the Report that the Compliance Consultant deems appropriate, as determined pursuant to the procedures set forth herein, Respondent shall certify in writing to the Compliance Consultant and the Commission staff that Respondent has adopted and implemented all of the Compliance Consultant's recommendations in the Report. Thereafter, within two hundred forty days (240) after the entry of the Order, the Compliance Consultant shall conduct and complete such review as it deems appropriate to verify that Respondent has appropriately implemented the recommendations in the Report. Unless otherwise directed by the Commission staff, all Reports, certifications, and other documents required to be provided to the Commission staff shall be sent to Celeste A. Chase, Assistant Regional Director, New York Regional Office, 100 Pearl Street, Ste. 20-100, New York, NY 10004.

E. Respondent shall cooperate fully with the Compliance Consultant and provide the Compliance Consultant with access to such files, books, records, and personnel as are reasonably requested by the Compliance Consultant for review.

F. To ensure the independence of the Compliance Consultant for the remainder of the engagement, Respondent shall: (1) not have the authority to terminate the Compliance Consultant or substitute another compliance consultant for the Compliance Consultant without the prior written approval of the Commission staff; and (2) compensate the Compliance Consultant and persons engaged to assist the Compliance Consultant for services rendered pursuant to this Order at their reasonable and customary rates.

G. For the period of engagement and for a period of two years from completion of the engagement, Respondent shall not (1) retain the independent Compliance Consultant for any other professional services outside of the services described in this Order; (2) enter into any other professional relationship with the independent Compliance Consultant, including any employment, consultant, attorney-client, auditing or other professional relationship; or (3) enter, without prior written consent of the Commission staff, into any such professional relationship with any of the independent Compliance Consultant's present or former affiliates, employers, directors, officers, employees, or agents.

H. The reports by the independent Compliance Consultant will likely include confidential financial, proprietary, and competitive business or commercial information. Public disclosure of the reports could discourage cooperation, impede pending or potential government investigations, or undermine the objectives of the reporting requirement. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except (1) pursuant to court order, (2) as agreed to by the parties in writing, (3) to the extent that the Commission determines in its sole discretion that disclosure would be in furtherance of the Commission's discharge of its duties and responsibilities, or (4) is otherwise required by law.

I. Respondent shall certify, in writing, compliance with the undertaking(s) set forth above. The certification shall identify the undertaking(s), provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Respondent agrees to provide such evidence. The certification and supporting material shall be submitted to Celeste A. Chase, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings.

J. Respondent shall preserve, for a period of not less than six (6) years from the end of the fiscal year in which the undertakings were completed, the first two (2) years in an easily accessible place, any record of compliance with these undertakings.

K. For good cause shown, the Commission staff may extend any of the procedural dates relating to the undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, pursuant to Sections 15(b) and 21C of the Exchange Act it is hereby ORDERED that:

A. Respondent cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Exchange Act and Rule 17a-8 thereunder.

B. Respondent is censured.

C. Respondent shall pay a civil money penalty of \$125,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3).

Payment shall be made in the following installments:

1. \$25,000 within 14 days of the entry of this Order;
2. Three quarterly payments of \$25,000 to be paid on or before January 6, 2025, April 1, 2025, and July 1, 2025, respectively.
3. A final, fourth quarterly payment of the remaining balance (including interest), shall be paid on or before September 30, 2025.

Payments shall be applied first to post-order interest, which accrues pursuant to 31 U.S.C. § 3717. Prior to making the final payment set forth herein, Respondent shall contact the staff of the Commission for the amount due. If Respondent fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments under this Order, including post-order interest, minus any payments made, shall become due and payable immediately at the discretion of the staff of the Commission without further application to the Commission.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying SogoTrade as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Tejal D. Shah, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004.

D. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it, shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

E. Respondent shall comply with the undertakings enumerated in Section III, Paragraph 34 above.

By the Commission.

Vanessa A. Countryman
Secretary