

IN THE MATTER OF THE SECURITIES ACT, SNB 2004, c. S-5.5 as amended JUL 13 2007

AND

IN THE MATTER OF

le File # 3500-03-51
NBSC/CVMNB

SAXON FINANCIAL SERVICES LTD., SAXON CONSULTANTS, LTD., SEAN WILSON, JUSTIN PRAAMSMA, CONRAD PRAAMSMA, TODD YOUNG, and MERCHANT CAPITAL MARKETS S.A. carrying on business as "MERCHANT CAPITAL MARKETS" and as "MERCHANTMARX" ("Respondents")

STATEMENT OF ALLEGATIONS

(of Staff of the New Brunswick Securities Commission)

The Respondents

1. Saxon Financial Services Ltd. is an entity purporting to carry on business in Atlanta, Georgia at an office located at 3394 Lenox Road, Atlanta Georgia. It also advertises its fax number as 1- 877-471-0266 as well as 1-678-827-0921.
2. Saxon Consultants Ltd. purports to be a company having an office in Tortola, British Virgin Islands., and having an office address at P.O. Box 3161 Road Town, Tortola, British Virgin Islands. The fax number for this entity is also 1- 877-471-0266.
3. Saxon Financial Services Ltd. and Saxon Consultants Ltd. hold themselves out as Independent Brokers in currency and commodity options and futures.
4. Saxon Financial Services Ltd. and Saxon Consultants Ltd. are referenced on a website known as saxonfx.com.
5. Merchant Capital Markets S.A. (MCM) is an entity purportedly carrying on business from an office at Rue du Rhone, 14, 1204 Geneva Switzerland, fax +41-22-594-8167, in Geneva, Switzerland. The office address in Switzerland used by MCM is one of a business center offering virtual offices. MCM uses the email address mail@merchantmarx.com
6. MCM operates a website at merchantmarx.com.
7. MCM purports to acts as a clearing firm under the names "Merchant Capital Markets" and "MerchantMarx", and manages the accounts for which trades in various vehicles are made through Independent Brokers such as Saxon Financial Services Ltd., and Saxon Consultants, Ltd.

8. Sean Wilson, Justin Praamsma, Conrad Praamsma, and Todd Young are sales staff for Saxon Financial and/or Saxon Consultants Ltd. These individuals all operate out of the Atlanta office of Saxon Financial Services Ltd. and in addition to the telephone, communicate by email through the email address trading@saxonfx.com.
9. Mr. Justin Praamsma has no training in trading options or securities, other than "8 years on the phone". He previously worked for a Costa Rican entity which was cease traded by the Saskatchewan Financial Services Commission in 2003.

Solicitation of New Brunswick residents

10. Saxon Financial Services Ltd., Saxon Consultants, Ltd., Sean Wilson, Justin Praamsma, Conrad Praamsma, and Todd Young have solicited Canadian residents, including New Brunswick residents, with respect to the sale of gasoline options and other investment vehicles.
11. The salespersons for Saxon Financial Services Ltd. and Saxon Consultants, Ltd., including Sean Wilson, Justin Praamsma, Conrad Praamsma, and Todd Young, advise Canadian residents, including New Brunswick residents, that they will provide the expertise on all aspects of trading, including the determination of what to buy, at what price, date and on what time line.
12. The salespersons for Saxon Financial Services Ltd. and Saxon Consultants, Ltd., including Sean Wilson, Justin Praamsma, Conrad Praamsma, and Todd Young, represent to Canadian residents, including New Brunswick residents, that triple digit returns in a period of three months can be obtained for investors.
13. Saxon Financial Services Ltd. and Saxon Consultants Ltd. are referenced on a website known as saxonfx.com to which the salespeople refer during their telephone solicitations.
14. The domain saxonfx.com was registered anonymously.
15. Investors who agree to participate are asked to complete an application form to open an account with MCM and to authorize Saxon Consultants, Ltd. to act as an Independent Broker to trade on the MCM account.
16. The MCM account application authorizes trading in "off-exchange (OEX), over-the-counter spot currencies (OTC), over-the-counter forward contracts on currencies, contracts for difference (CFD), over-the-counter options on currencies, and other over-the-counter derivatives of cash currencies and CFDs." "Currencies" is defined to include "various similar trading products in energies, metals and indices."
17. Investors are asked to wire funds to an account in the name of MCM in Frankfurt, Germany.

18. The salespersons dismiss any concerns expressed by potential investors about lack of knowledge of options trading and advise that the decision of when to buy and sell will be made by them.
19. Once a customer, the investor is provided access to an online account manager, where the investor can see the current balance of the account, but cannot effect any trades.
20. The respondents have so far ignored certain Investors' instructions that they wish to cash out their accounts.

Conduct contrary to the *Securities Act* and the public interest

21. The acts of the respondents including but not limited to the solicitation of trades or any acts constituting attempts or acts in furtherance of trading, constitute trading in securities as defined in the *Securities Act*, S.N.B 2005 c. S-5.5 as amended, and require that the respondents be registered with the New Brunswick Securities Commission.
22. None of the respondents are, or ever have been, registered with the New Brunswick Securities Commission in any capacity.
23. The acts of the respondents are contrary to the public interest.

DATED at the City of Saint John this 13th day of July 2007.


Mark McElman
Counsel for Staff of the Commission

New Brunswick Securities Commission
Suite 300, 85 Charlotte Street
Saint John, New Brunswick
E2L 2J2

Tel: (506) 658-3060
Fax: (506) 658-3059

mark.mcelman@nbsc-cvmnb.ca