State of California - Department of Corporations

STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

DEPARTMENT OF CORPORATIONS

TO: Kevin Hudson
Channel-Trading.com, Inc.
242 Countryhaven Rd.
Encinitas, CA 92024
and
www.channel-trading.com

DESIST AND REFRAIN ORDER

(For violations of sections 29535 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Channel-Trading.com, Inc. ("Channel-Trading") was incorporated under the laws of California on July 28, 2010. At all times relevant herein, its mailing address was 242 Countryhaven Rd., Encinitas, CA 92024. It maintains a website at www.channel-trading.com.

2. At all times relevant herein, Kevin Hudson ("Hudson") was the president and control person of Channel-Trading. At all times relevant herein, Hudson resided at 242 Countryhaven Rd., Encinitas, CA 92024.

3. Beginning in 2010 or earlier, Hudson and Channel-Trading operated a trading and chat room from Channel-Trading's website. In the trading and chat room, Hudson and Channel-Trading would advise Channel-Trading's customers as to the advisability of trading in commodity futures. Hudson and Channel-Trading operated the trading and chat room on a daily basis. Hudson and Channel-Trading would collect payment from customers for their services online via Paypal.

4. At all relevant times, neither Hudson nor Channel-Trading was registered or temporarily licensed with the Commodity Futures Trading Commission to engage in a trade or business or otherwise act as a commodity merchant.

5. In 2011, Hudson offered and sold an interest in a new hedge fund, Sendera L.P. The investor paid Hudson $25,000 for the interest in Sendera L.P.

6. In connection with the offer and sale of the interest in Sendera L.P., Hudson told the investor that Hudson would file the necessary paperwork with the State of California in order to form the company and obtain any necessary licenses. Subsequently, Hudson told the investor that Sendera L.P. had obtained the necessary licenses and had started trading. In fact, however, Hudson has never filed any paperwork or applied for any licenses on behalf of Sendera L.P. Sendera L.P. was never formed.

Based on the foregoing findings, the California Corporations Commissioner is of the opinion that Kevin Hudson and Channel-Trading.com, Inc. have engaged in a trade or business or otherwise acted as a commodity merchant without being registered or temporarily licensed with the Commodity Futures Trading Commission. Pursuant to Section 29542 of the California Commodity Law of 1990, Kevin Hudson and Channel-Trading.com, Inc. are hereby ordered to desist and refrain from engaging in a trade or business or otherwise acting as a commodity merchant until they are registered or temporarily licensed, unless exempt.

Further, the California Corporations Commissioner is of the opinion that the securities offered and sold by Kevin Hudson in the new entity Sendera L.P. were offered or sold in this state by means of written or oral communications which included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities Law of 1968, Kevin Hudson is hereby ordered to desist and refrain from offering or selling any security in the State of California, including but not limited to investment contracts, by means of any written or oral communication which includes an untrue statement of material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the California Commodity Law of 1990 and the Corporate Securities Law of 1968.

Dated: December 20, 2012
Sacramento, California

JAN LYNN OWEN
California Corporations Commissioner

By:_____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

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