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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Scott Christopher Winters, President and CEO
Titan Securities, LLC
2 Wildflower Drive
Corte Madera, California 94925

DESIST AND REFRAIN ORDER

(For violations of sections 25230 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Scott Christopher Winters (“Winters”) was President of Titan Securities, LLC (“Titan Securities”). Titan Securities is or was a Delaware limited liability company, formed in February 2000. Winters is or was the sole principal shareholder, officer and director of Titan Securities.
2. Beginning in or about March 1, 2000, Winters and Titan Securities offered or sold securities in the form of limited partnership interests of Titan Fund 1, L.P. (“Titan Fund”), a Delaware Limited Partnership. Titan Fund was organized in February 2000 and Titan Securities served as the general partner and investment manager of the Partnership.
3. Winters through Titan Securities offered and sold over \$800,000 worth of limited partnership interests in Titan Fund to approximately 5 of his clients from about March 2000 through October 2000.
4. The purported purpose of Titan Fund was to seek substantial capital appreciation by investing in, and trading equities, options and other securities.
5. In connection with these offers and sales, Winters through Titan Securities represented to investors that:
 - a. The fund had millions of dollars, including \$2,000,000 of Winters’ own money; in fact the fund only had around \$800,000, none of which belonged to Winters;

1 b. The fund had over 25 investors; in fact the fund only had about 5 investors;

2 c. The fund would invest in conservative investments and be diversified to limit
3 risk; in fact the fund consisted of risky investments and was not diversified; and

4 d. That Winters was an agent with a licensed broker-dealer; in fact Winters
5 ceased being an agent of First Union Securities, Inc. in or around April 2000 and solicited
6 clients to invest in Titan Fund while unlicensed.

7 Based upon the foregoing findings, the California Corporations Commissioner is of
8 the opinion that Winters and Titan Securities have conducted business as an investment
9 adviser in this state without first applying for and securing from the commissioner a
10 certificate, then in effect, authorizing them to do so, in violation of section 25230 of the
11 Corporate Securities Law of 1968 ("CSL"). Pursuant to Section 25532 of the CSL, Winters
12 and Titan Securities are hereby ordered to desist and refrain from acting as an investment
13 adviser in the State of California unless and until they have first applied for and secured
14 from the Commissioner a certificate, then in effect, authorizing them to act as an investment
15 adviser.

16 Further, the California Corporations Commissioner is of the opinion that the securities
17 of Titan Fund were offered or sold in this state by means of written or oral communications
18 which included an untrue statement of a material fact or omitted to state a material fact
19 necessary in order to make the statements made, in the light of the circumstances under
20 which they were made, not misleading, in violation of section 25401 of the CSL. Pursuant
21 to Section 25532 of the CSL, Winters and Titan Securities are hereby ordered to desist and
22 refrain from offering or selling or buying or offering to buy any security in the State of
23 California, including but not limited to limited partnership interests, by means of any written
24 or oral communication which includes an untrue statement of a material fact or omits to
25 state a material fact necessary in order to make the statements made, in the light of the
26 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 CSL.

Dated: March 27, 2003

Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
ALAN WEINGER
Supervising Counsel
Enforcement and Legal Services