

1 **STATE OF CALIFORNIA**
2 **BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**
3 **DEPARTMENT OF BUSINESS OVERSIGHT**

4 TO: Patriot Gold and Silver Exchange, Inc.
5 Norman Ray Ryan
6 3637 Eureka Way
7 Redding, California 96001

8 **DESIST AND REFRAIN ORDER**
9 **(For violations of sections 29520 and 29536 of the Corporations Code)**

10 The Commissioner of the Department of Business Oversight finds that:

- 11 1. Patriot Gold and Silver Exchange, Inc. (Patriot Gold and Silver) was incorporated on
12 November 26, 2012 in the State of California. The California Secretary of State suspended Patriot
13 Gold and Silver on May 2, 2016.
- 14 2. The principal place of business for Patriot Gold and Silver was located at 3637 Eureka
15 Way, Redding, California, 96001, with other California locations at Palo Cedro and Oroville.
- 16 3. At all relevant times, Norman Ray Ryan (Ryan) was the President and a control person
17 of Patriot Gold and Silver.
- 18 4. Beginning as early as August 2011, Patriot Gold and Silver sold investment
19 commodities to California residents, including the sale of gold and silver.
- 20 5. The sale of gold and silver commodities is governed by section 29504 of the
21 California Commodity Law of 1990.
- 22 6. On August 1, 2011, Patriot Gold and Silver and Ryan sold \$20,000.00 of silver to a
23 California resident. This resident agreed that the silver would be stored in a safe at Patriot Gold and
24 Silver. When the California resident attempted to obtain the silver in April 2016, however, Ryan
25 initially told him the silver was in a bank vault before claiming the silver had been seized by law
26 enforcement. To date, Patriot Gold and Silver has not delivered the silver to the California resident.
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1 7. On or about July 15, 2015, Patriot Gold and Silver and Ryan sold \$7,040.00 of silver
2 to another California resident. Patriot Gold and Silver and Ryan only delivered approximately
3 \$160.00 (10 rounds valued at \$16.00 each) of the silver ordered.

4 8. On August 4, 2015, a different California resident wired \$83,000.00 to Patriot Gold
5 and Silver and Ryan for the purchase of the gold, which was to be stored at a gold depository in Utah.
6 Patriot Gold and Silver did not deliver this gold to the California resident within 28 days as required
7 by Corporations Code section 29531, subdivision (b).

8 9. At no time was Ryan registered with either the National Futures Association or the
9 Commodities Futures Trading Commission.

10 10. Pursuant to Corporations Code section 29542, Patriot Gold and Silver, Inc. and
11 Norman Ray Ryan are hereby ordered to desist and refrain from selling or offering to sell any
12 commodity, under any commodity contract or option, in violation of Corporations Code section
13 29520.

14 11. Further, Patriot Gold and Silver, Inc. and Norman Ray Ryan are ordered to desist and
15 refrain from selling or offering to sell a commodity, under any commodity contract or option, in the
16 State of California, by employing any untrue statement of material fact or omitting to state a material
17 fact necessary in order to make statements made, in light of the circumstances under which they
18 were made, not misleading in violation of Corporations Code section 29536.

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

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22 Dated: January 18, 2017
 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

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24 By: _____
25 MARY ANN SMITH
26 Deputy Commissioner
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