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STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT

TO: Trycera Financial, Inc.
18100 Von Karman Ave., Suite 850
Irvine, CA 92612
www.trycera.com

Raymond A. Smith a.k.a. Ray Smith
18100 Von Karman Ave., Suite 850
Irvine, CA 92612

DESIST AND REFRAIN ORDER
(For violations of section 25401 of the Corporations Code)

The Commissioner of Business Oversight finds that:

1. At all relevant times, Trycera Financial, Inc. (“Trycera”), a Nevada corporation, maintained an address at 18100 Von Karman Ave., Suite 850, Irvine, CA 92612. Trycera maintained a website at www.trycera.com.

2. At all relevant times, Raymond A. Smith, a.k.a. Ray Smith (“Smith”), is and was the President and CEO of Trycera.

3. On April 10, 2008, the Department of Business Oversight, formerly the Department of Corporations, issued a Desist and Refrain Order against Smith, CRS & Associates, and others (collectively, “respondents”) for the offer and sale of unqualified, non-exempt securities in California in violation of Corporations Code section 25110 (“2008 Desist and Refrain Order”).

4. The 2008 Desist and Refrain Order alleged that respondents offered “products and services [that] are designed to assist the American consumers in obtaining the most accurate and complete credit profile possible” The 2008 Desist and Refrain Order further alleged that respondents represented that the net profits of the stock offering would be used “to expand . . . [CRS’s] Credit Enhancement and Credit Restoration services and acquire in whole or in part strategic businesses to secure CRS’s permanent presence in the nontraditional credit industry”

1 5. On or around April 15, 2008, the respondents were served with the 2008 Desist and
2 Refrain Order. Respondents did not contest the 2008 Desist and Refrain Order, and therefore it is
3 final.

4 6. Trycera inconsistently reported the 2008 Desist and Refrain Order in filings with the
5 United States Securities and Exchange Commission (“SEC”). Trycera also incorrectly reported the
6 date of issuance as “April 14, 2008,” rather than “April 10, 2008,” and incorrectly reported that the
7 2008 Desist and Refrain Order was issued pursuant to the “California Securities Act of 1968,” which
8 does not exist, rather than “Corporate Securities Law of 1968.”

9 7. From August 2010 through August 2012, Smith offered and sold Trycera common
10 stock to California residents without disclosing the 2008 Desist and Refrain Order.

11 8. For example, on or around August 9, 2012, Smith offered 1,000,000 shares of Trycera
12 common stock to a California resident (“Investor A”) for \$10,000.00 by executing a Note, which
13 provided for payments in the form of cash or stock to Investor A on or before August 31, 2012.
14 Smith did not mention Trycera’s SEC filings or disclose the 2008 Desist and Refrain Order prior to
15 executing the Note with Investor A. Moreover, even after Investor A wired the \$10,000.00 to Smith,
16 Smith neither delivered the promised 1,000,000 shares in Trycera common stock nor gave Investor A
17 the promised cash payments.

18 9. In or around 2012, Trycera operated a website at www.trycera.com. This website
19 stated that Trycera had “the financial expertise, connections, and tools for individual customers, as
20 well as turnkey solutions for businesses” and can “help almost anyone maximize their credit score.”
21 Trycera’s website did not disclose the 2008 Desist and Refrain Order.

22 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion
23 that the securities offered or sold, by Trycera Financial, Inc. and Raymond A. Smith, were offered or
24 sold in this state by means of written or oral communications that omitted to state a material fact
25 necessary in order to make the statements made, in the light of the circumstances under which they
26 were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968
27 (Corp. Code, § 25000 et seq.).
28

1 Pursuant to Corporations Code section 25532, subdivision (c), Raymond A. Smith, Trycera
2 Financial, Inc. and those who act on their behalf are hereby ordered to desist and refrain from
3 offering and selling securities in the State of California by means of any written or oral
4 communication which includes an untrue statement of material fact or omits to state a material fact
5 necessary in order to make the statements made, in the light of the circumstances under which they
6 were made, not misleading.

7 Pursuant to Corporations Code section 25403, any person who controls or induces another
8 person to violate a provision of the Corporate Securities Law of 1968, or any person who provides
9 substantial assistance to another person in violating the Corporate Securities Law of 1968, shall be
10 liable for the violation.

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

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14 Dated: October 18, 2016
15 San Diego, California

JAN LYNN OWEN
Commissioner of Business Oversight

16
17 By _____
18 MARY ANN SMITH
19 Deputy Commissioner
20 Enforcement Division
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