

DEPARTMENT OF BUSINESS OVERSIGHT*Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****MEDIA RELEASE****For Immediate Release**

October 10, 2014

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**California Obtains \$10 Million Judgment
for Defrauded Investors**

SACRAMENTO (October 10, 2014) – The California Department of Business Oversight (“Department”) has obtained judgments totaling \$10 million against Authotecq Systems, Inc., Paysentinel, LLC, and numerous related individuals and companies (“Defendants”) for the unlawful offer and sale of securities, fraud in the offer and sale of securities, and violating a previously issued Desist and Refrain Order.

Final judgments against Defendants include permanent injunctions from the offer and sale of unqualified securities and making misrepresentations or omissions of material facts in the offer and sale of securities, and an order to pay \$300,000 in civil penalties to the State of California.

“Authotecq hid the true nature of its business and used high pressure sales tactics to defraud investors,” said Commissioner of Business Oversight Jan Lynn Owen. “This judgment confirms the Department’s aggressive enforcement of state financial laws intended to protect the public against securities fraud.”

In March 2012, the Department filed a complaint in the Los Angeles County Superior Court for a temporary restraining order, asset freeze, and appointment of a receiver. The complaint alleged that Defendants illegally offered and sold at least \$10 million of common stock to at least 200 investors in a business purportedly designed to provide online security for credit card transactions. Each defendant separately settled with the Department for restitution and permanent injunctions against violating securities laws.

Consumers who are considering investments are advised to check the licensing status and enforcement history of such business at the Department’s website, www.dbo.ca.gov. Consumers who believe they may have been defrauded can file a complaint through the Department’s website as well.

A copy of the Desist and Refrain Order and complaint may be viewed at the Department website at <http://www.dbo.ca.gov/ENF/List/A/Authotecq.asp>.

On July 1, 2013, the Department of Corporations and the Department of Financial Institutions merged to become the Department of Business Oversight. California consumers should contact the Department of Business Oversight to check on the licensing and standing of the companies, investments or other financial services they are considering at www.dbo.ca.gov or at the Department's toll-free Consumer Services Office at 1-866-275-2677.

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