



1           7.       In connection with the offer and sale of this security, Johnson made material  
2 misrepresentations and omissions to investors, including, but not limited to:  
3           a.       That the investment had a guaranteed return of 30 percent;  
4           b.       That Johnson would provide updates on the status of the investment every two  
5                weeks;  
6           c.       That Johnson would use the investment for the purpose stated in the investment  
7                contract;  
8           d.       That profits from the investment contract would begin to be distributed not later  
9                than November 4, 2014;

10          8.       In connection with the offer and sale of this security, Johnson engaged in an act,  
11 practice, or course of business that operated or would operate as a fraud or deceit upon another  
12 person by promising unrealistic returns on the investment and by accepting investor capital with no  
13 intent to use the provided capital for its intended purpose.

14               Based upon the foregoing findings, the Commissioner is of the opinion that the investment  
15 contracts offered and sold by Darryl Lance Johnson, doing business as Court St. Financial Funding,  
16 are securities subject to qualification under the Corporate Securities Law of 1968 and are being or  
17 have been offered or sold without first being qualified in violation of Corporations Code section  
18 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Darry Lance Johnson is  
19 hereby ordered to desist and refrain from the further offer or sale in the State of California of  
20 securities, including but not limited to investment contracts in support of collecting uncollected  
21 judgments, unless and until qualification has been made under the law or unless exempt.

22               Additionally, based on the foregoing findings, the Commissioner is of the opinion that, in  
23 violation of Corporations Code section 25401 (2014)<sup>1</sup>, Darryl Lance Johnson, doing business as  
24 Court St. Financial Funding, in connection with the offer, sale, or purchase of a security, directly or  
25 indirectly: (a) employed a device, scheme, or artifice to defraud; (b) made untrue statements of  
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28 <sup>1</sup> Corporations Code section 25401 was amended, effective January 1, 2014, and the amended language governs the findings related to that section in this matter. A substantive amendment to revert the language of 25401 back to what it was on and before December 31, 2013, took effect on January 1, 2016, and is effective today.

1 material fact or omitted to state material facts necessary to make the statements made, in light of the  
2 circumstances under which they were made, not misleading; and (c) engaged in an act, practice, or  
3 course of business that operated or would have operated as a fraud or deceit upon another person.  
4 Pursuant to section 25532 of the Corporate Securities Law of 1968, Darryl Lance Johnson is hereby  
5 ordered to desist and refrain from, in connection with the offer, sale, or purchase of a security,  
6 directly or indirectly: (a) employing a device, scheme, or artifice to defraud; (b) making an untrue  
7 statement of material fact or omit to state a material fact necessary to make the statements made, in  
8 light of the circumstances under which they were made, not misleading; or (c) engaging in an act,  
9 practice, or course of business that operates or would operate as a fraud or deceit upon another  
10 person. Further pursuant to section 25532, Darryl Lance Johnson is hereby ordered to desist and  
11 refrain from offering or selling or buying or offering to buy any security in the State of California,  
12 including but not limited to investment contracts, by means of any written or oral communication  
13 which includes an untrue statement of a material fact or omits to state a material fact necessary in  
14 order to make the statement made, in light of the circumstances under which they were made, not  
15 misleading.

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

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19 Dated: February 21, 2020  
20 Sacramento, California

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

21  
22 By:

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MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division