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

TO: Errol Alexander Smart, Chief Executive Officer
Armed Forces Wireless / Mobile Inc.
5621 Palmer Way, Suite G
Carlsbad, California 92010

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

The Commissioner of Business Oversight finds that:

1. Armed Forces Wireless / Mobile Inc. (Armed Forces Mobile), is a California corporation with its principal place of business at 5621 Palmer Way, Suite G, Carlsbad, California 92010. Armed Forces Mobile maintains a website at www.myafmobile.com.
2. Errol Alexander Smart, also known as Tony Smart (Smart), is the chief executive officer and a director of Armed Forces Mobile.
3. The Commissioner has jurisdiction over the offer and sale of securities in California under the Corporate Securities Law of 1968 (Corp. Code, § 25000 et seq.).
4. It is “unlawful for any person to offer or sell a security in this state, or to buy or offer to buy a security in this state, by means of any written or oral communication that includes an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which the statements were made, not misleading.” (Corp. Code, § 25401.)¹
5. Any person who with knowledge directly or indirectly controls and induces another person to violate any provision of the Corporate Securities Law of 1968 or provides substantial assistance to another person in violation of any provision of the Corporate Securities Law of 1968 is

¹ Substantive amendments to Corporations Code section 25401 became effective on January 1, 2014, and January 1, 2016. References to section 25401 are to former section 25401, subdivision (b), from January 1, 2014, to December 31, 2015, and to section 25401 on or after January 1, 2016.

1 deemed to be in violation of that provision to the same extent as the other person. (Corp. Code,
2 § 25403, subs. (a), (b).)

3 6. At all relevant times, Smart controlled and induced or provided substantial assistance
4 to Armed Forces Mobile within the meaning of Corporations Code section 25403, subdivisions (a)
5 and (b).

6 7. From about January 2015 to about January 2016, Armed Forces Mobile and Smart
7 offered and sold securities in the form of convertible promissory notes to at least one California
8 resident, raising at least \$50,000.00.

9 8. From about January 2016 to about January 2017, Armed Forces Mobile and Smart
10 offered and sold securities in the form of common stock to at least one California resident, raising at
11 least \$10,000.00.

12 9. In connection with the offers and sales of the securities, Armed Forces Mobile and
13 Smart failed to disclose in written and oral communications that Smart was convicted in 1995 of
14 federal felony charges of wire fraud and mail fraud and that he voluntarily filed for chapter 7
15 bankruptcy in 2001 and received a discharge of his debts.

16 10. This information was material and necessary to make statements made, in the light of
17 the circumstances under which they were made, not misleading.

18 11. Under Corporations Code section 25532, subdivision (c), if, in the opinion of the
19 Commissioner, a person has violated or is violating section 25401, the Commissioner “may order that
20 person to desist and refrain from the violation.”

21 Based on the foregoing, the Commissioner is of the opinion that Armed Forces Wireless /
22 Mobile Inc. and Errol Alexander Smart have offered or sold a security in California by means of any
23 written or oral communication that includes an untrue statement of material fact or omits to state a
24 material fact necessary to make the statements made, in light of the circumstances under which they
25 were made, not misleading in violation of Corporations Code section 25401.

26 The Commissioner is also of the opinion that Errol Alexander Smart has violated section
27 25401 by knowingly directly or indirectly controlling and inducing or providing substantial
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1 assistance to Armed Forces Wireless / Mobile Inc. to violate section 25401 within the meaning of
2 section 25403, subdivisions (a) and (b).

3 Accordingly, under Corporations Code section 25532, subdivision (c), Armed Forces
4 Wireless / Mobile Inc. and Errol Alexander Smart are hereby ordered to desist and refrain from
5 offering or selling any security in California by means of any written or oral communication that
6 includes an untrue statement of material fact or omits to state a material fact necessary to make the
7 statements made, in light of the circumstances under which they are made, not misleading.

8 This Order is necessary, in the public interest, for the protection of consumers, and consistent
9 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This Order shall
10 remain in full force and effect until further order of the Commissioner.

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12 Dated: May 21, 2020
13 Los Angeles, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

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