

1 STATE OF CALIFORNIA
2 BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
3 DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

4 TO: Lucas Asher formerly known as Lucas Thomas Erb
5 William Watts
6 USA Accounts, Inc. d/b/a USA Mint and usamint.com
7 Century Plaza Towers
8 2029 Century Park East Suite #400N
9 Los Angeles, California 90067

10 **DESIST AND REFRAIN ORDER**

11 **(For violations of sections 25230, 25235, 29520, and 29536 of the Corporations Code)**

12 The Commissioner of Financial Protection and Innovation (Commissioner) finds:

13 1. USA Accounts, Inc. doing business as USA Mint, and usamint.com (USA Mint) is a
14 Delaware Corporation with a principal place of business at Century Plaza Towers, 2029 Century Park
15 East Suite #400N, Los Angeles, California 90067.

16 2. USA Mint is not registered with the California Secretary of State.

17 3. Lucas Asher, formerly known as Lucas Thomas Erb, (Asher) incorporated USA Mint
18 on August 17, 2020. Asher operated and controlled USA Mint at all relevant times.

19 4. At all relevant times, William Watts (Watts) was USA Mint’s Individual Retirement
20 Account (IRA) investment specialist.

21 5. In or around September of 2020, USA Mint sales representative Watts offered to sell
22 commodities, in the form of precious metals, to California resident J.S.

23 6. During several sales calls with J.S., Watts established trust by discussing shared
24 conservative political beliefs and hobbies. Watts advised J.S. that he should not leave his money in a
25 mutual fund because the government could potentially seize his assets.

26 7. Based on USA Mint’s sales agents’ representations, on September 11, 2020, J.S. sent a
27 \$50,000.00 check, overnight mail, payable to USA Accounts, Inc. to Century Plaza Towers, 2029
28 Century Park East Suite #400, Los Angeles, California 90067.

8. USA Mint cashed the check on September 14, 2020.

9. On September 14, 2020, J.S. entered into a contract with USA Accounts, Inc.

1 10. J.S. did not have experience investing in precious metals. Based on his conversations
2 with USA Mint’s sales representatives including Watts, J.S. trusted that USA Mint and its
3 representatives would purchase safe precious metals on J.S.’ behalf.

4 11. J.S. did not receive a written invoice disclosing which precious metals USA Mint
5 offered to sell him until after he sent his money and signed the contract.

6 12. The invoice revealed that USA Mint proposed to allocate 19.23% of J.S.’ investment
7 into silver bars 10 oz., 38.81% into gold Canadian Wildlife Series coins 1/10 oz., and 41.86% into
8 Gold Spade Guinea coins 1/4 oz.

9 13. However, to date, J.S. has not received any precious metals from USA Mint. J.S.’
10 attempts to obtain a refund of his \$50,000.00 investment have been ignored.

11 14. The silver bars, gold Canadian Wildlife Series coins, and Gold Spade Guinea coins
12 USA Mint offered to sell to J.S. are commodities under Corporations Code sections 29504¹ and
13 29515.

14 15. An “investment adviser” is defined under the Corporate Securities Law of 1968 (CSL)
15 (Corp. Code, § 25000 et seq.) section 25009 in relevant part as “any person who, for compensation,
16 engages in the business of advising others . . . as to the value of securities or as to the advisability of .
17 . . selling securities”

18 16. Under section 25230, it is unlawful to conduct business in this state as an investment
19 adviser unless the investment adviser has a certificate from the Commissioner or is otherwise exempt.
20 The Commissioner has not issued a certificate to USA Accounts, Inc. d/b/a USA Mint and
21 usamint.com, authorizing it to conduct business as an investment adviser in California.

22 17. The Commissioner finds that USA Accounts, Inc. d/b/a USA Mint and usamint.com
23 conducted business in this state as an investment adviser without a certificate in violation of section
24 25230.

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28 ¹ All further statutory references are to the Corporations Code unless otherwise indicated.

1 18. Under section 25235, it is unlawful for any investment adviser, directly or indirectly,
2 in this state, to employ any device, scheme, or artifice to defraud any client or prospective client, and
3 to engage in any transaction, practice, or course of business which operates or would operate as a
4 fraud or deceit upon any client or prospective client.

5 19. Under the California Commodity Law of 1990 (CCL) (Corp. Code, § 29500 et seq.)
6 section 29520, no person shall offer to sell or purchase, or sell or purchase any commodity under any
7 commodity contract or under any commodity option unless otherwise provided in sections 29530,
8 29531, or 29532.

9 20. The Commissioner finds that USA Accounts, Inc. d/b/a USA Mint and usamint.com
10 and William Watts did not meet the conditions specified in section 29530, 29531, or 29532, when
11 they offered commodities to J.S. in violation of section 29520.

12 21. Under section 29536, it is unlawful for any person, in connection with the offer to sell
13 or sale of commodities to willfully: (a) employ any device, scheme or artifice to defraud, (b) make an
14 untrue statement of a material fact, or omit to state a material fact necessary to make the statements
15 made, in the light of the circumstances under which they were made, not misleading, (c) engage in
16 any transaction, act, practice, or course of business which operates or would operate a fraud or deceit
17 upon any person, or to (d) misappropriate or convert funds of another person.

18 22. Based on the foregoing findings, the Commissioner is of the opinion that USA
19 Accounts, Inc. d/b/a USA Mint and usamint.com: (a) provided investment advice without a certificate
20 in violation of section 25230, (b) failed to meet the conditions specified in section 29530, 29531, or
21 29532, when it offered commodities to J.S. in violation of section 29520, and (c) willfully employed
22 a device, scheme or artifice to defraud by advising and inducing J.S. to sell securities to purchase
23 commodities in the form of precious metals, and accepting \$50,000.00 from J.S. without providing
24 either the commodities purchased, or a refund in violation of sections 25235 and 29536.

25 23. At all relevant times herein, Watts substantially and materially assisted USA Mint's
26 violations of Corporations Code sections 25230, 25235, 29520, and 29536. Watts is deemed in
27 violation of these provisions under Corporations Code section 25403 and is jointly and severally
28 liable for these violations under Corporations Code section 29552.

1 24. Based on the foregoing findings, the Commissioner is of the opinion that William
2 Watts willfully employed a device, scheme, or artifice to defraud and made material
3 misrepresentations and omitted to state material facts in violation of section 29536 by advising J.S. to
4 sell securities, which the government could potentially seize, to purchase commodities, without
5 disclosing that J.S. would not receive any precious metals or a refund.

6 25. At all relevant times herein Asher as USA Mint’s founder, knowingly controlled and
7 induced, and/or knowingly substantially and materially assisted USA Mint’s violations of
8 Corporations Code sections 25230, 25235, 29520, and 29536. Asher is deemed in violation of these
9 provisions under Corporations Code section 25403 and is jointly and severally liable for these
10 violations under Corporations Code section 29552.

11 26. Under section 25532 of the Corporate Securities Law of 1968, Lucas Asher formerly
12 known as Lucas Thomas Erb, William Watts, and USA Accounts, Inc. d/b/a USA Mint and
13 usamint.com are hereby ordered to desist and refrain from:

- 14 a. conducting business as an investment adviser in this state unless they secure a
15 certificate from the Commissioner or are otherwise exempt, as required under
16 Corporations Code section 25230; and
- 17 b. employing any device, scheme, or artifice to defraud any client or prospective
18 client, and from engaging in any transaction, practice, or course of business which
19 operates or would operate as a fraud or deceit upon any client or prospective client
20 in violation of Corporations Code section 25235.

21 27. Under section 29542 of the California Commodities Law of 1990, Lucas Asher
22 formerly known as Lucas Thomas Erb, William Watts, and USA Accounts, Inc. d/b/a USA Mint and
23 usamint.com are hereby ordered to desist and refrain from:

- 24 a. offering to purchase or sell, or purchasing or selling any commodity under any
25 commodity contract, or commodity option in violation of Corporations Code
26 section 29520; and
- 27 b. operating a scheme or artifice to defraud, making an untrue statement of a
28 material fact, or omitting to state a material fact necessary to make the statements

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made, in the light of the circumstances under which they were made, not misleading, engaging in any transaction, act, practice, or course of business which operates or would operate a fraud or deceit upon any person, or misappropriating funds, in connection with the sale or purchase, or offer to sell or purchase any commodity, commodity contract, or commodity option, in violation of Corporations Code section 29536.

This Order is necessary, in the public interest, for the protection of investors and is consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968 and the California Commodities Law of 1990.

Dated: January 27, 2021
Los Angeles, California

MANUEL P. ALVAREZ
Commissioner of Financial Protection and
Innovation



By _____
MARY ANN SMITH
Deputy Commissioner