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Texas State Securities Board

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IN THE MATTER OF
RAYMOND HILL, MARK DIAZ
AND WALES MARKETING AND CONSULTANCY

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Order No. ENF-17-CDO-1751

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stat. Ann. arts. 581-1 to 581-44 (West 2010 & Supp. 2016) (the "**Texas Securities Act**").

The Staff of the Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Securities Commissioner to find:

FINDINGS OF FACT

1. Raymond Hill ("**Respondent Hill**"), Mark Diaz ("**Respondent Diaz**"), and Wales Marketing and Consultancy ("**Respondent Wales**") (collectively "**Respondents**") are offering to buy securities and offering to exchange securities for money in a transaction commonly referred to as an advance fee scheme.

Respondents' Scheme to Impersonate an Investment Advisor

2. Cain Capital LLC ("**Cain Capital**") (CRD No. 113592) is an investment advisor registered with the United States Securities & Exchange Commission ("**SEC**") and noticed filed in Texas. Respondents have not, at any time material hereto, been affiliated with Cain Capital.
3. Respondents Hill and Diaz are sending unsolicited emails and files to owners of securities. The files include documents composed on letterhead in the name of Cain Capital, and Respondent Diaz is described as the "Head of Accounts."
4. Respondents Hill and Diaz are directing owners of securities to <http://www.caincapitalllc.com> and <https://caincapitalllc.wordpress.com> (the "**Hill and Diaz Websites**"), which in turn link to both a Facebook page and Twitter

account purportedly belonging to Cain Capital. Although the Hill and Diaz Websites, Facebook page, and Twitter accounts appear to be authorized by Cain Capital, they are not in any way affiliated with the firm.

5. The Hill and Diaz Websites contain a link that directs users to a form filed via the Electronic Data Gathering, Analysis, and Retrieval System (“**EDGAR**”), a public database of filings with the SEC. The form is Form ADV-E, and it purports to have been filed by Cain Capital on or around February 25, 2005.

Respondents’ Scheme to Buy Securities
and Exchange Securities For Money for an Advance Fee

6. Respondents Hill and Diaz are falsely portraying themselves as affiliated with Cain Capital and are telling investors they have arranged for the purchase of their securities. They are describing the transaction as follows:
 - A. Respondents Hill and Diaz have identified a buyer interested in acquiring the owner’s shares of stock.
 - B. The buyer will pay money for shares of stock, as well as a “De-restriction fee.” The current owner of the stock must pay taxes and a brokerage fee of 2% of the purchase price of the shares to Cain Capital.
 - C. The current owner must also make a payment to the Department of the Treasury, Internal Revenue Service, to satisfy the tax imposed on the transaction. The payment must be routed to Union Bank for the benefit of Respondent Wales in Makati City, Philippines.
7. Respondents are also providing documentation purportedly issued by the United States Government to the owners of securities. These documents include an official receipt that appears to have been issued by the Department of State, United States Share Registry, and an invoice that appears to have been issued by the Department of the Treasury, Internal Revenue Service.

Respondents’ Misleading and Fraudulent Statements

8. In connection with the offer to buy securities and to exchange securities for money, Respondents Hill and Diaz are representing they are affiliated with Cain Capital, which is a misrepresentation of a relevant fact.
9. In connection with the offer to buy securities and to exchange securities for money, Respondents are misrepresenting that Respondent Wales is authorized to collect sales taxes for the IRS relating to such transactions, which is a misrepresentation of relevant fact.

10. Respondents are making an offer containing statements that are materially misleading or otherwise likely to deceive the public as follows:
 - a. Respondents Hill and Diaz are directing owners of securities to Hill and Diaz Websites, which is materially misleading or otherwise likely to deceive the public because:
 - i. The webpage contains a link to a Form ADV-E, listing the SEC number of Cain Capital, that purports to have been filed on or around February 25, 2005, and Cain Capital is not affiliated with Respondents and has not authorized them to use this filing and SEC number; and
 - ii. The webpage contains an address purportedly belonging to Cain Capital and Respondents at 100 Crescent Court, Suite 200, Dallas, Texas 75201, and neither Cain Capital nor Respondents are located at this address.
 - b. Respondents Hill and Diaz are providing the owners of securities with documents that indicate the address of Cain Capital is 100 Crescent Court, Suite 200, Dallas, Texas 75201, which is materially misleading or otherwise likely to deceive the public because neither Respondents nor Cain Capital are located at this address.
 - c. Respondents are providing owners of securities with an invoice purportedly issued by the Department of the Treasury, Internal Revenue Service directing them to pay tax by remitting payment to Union Bank for the benefit of Respondent Wales in Makati City, Philippines, which is materially misleading or otherwise likely to deceive the public because:
 - i. The information provided to investors does not reveal the relationship between Respondents Hill and Diaz and Respondent Wales;
 - ii. The Philippines is a sovereign island country in Southeast Asia and the United States Internal Revenue Service does not have an office in the Philippines; and
 - iii. The Internal Revenue Service did not issue the invoice.
 - d. Respondents Hill and Diaz are providing owners of securities with an official receipt purportedly issued by the Department of State, United States Share Registry, indicating the agency is located at 323 W. Second Street, Austin, Texas 78701, which is materially misleading or otherwise likely to deceive the public because no agency by this name is located at this address.

CONCLUSIONS OF LAW

1. The term "sale," "sell," or "offer for sale" in the Texas Securities Act includes a solicitation of an offer to buy and an offer to exchange securities for money, property, or other things of value.
2. Respondents are offering to buy securities and is offering to exchange securities for money.
3. Respondents are engaging in fraud in connection with the offer to buy and exchange securities for money.
4. Respondents are making an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
5. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
6. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

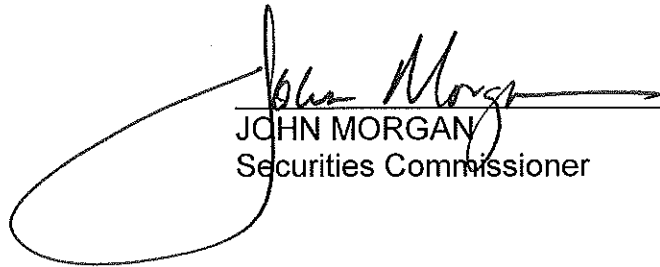
1. It is ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer to buy or exchange securities for money in Texas.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering to buy or exchange securities for money in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for not more than ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 5th day of May, 2017



JOHN MORGAN
Securities Commissioner