

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. S-25-0079

JACQUELINE HUDSON
PARSONS, an Individual, and
QUANTUM CORP.
TECHNOLOGIES, a Dissolved
Oregon Corporation,

Respondents.

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER DENYING
USE OF EXEMPTIONS, FINAL ORDER
ASSESSING CIVIL PENALTIES, AND
FINAL ORDER ORDERING
RESTITUTION, ENTERED BY
DEFAULT

**AS AGAINST RESPONDENT
QUANTUM CORP. TECHNOLOGIES
ONLY**

On January 20, 2026, the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), by and through the Division of Financial Regulation (“Division”), served an Order to Cease and Desist, Proposed Orders Denying Use of Exemptions, Assessing Civil Penalties, and Ordering Restitution, and Notice of Right to an Administrative Hearing (“Notice”) on Jacqueline Hudson Parsons (“Parsons”) and Quantum Corp. Technologies (“QCT”) (collectively, “Respondents”).

The Notice offered Respondents an opportunity for a hearing if requested within 20 days of service of the Notice. The Notice informed Respondents that, subject to exceptions, any hearing request submitted on behalf of a corporation, partnership, limited liability company, unincorporated association, trust or governmental body (“Entity Respondent”) by a person that was not licensed to practice law in Oregon must be ratified, in writing, by a person that is allowed to practice law in Oregon within 28 days from the day the hearing request was received by the Director.¹ The Notice informed Respondents that a hearing request that was not properly ratified would be deemed invalid.

¹ See Oregon Administrative Rules 137-003-0550(2) and (4).





1 The Notice further informed Respondents that any Respondent that did not file a
2 timely hearing request will have waived their right to a contested case hearing, and that if
3 a hearing was not conducted against them because they did not timely request a hearing or
4 otherwise defaulted then the designated portion of the Division’s file and all materials
5 submitted by Respondents in this case would automatically become part of the contested
6 case record for the purpose of proving a prima facie case.

7 On February 4, 2026, Parsons submitted written hearing requests to the Division
8 for Respondents. Parsons is not licensed to practice law in Oregon.

9 That same day, the Division reminded Parsons that QCT was required to have its
10 request ratified within 28 days by a person allowed to practice law in Oregon.

11 QCT failed to have its hearing request ratified within 28 days, or at all, and its
12 hearing request has been deemed invalid.

13 After considering the relevant portion of the Division’s file in this matter, the
14 Director finds that the record proves a prima facie case as against QCT, such that an Order
15 of Default may be entered against QCT only.

16 FINDINGS OF FACT

17 The Director FINDS that:

- 18 1. QCT was an Oregon corporation with a principal place of business at 811 SW
19 6th Ave., Suite 1000, Portland, OR 97204.²
- 20 2. At all relevant times, Parsons resided in Oregon.
- 21 3. At all relevant times, Parsons was QCT’s president and/or CEO.
- 22 4. At all relevant times, Parsons acted on QCT’s behalf and controlled and directed
23 all actions of QCT. Parsons caused QCT to take or fail to take each action or failure to act
24 of QCT identified in this *Order to Cease and Desist, Proposed Orders Denying Use of*
25 *Exemptions, Assessing Civil Penalties, and Ordering Restitution, and Notice of Right to an*

26 ² QCT filed Articles of Dissolution on or around November 8, 2024, after the events set forth in this Order.



1 *Administrative Hearing.*

2 5. On or around October 22, 2022, Parsons registered QCT with the Oregon
3 Secretary of State’s office. The registration identified QCT as issuing 90 million corporate
4 shares.

5 6. Quantum technology is based on the principles of quantum mechanics, which
6 are the laws of physics that apply to sub-atomic particles. Quantum technology may be
7 applied to quantum computing, which enables data to be processed differently from
8 “conventional” computers.³

9 7. Respondents operated a website which stated that QCT would use quantum
10 technology to develop virtual reality, artificial intelligence, and augmented reality
11 technologies and/or products.⁴

12 MB Investment

13 8. In or around August 2023, an individual (“MB”) responded to Respondents’
14 job posting for a chief technology officer.

15 9. Parsons met with MB and made the following statements:

16 A. Described QCT as a billion dollar firm;

17 B. Claimed Respondents had secured \$50 to \$100 million in investment
18 funds; and

19 C. Claimed Respondents were having substantive negotiations to contract
20 with Japan’s Department of Transportation.

21 10. Upon information and belief:

22 A. At no time did QCT generate revenue or hold substantive value;

23 B. Respondents did not procure investment funds outside of what is
24 identified in this Order; and

25 _____
26 ³ See <https://www.weforum.org/stories/2024/07/explainer-what-is-quantum-technology/>.

⁴ This website – www.quantumcorptechnologies.com – is no longer operational.



- 1 C. Respondents had no negotiations with the government of Japan.
- 2 11. Upon information and belief, Respondents' posting was a fiction to solicit
3 potential investors.
- 4 12. MB had no background in, or experience with, quantum technology.
- 5 13. Parsons eventually solicited MB to invest in QCT.
- 6 14. On or around February 1, 2024, MB entered into a limited partnership ("LP")
7 agreement with Respondents. Under the terms of the agreement:
- 8 A. Parsons was the general partner and MB the limited partner;
- 9 B. MB would make an initial contribution of \$32,500 to QCT in exchange
10 for a .065% ownership stake;
- 11 C. Parsons would make an initial contribution of \$50,000,000 via a
12 corporate capital raise;
- 13 D. Parsons would serve as sole manager of the LP's business and affairs;
- 14 E. Parsons would have the exclusive right and power to:
- 15 (a) Manage, operate, and control the LP; and
- 16 (b) Do all things necessary or appropriate to carry on the LP's
17 business and purposes;
- 18 F. Parsons would have full charge of the development, management,
19 control, and operations of the LP;
- 20 G. MB would have no right to, nor take any part in or interfere with, the
21 conduct, control, or management of the LP; and
- 22 H. MB would serve as chief executive officer ("CEO"), for which he would
23 receive a \$1.2 million salary and \$100,000 signing bonus.
- 24 15. The LP agreement did not identify any duties or responsibilities for MB to
25 assume as CEO.
- 26 16. Upon information and belief, the CEO position was a fiction to solicit MB's

1 investment.

2 17. From in or around January 2024 through April 2024, relying upon Parsons’
3 representations and the LP agreement, MB paid Respondents \$32,274.

4 18. At no time did MB receive any compensation from Respondents, pursuant to
5 the LP agreement or otherwise.

6 CM Investment

7 19. In or around June 2024, an individual (“CM”) responded to Respondents’
8 online posting for investors.

9 20. Parsons created a marketing presentation (“Presentation”) regarding QCT’s
10 activities and prospects that she shared with CM.

11 21. The Presentation included the following statements:

12 A. QCT had a “unique advantage” due to “Strong ROI [Return on
13 Investment] delivery and funnel B2B [Business-to-Business] consumerization.
14 Exceptional AR/AI [Augmented Reality/Artificial Intelligence] solution for global
15 brands;”

16 B. QCT had a “unique advantage” due to “Patented AR/AI features
17 scientifically validated assessment simulation, with dynamic lighting adaptation,
18 and photo-realistic VR [Virtual Reality] simulation;” and

19 C. QCT had an “incredible team of engineers, programmers, designers, and
20 marketers” that had “worked tirelessly to bring QCT to the forefront of the
21 industry.”

22 22. Upon information and belief:

23 A. Respondents had no meaningful infrastructure and conducted no
24 meaningful activities relating to quantum technology;

25 B. Respondents held no patents; and

26 C. Respondents employed no engineers, programmers, designers, and/or





1 marketers.

2 23. The Presentation included claims that QCT possessed the following core
3 features:

4 A. “Built using advanced proprietary deep learning models;”

5 B. “Fine tuned [sic] using millions of algorithms”

6 C. “Data collected from over 40000 [sic] quantum models across all major
7 brands;”

8 D. “AI has scanned over 10+ Million data usages;” and

9 E. “Quantum integration using AI analysis for even better personalization
10 of technology products.”

11 24. Upon information and belief, QCT possessed none of the features identified in
12 Paragraph (23).

13 25. The Presentation suggested that QCT created, designed, and/or developed the
14 following products:

15 A. “Robo-Corex;”

16 B. “OVO Shield;” and

17 C. ARK and “designs in space craft travel as well as off plant [sic] cities.”

18 26. Upon information and belief, QCT took no meaningful steps towards creating,
19 designing, and/or developing the products identified in Paragraph (25).

20 27. The Presentation included the following financial accounting and projections:

21 A. 2023

22 (a) Revenue: \$588,960

23 (b) R&D [Research and Development]: \$5 million

24 (c) Accounts Receivable: \$20 million

25 (d) Cash Balance: \$50 million

26 B. 2024



- 1 (a) Revenue: \$69,271,645
- 2 (b) R&D: \$5.5 million
- 3 (c) Gross Profit: \$66,199,721
- 4 (d) Accounts Receivable: \$34,982,210
- 5 (e) Cash Balance: \$80,056,638

6 C. 2025

- 7 (a) Revenue: \$90,216,481
- 8 (b) Gross Profit: \$77,561,628

9 28. Upon information and belief, the financial accounting in the Presentation is
10 entirely fictitious and there is no reasonable basis to support its financial projections.

11 29. On or around July 3, 2024, relying upon Parsons' representations, including
12 those contained in the Presentation, CM paid Respondents \$50,000.

13 30. Shortly thereafter, Respondents terminated MB's involvement with QCT.

14 31. On or around July 14, 2024, CM signed an LP agreement with Respondents.
15 The agreement included all the provisions identified in Paragraph (14), except it gave CM
16 a 10% interest in the LP and included no signing bonus.

17 32. The LP agreement did not identify any duties or responsibilities for CM to
18 assume as CEO.

19 33. CM had no background in, or experience with, quantum technology.

20 34. Upon information and belief, the CEO position was a fiction to solicit CM's
21 investment.

22 35. At no time did CM receive any compensation from Respondents, pursuant to
23 the LP agreement or otherwise.

24 Investment Funds

25 36. On or around January 19, 2024, Respondents opened the following accounts
26 with Mercury Bank:



- 1 A. A checking account ending in -3069 (“Checking Account”);
- 2 B. A savings account ending in -8174 (“Savings Account”);and
- 3 C. A credit card account ending in -2024 (“Credit Card”).

4 37. Upon information and belief, the foregoing Mercury Bank accounts are the
5 only accounts QCT used to conduct its business.

6 38. To date, Respondents have deposited \$85,774 in the Checking Account.
7 \$82,274 of that total represents MB and CM’s investment funds.⁵

8 39. Respondents’ disbursements of the foregoing funds include:

- 9 A. \$21,246 to Parsons’ personal bank accounts;
- 10 B. \$11,500 to Parsons’ personal attorney;
- 11 C. \$1,670.25 in spa expenses;
- 12 D. \$1,322.88 in Credit Card transactions initiated by Parson’s personal
13 attorney;
- 14 E. \$1,117.59 for food and restaurants; and
- 15 F. \$458 for a stay at the Ritz Carlton hotel.

16 40. Upon information and belief, none of the foregoing funds were related to
17 quantum technology.

18 41. As of July 18, 2024, the Checking Account had a balance of .37.⁶

19 Second CM Solicitation

20 42. On or around July 23, 2024, Parsons solicited further investment in QCT from
21 CM. CM asked Parsons how much money QCT held in its accounts. Parsons falsely
22 claimed QCT held \$50,000 in its accounts.

23 43. When CM declined to make an additional investment, and asked to review
24

25 ⁵ The Checking Account also received a \$3,500 deposit from a returned payment made to Parsons’ personal
attorney.

26 ⁶ The Checking Account received no further deposits. The only funds deposited in the Savings Account
came from the Checking Account.

1 QCT's financial records, Parsons terminated CM's involvement with QCT.

2 Additional Investment Information

3 44. At no time did Respondents provide MB and/or CM with detailed disclosures
4 of the risks specific to their investments in QCT, including risks particular to quantum
5 technology.

6 45. Neither MB nor CM had any control over the use of their investment funds.

7 46. Neither MB nor CM played an active role in the management and/or control of
8 Respondents' business operations. They relied on Respondents' efforts to realize a return
9 on their investments.

10 47. At no time did Respondents register MB and/or CM's investments with the
11 Director pursuant to ORS 59.055.

12 48. At no time have Respondents held an Oregon broker-dealer or securities
13 salesperson license, or otherwise been licensed with the Director to sell securities in
14 Oregon pursuant to ORS 59.165.

15 CONCLUSIONS OF LAW

16 The Director CONCLUDES that:

17 49. The investments QCT offered and sold to MB and CM, as documented by their
18 LP agreements, are "securities" under ORS 59.015(19)(a), as they are either "investment
19 contracts" or "evidence of indebtedness." They are investment contracts because MB and
20 CM invested money in a common enterprise with the expectation of profit to be made by
21 the management and control of others.

22 50. By offering and selling the foregoing investments to MB and CM, QCT "sold"
23 securities, under ORS 59.015(17)(a) and (b), and transacted business as "securities
24 salespersons" under ORS 59.015(18)(a).

25 51. By offering and selling securities to MB and CM without being licensed under
26 the Oregon Securities Law, QCT violated ORS 59.165(1).

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





1 52. By selling unregistered securities to MB and CM, QCT violated ORS 59.055.

2 53. QCT made the following misrepresentations in connection with the sale of a
3 security to MB, in violation of ORS 59.135(2):

4 A. Described QCT as a billion dollar firm;

5 B. Claimed Respondents had secured \$50 to \$100 million in investment
6 funds; and

7 C. Claimed Respondents were having substantive negotiations to contract
8 with Japan's Department of Transportation.

9 54. QCT made the following misrepresentations in connection with the sale of a
10 security to CM, in violation of ORS 59.135(2):

11 A. The Presentation misstatements identified in Paragraph (21);

12 B. Falsely claiming that QCT possessed the core features identified in
13 Paragraph (23);

14 C. Falsely suggesting that QCT created, designed, and/or developed the
15 products identified in Paragraph (25); and

16 D. Providing the false financial accounting and projections identified in
17 Paragraph (27).

18 55. QCT made a misrepresentation in connection with the offer of a security to CM
19 by falsely claiming that QCT held \$50,000 in its accounts when the accounts had been
20 depleted, in violation of ORS 59.135(2).

21 56. QCT failed to provide MB and/or CM with detailed disclosures of the risks
22 specific to their investments in QCT, including the risks particular to quantum technology,
23 a material omission in violation of ORS 59.135(2):

24 57. QCT employed a device, scheme, or artifice to defraud MB and CM, in
25 violation of ORS 59.135(1), and engaged in an act, practice, or course of business which
26 operated as a fraud or deceit upon MB and CM, in violation of ORS 59.135(3), by:

1 59.165(1).

2 63. As authorized by ORS 59.045(2), the Director hereby DENIES QCT, and any
3 successor business entity or any business entity owned, operated, or controlled by QCT,
4 the use of exemptions that would otherwise be available to QCT under ORS 59.025 and
5 ORS 59.035, concerning securities and transactions exempt from the registration
6 requirements of the Oregon Securities Law.

7 64. As authorized by ORS 59.995(1), the Director hereby ORDERS that QCT pay
8 a CIVIL PENALTY totaling \$120,000 as follows:

- 9 A. \$20,000 for violating ORS 59.055.
- 10 B. \$60,000 for violating ORS 59.135(2) in three instances;
- 11 C. \$20,000 for violating ORS 59.135(1) and (3); and
- 12 D. \$20,000 for violating ORS 59.165(1).

13 65. As authorized by ORS 59.995(4), the Director hereby ORDERS that QCT pay
14 RESTITUTION as follows:

- 15 A. \$32,274 to MB; and
- 16 B. \$50,000 to CM.

17 ///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

Division of Financial Regulation
 Labor and Industries Building
 350 Winter Street NE, Suite 410
 Salem, OR 97301-3881
 Telephone: (503) 378-4387



