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

In the Matter of: TRINITY NATIONAL HOLDINGS, LLC, Respondent.	Case No. S-19-0054 FINAL ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), acting in accordance with Oregon Revised Statutes ("ORS") 59.005 to 59.451, 59.991 and 59.995 (the "Oregon Securities Law"), and Oregon Administrative Rules ("OAR") chapter 441, has investigated the business activities of Trinity National Holdings, LLC ("Respondent").

Respondent has cooperated with the Director's investigation and wishes to resolve this matter with the Director.

Now, therefore, as evidenced by the signatures subscribed herein, Respondent hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a domestic limited liability company and has a principal place of business at 28525 SW Cascade Loop, Wilsonville, Oregon 97070. Respondent has been registered with the Oregon Secretary of State since September 5, 2007.

2. Respondent's primary business is to invest in distressed real estate mortgage notes. Respondent generally presents the opportunity to purchase such notes to a joint venture partner or

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investor. Those parties may then select a property for investment and enter into a contract with one another. The joint venture partners or investors supply the capital for the purchase of the notes. Respondent then uses those funds to acquire the note. Respondent may service the note, including by managing the properties and collecting revenue from the borrowers of the notes. The notes may also be sold. The capital investment is returned to the joint venture partner or investor and any profits are shared between Respondent and the partner or investor.

3. Between approximately June 2017 and May 2018, Respondent purchased 19 real estate mortgage notes with ten different joint venture partners or investors for a total investment of $681,535.

4. Respondent maintained a website and a Facebook page on which it generically presented opportunities to participate in a general note investing program; however, no specific opportunities for any particular note were publicly solicited. Respondent's owner also appeared on various radio or other publicly available audio-recorded podcast programs to discuss investing strategies.

5. At no relevant time did Respondent register any of the foregoing sales with the Division.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. The contracts Respondent entered into with joint venture partners or investors are "securities" as defined under ORS 59.015(19)(a).

7. The contracts Respondent entered into with joint venture partners or investors constitutes the "sale" of securities under ORS 59.015(17)(a).

8. Under ORS 59.055(1), it is unlawful for any person to offer or sell any security in this state, unless the security is registered and the offer or sale is not in violation of any rule or order of the Director.

9. By selling securities that were not registered, Respondent violated ORS

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59.055(1).

10. Under ORS 59.245(4), if the Director has reason to believe that any person has engaged, is engaging, or is about to engage in any violation of the Oregon Securities Law, the Director may issue an order, subject to ORS 59.295, directed to the person to cease and desist from the violation or threatened violation.

11. The Director has reason to believe that Respondent has engaged in a violation of the Oregon Securities Law.

12. Under ORS 59.995(1), any person who violates or who procures, aids, or abets in the violation of ORS 59.005 to 59.451, 59.710 to 59.830, 59.991 and 59.995 shall be subject to a penalty of not more than $20,000 for every violation, which shall be paid to the General Fund of the State Treasury.

ORDERS

The Director issues the following ORDERS:

Final Order to Cease and Desist

13. Pursuant to the authority under ORS 59.245(4), the Director hereby ORDERS Respondent to CEASE AND DESIST from offering and selling unregistered securities in the State of Oregon, in violation of ORS 59.055, and from violating any other provision of the Oregon Securities Law.

Final Order Assessing Civil Penalty

14. Pursuant to the authority under ORS 59.995, the Director hereby assesses a CIVIL PENALTY against Respondent in the amount of $2,045.00 for violating ORS 59.055.

15. The CIVIL PENALTY assessed herein is due and payable at the time this Order is returned to the Director.

16. Nothing contained herein is intended to establish a finding that Respondent – or any director, officer, or control person of Respondent ("covered person") – engaged in any conduct

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that constitutes "bad actor" conduct under Rule 506 of Regulation D of the Securities Act of 1933 (17 C.F.R. 230.506). The Division is not barring Respondent or any covered person from engaging in lawful conduct regulated by the Division, including the properly registered sale of securities or the sale of securities that are lawfully exempt from registration. The Division does not find that Respondent or any covered person engaged in any fraudulent, manipulative, or deceptive conduct to form the basis of this Order.

17. This is a "Final Order" under ORS 183.310(6)(b). Entry of this Order in no way limits or prevents further remedies, sanctions, or actions which may be available to the Director under Oregon law to enforce this Order, for violations of this Order, for conduct or actions of Respondent that are not covered by this Order, or against any Respondent or other party not covered by this Order.

SO ORDERED this 15th day of August, 2019 in Salem, Oregon.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Cody L. Cox, state that I am an authorized representative of Trinity National Holdings, LLC, and have the authority to sign this Consent Order. I have read the foregoing Order and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter, and I have been represented by counsel I this matter. I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter and waiving any rights to administrative or judicial review of this Order. I understand that the Director reserves the right to take further action against me to enforce this order or to take appropriate action upon discovery that I have committed other violations of the Oregon Securities Law. I will fully comply with the terms and conditions stated herein. I understand that this Order is a public document.

Signature: /s/ Cody L. Cox

Printed Name: Cody L. Cox

State of Oregon

County of Marion

Signed or attested before me on this 12 day of August, 2019 by Taisheka Broom.

/s/Taisheka Broom

Notary Public

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