

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE – SECURITIES DIVISION
2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030

In the Matter of:

**JOHN URANGA, an individual; JOHN
URANGA doing business as NVSG702, LLC
and NVSG702; NVSG702, LLC, a Nevada
limited liability company; JOHN URANGA
doing business as SILVERSTATE702 and
SILVERSTATE702, LLC; and JOHN
URANGA doing business as
SILVERSTATECONSULTANT,
Respondents.**

File No. INV18-146

FINAL ORDER TO CEASE AND DESIST

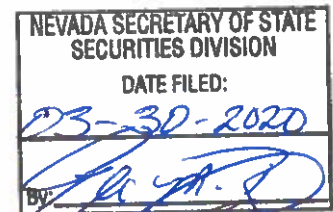
**TO: John Uranga, individually and
DBA NVSG702, NVSG702, LLC,
Silverstate702, LLC, Silverstate702
and Silverstateconsultant
500 N. Rainbow Blvd.
Las Vegas, NV 89107**

**John Uranga, individually and
DBA NVSG702, NVSG, LLC,
Silverstate702, LLC, Silverstate702
and Silverstateconsultant
2416 West Caribbean Lane #1 or No. 2
Phoenix, AZ 85023**

**John Uranga, individually and
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Silverstate702, LLC, Silverstate702
and Silverstateconsultant
2416 West Caribbean Lane #2
Phoenix, AZ 85023**

**NVSG702, LLC
c/o Legal Inc. Corporate Services, Registered Agent
1810 E. Sahara Avenue, Suite 215
Las Vegas, NV 89104**

**NVSG702, LLC
c/o United States Corporation Agents, Inc.
500 N. Rainbow Blvd., Ste. 300 A
Las Vegas, NV 89107**




WHEREAS, the Securities Division of the Office of the Nevada Secretary of State (“Division”) duly served a copy of the Notice of Summary Order to Cease and Desist Pursuant to NRS 90.630 and Opportunity for Hearing Pursuant to NRS 90.630(3) and Summary Order filed on February 11, 2020, upon John Uranga, individually and doing business as NVSG702, NVSG702, LLC, Silverstate702, LLC, Silverstate702, and Silverstateconsultant;

WHEREAS, Respondent failed to request a hearing within forty-five (45) days after the Summary Order was issued by certified mail to the last known address of Respondent as provided in NRS 90.630.

NOW THEREFORE, pursuant to the authority set forth in NRS 90.630, the Order to Cease and Desist (a copy of which is attached hereto and incorporated herein by this reference) is hereby final.

IT IS SO ORDERED.

DATED this 30th day of March, 2020.


Erin M. Houston, Esq.
Securities Administrator

CERTIFICATE OF MAILING

I certify that I am an employee of the Office of the Nevada Secretary of State and that on the 30th day of March, 2020 have caused a copy of the foregoing **FINAL ORDER TO CEASE AND DESIST**, to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

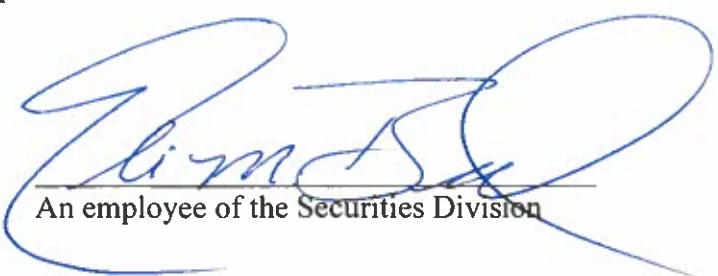
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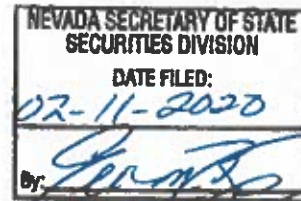
**NVSG702, LLC
c/o United States Corporation Agents, Inc.
500 N. Rainbow Blvd., Ste. 300 A
Las Vegas, NV 89107**


An employee of the Securities Division

**2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030**

File No. INV18-146

NVSG702, LLC
c/o United States Corporation Agents, Inc.
500 N. Rainbow Blvd., Ste. 300 A
Las Vegas, NV 89107



1 **NOTICE OF SUMMARY ORDER TO CEASE AND DESIST,**
2 **INTENDED ACTION PURSUANT TO NRS 90.630(2),**
3 **AND OPPORTUNITY FOR HEARING PURSUANT TO NRS 90.630(3)**

4 **YOU ARE HEREBY NOTIFIED** that pursuant to the legal authority granted the
5 Administrator of the Securities Division of the Office of the Secretary of State, State of Nevada
6 ("Administrator"), specifically Nevada Revised Statute ("NRS") 90.630, the Administrator hereby
7 issues this SUMMARY ORDER TO CEASE AND DESIST to JOHN URANGA ("Uranga"), an
8 individual, and to NVSG702, LLC ("NVSG"); NVSG702, LLC; Silverstate702, LLC;
9 Silverstateconsultant; or Silverstateconsultant.com.

10 **YOU ARE HEREBY FURTHER NOTIFIED** that you have a right to request a hearing on
11 the matters set forth in the Summary Order to Cease and Desist. If you do not request a hearing in
12 writing within 45 days after receipt of this notice, you waive your right to a hearing and the
13 Administrator may issue a permanent order. Should you request a hearing, the Administrator shall
14 set the matter for hearing at her earliest convenience but not less than 15 days or more than 60 days
15 after she receives written notice of that request for a hearing. Should you request a hearing, the
16 Administrator will notify you by registered or certified mail of the time and place set for the hearing.

17 **YOU ARE HEREBY FURTHER NOTIFIED** that the Securities Division, in addition to
18 seeking a Final Order to Cease and Desist, may also seek any of the sanctions allowed pursuant to
19 NRS 90.630, and may seek to hold Respondents liable for the costs of the investigation in this matter
20 if this matter should proceed to hearing. The Nevada Securities Division does not waive the right to
21 seek criminal prosecution pursuant to 90.650.

22 **YOU ARE HEREBY FURTHER NOTIFIED:**
23 **NRS 90.650, Criminal penalties.**

24 1. A person who willfully violates:

- 25 (a) A provision of this chapter, except NRS 90.600, or who violates NRS 90.600 knowing
26 that the statement made is false or misleading in any material respect;
27 (b) A regulation adopted pursuant to this chapter; or
28 (c) An order denying, suspending or revoking the effectiveness of registration or an order to
 cease and desist issued by the Administrator pursuant to this chapter,

☐ is guilty of a category B felony and shall be punished by imprisonment in the state prison for a
minimum term of not less than 1 year and a maximum term of not more than 20 years, or by a fine
of not more than \$500,000, or by both fine and imprisonment, for each violation. In addition to
any other penalty, the court shall order the person to pay restitution and may order the person to
repay the costs of investigation and prosecution incurred by the Division and the Office of the

1 Attorney General. If the violation was committed against an older person or vulnerable person,
2 any restitution and costs of investigation and prosecution imposed by the court must be in an
3 amount equal to twice the amount that would otherwise have been imposed by the court. Money
4 recovered for reimbursement of the costs of investigation and prosecution must be deposited in
5 the State General Fund for credit to the Secretary of State's Operating General Fund Budget
6 Account.

- 7 2. A person convicted of violating a regulation or order under this chapter may be fined, but must
8 not be imprisoned, if the person proves lack of knowledge of the regulation or order.
9 3. This chapter does not limit the power of the State to punish a person for conduct which constitutes
10 a crime under other law.

11 DATED this 11th day of February, 2020.

12 NEVADA SECURITIES DIVISION
13 OFFICE OF THE SECRETARY OF STATE

14 

15 ERIN M. HOUSTON, ADMINISTRATOR
16 DEPUTY SECRETARY OF STATE FOR SECURITIES
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1 **SUMMARY ORDER TO CEASE AND DESIST**

2 1. The Securities Division of the Office of the Secretary of State, State of Nevada
3 ("Division"), under the authority of the Nevada Uniform Securities Act ("Act"), codified in Chapter
4 90 of the NRS, has conducted and is continuing to conduct an investigation into the activities of
5 Respondents in connection with the applicable laws governing the registration of securities and the
6 regulation of broker-dealers and investment advisers in the State of Nevada.

7 2. The Administrator is authorized to enter a Summary Order to Cease and Desist
8 pursuant to NRS 90.630.

9 3. The Administrator has reviewed the Complaint for Summary Order and Final Order
10 to Cease and Desist and Other Appropriate Relief ("Complaint") filed on February 11, 2020, against
11 Respondents in the above-entitled matter. A copy of the Complaint is attached hereto and
12 incorporated herein by reference.

13 4. The factual allegations of the Complaint are accepted as true for the limited purposes
14 of this Summary Order to Cease and Desist and are hereby incorporated herein by reference.

15 **FINDINGS OF FACT**

16 5. For the limited purpose of this Summary Order to Cease and Desist, the Administrator
17 accepts all factual allegations set forth in the Complaint as true and finds that a Summary Order to
18 Cease and Desist is in the public interest and necessary to protect the public from potential financial
19 harm.

20 **CONCLUSIONS OF LAW**

21 6. Shares of NVSG are not registered with the Division, are not exempt from registration
22 with the Division, and/or are not federally covered securities.

23 7. Respondents have violated and continue to violate NRS 90.310 by acting as a broker-
24 dealer and Respondent Uranga as a sales representative without being licensed by the Division.

25 8. Respondents have violated and continue to violate NRS 90.330 by acting as an
26 investment adviser and Respondent Uranga by acting as a representative of an investment adviser
27 without being licensed by the Division.
28

9. Respondents have violated and continue to violate NRS 90.460 by offering to sell and selling securities that are not registered with the Division, are not exempt from registration with the Division, and/or are not federally-covered securities.

10. Respondents have employed a device, scheme, or artifice to defraud by engaging in the offer of unregistered, non-exempt securities that are not federally-covered securities.

11. Respondents have violated and continue to violate NRS 90.570 by engaging in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, including but not limited to offering to sell and selling securities and failing to deliver the purchased securities or a full refund of the purchase price.

SUMMARY ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, and the Administrator's findings that Respondents pose an immediate danger to the public welfare because Respondents are actively engaging in violations of the Act and appear to intend to violate said Act in the future, JOHN URANGA, individually or as a representative of NVSG702, LLC, or any of his various unincorporated business entities, are hereby ordered to immediately Cease and Desist from further activities in violation of the Act, including but not limited to offering for sale unregistered securities, acting as a sales representative or agent of the issuer without being licensed, acting as an unlicensed investment adviser and representative of an investment adviser, and engaging in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person.

Further, based upon the foregoing Findings of Fact and Conclusions of Law, and the Administrator's findings the Respondents pose an immediate danger to the public welfare, the Administrator revokes registration exemptions set forth in NRS 90.530(10) and NRS 90.530(11) regarding issuer transactions, evidence of indebtedness, investment contracts or stock, sold by Uranga, individually or as a representative of NVSG702, LLC; Silverstate702, LLC; Silverstateconsultant; or Silverstateconsultant.com, and to be issued or issued by the same.

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III

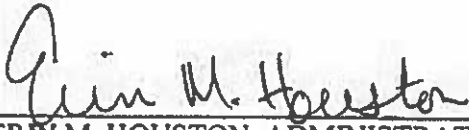
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1 This Summary Order to Cease and Desist is effective immediately upon signing.

2 IT IS SO ORDERED.

3 DATED this 11th day of February, 2020.

4
5 NEVADA SECURITIES DIVISION
6 OFFICE OF THE SECRETARY OF STATE

7 
8 _____
9 ERIN M. HOUSTON, ADMINISTRATOR
10 DEPUTY SECRETARY OF STATE FOR SECURITIES
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CERTIFICATE OF MAILING

I certify that I am an employee of the Securities Division of the Office of the Secretary of State, State of Nevada, and that on this 11th day of February, 2020, I have caused a true and correct copy of the foregoing Summary Order to Cease and Desist to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

**John Uranga, individually and
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Employee of the Nevada Securities Division

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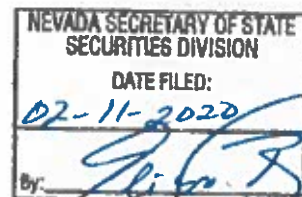
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Las Vegas, NV 89107



1 **COMPLAINT FOR SUMMARY ORDER AND FINAL ORDER**
2 **TO CEASE AND DESIST AND OTHER APPROPRIATE RELIEF**

3 COMES NOW, the Securities Division of the Office of the Secretary of State, State of Nevada
4 ("Division"), and for its complaint against the above-named Respondents for violations of the Nevada
5 Uniform Securities Act, as codified in Chapter 90 of the Nevada Revised Statutes, alleges as follows:

6 **PARTIES**

7 1. Respondent John Uranga ("Uranga") is an individual who, upon information and
8 belief, operates various sports betting funds from the State of Nevada.

9 2. Respondent NVSG702, LLC, is a Nevada-based limited liability company that filed
10 Articles of Organization on or about August 26, 2016 with the Nevada Secretary of State
11 Commercial Recordings Division ("Commercial Recordings"), under Nevada Business ID No.
12 NV20161506249. The entity did not file its first annual list, and has been in revoked status since
13 October 2016.

14 3. A second NVSG702, LLC, filed Articles of Organization on or about September 20,
15 2017 under Nevada Business ID No. NV 20171602568 and similarly no first annual list was ever
16 filed. The entity has been in revoked status since November 2017. Both NV20161506249 and
17 20171602568 are collectively referred to as "NVSG".

18 4. Based upon information and belief, Uranga has operated and maintained websites and
19 businesses under the following domain names or names, which are not legally formed entities:

- 20 a. NVSG702.com
- 21 b. NVSG702
- 22 c. Silverstate702, LLC
- 23 d. Silverstate702
- 24 e. Silverstateconsultant.com
- 25 f. Silverstateconsultant

26 **FACTUAL BACKGROUND**

27 5. Respondent URANGA operated a "Sports Betting Hedge Fund" as described on
28 Respondent's website "NVSG702.COM" in the "About NVSG" description page. The

1 Respondent's webpage "Operating Agreement" set forth that NVSG was "created in 2016 as a start-
2 up for Nevada Group wagering aka entity wagering/hedge fund wagering, John Uranga birthed
3 NVSG702 with the intention of creating a business platform that was similar to the stock market but
4 had hire [sic] dividend payouts."

5 6. "NVSG702.COM also included the following description of the Respondent's
6 business model:

7 John Uranga was the sole owner of the company and the brains behind it,
8 however he decided to share his dream and vision with the world with that
9 being said anyone who chooses to invest does so knowingly and willing
10 accepting any losses of NVSG702 as unto their owns." [sic] "Anyone who
11 invest into NVSG702 and requests more than a 50% payout before the 4th
12 QT of there initial investment is subject to account slot forfeiture in future
13 Quarters, penalization and taxes up to 90% of initial investment. Anyone
14 who request a full 100% dividend payout within 4 quarters of joining will
15 be subject too a 75% penalization and can never rejoin nore anyone in the
16 immediate family of said individual. Anyone who requests 20-49% payout
17 within 4 Quarters of joining will be subject to a 65% penalization. Anyone
18 who requests 10-19% within 4 Quarters will be subject to 55% penalization.
19 Anyone who requests 10% or less within the 4 Quarters of joining will be
20 subject to a 35% penalization. After 4 full Quarters of invested funds
21 account holders may pull whatever amount or percentage of funds without
22 penalization. Under no circumstances is Mr Uranga expected to payout
23 dividends on behalf of NVSG702 before 4 full quarters or 400 days of
24 account holders initial investment whichever comes last. In special
25 circumstances Mr Uranga has the ability to lower penlization fees. Mr.
26 Uranga and NVSG702 have no obligation to recover lost funds by account
27 investors if wagers made by NVSG702 are lost. Mr. Uranga/NVSG702
28 does not operate a gambling site or business. This is a start up entity fund
and consulting firm and Mr. Uranga/NVSG702 is not required to officially
give out dividends until full start up amount of 10,000/TEN MILLION USD
IS RAISED. Any pictures or stats posted are purely fictitious and examples
of the sports wagering industry this site and all others including social media
platforms, picture messages, texts and emails owned and operated by
NVSG702 are strictly for information and preparation of what is to come
and the format NVSG702 wish to operates on and have set in place. Thank
you all for your belief in NVSG702 God bless have a great day.[sic]

7. On NVSG702.COM, John Uranga described himself as a "26 Years Old Nevada
Resident of 6 Years, Born and Raised in Phoenix, Arizona."

8. NVSG's website describes various packages of services, including "step-by-step
instructions including screen shots of how to place bets as well as the teaching of betting

terminology" at various package prices from a daily rate of \$25.00 to a yearly rate of \$3,650.00. For this, Uranga promises to share his general betting expertise by providing instructions for specific bets for his clients to make and states he has "personal relationships with many athletes which allows me to have inside information on clubhouse injuries that aren't always made public."

9. Based upon information and belief, Respondent Uranga operated the website "silverstateconsultant.com", a "Full Service Sports Consulting Firm".

10. Set forth on the "Terms of Service" page of Silverstateconsultant.com is the following:

- Legal Disclaimer *** Created in 2016 as a start up for Nevada Group wagering aka entity wagering/ hedge fund wagering John Uranga birthed NVSG702/Silverstate702 with the intention of creating a business platform that was similar to the stock market but had hire dividend payouts. JOHN URANGA was the sole owner of the company and the brains behind it, however he decided to share his dream and vision with the world with that being said anyone who chooses to invest does so knowingly and willing accepting any losses of NVSG702 as unto there owns. Anyone who invest into NVSG702 and requests more then a 50% payout before the 4th QT of there initial investment is subject to account slot forfeiture in future Quarters, penalization and taxes up to 90% of initial investment. Anyone who request a full 100% dividend payout within 4 quarters of joining will be subject too a 75% penalization and can never rejoin anymore nor anyone in the immediate family of said individual. Anyone who requests 20-49% dividend payout within 4 Quarters of joining will be subject to a 65% penalization. Anyone who requests 10-19% within 4 Quarters will be subject to 55% penalization. Anyone who requests 10% or less within the 4 Quarters of joining will be subject to a 35% penalization. After 4 full Quarters of invested funds account holders may pull whatever amount or percentage of funds without penalization. Under no circumstances is Mr Uranga expected to payout dividends on behalf of NVSG702 before 4 full Quarters or 400 days of account holders initial investment whichever comes last. In special circumstances Mr uranga has the ability to lower penalization fees. Mr Uranga and NVSG702/Silverstate are not liable for any lost funds due to account investors personal losses or does Mr Uranga/ NVSG702 encourage account investors to wager or gamble on anything. Mr Uranga and NVSG702/Silverstate have no obligation to recover lost funds by account investors if wagers made by NVSG702 are lost.
- Mr Uranga/NVSG702 does not operate a gambling site or business. This is a start up entity fund and consulting firm and Mr Uranga/NVSG702/Silverstate is not required to officially give out dividends until full start up amount of 10,000,00 / TEN MILLION USD IS RAISED.
- NVSG702/Silverstate** is not registered with the Securities and Exchange Commission, nor does it have to be for SB443. It is purely for reference.
- Legal & Regulated
- The newly passed Senate Bill 443 allows Nevada entities to place sports wagers with funds from their investors.

- 1 • How do I invest?
- 2 • Entity wagering works similarly to traditional funds. First
- 3 email support@nvsg702.com Request the company operating agreement fill it out
- 4 send it back along with state issued ID/License and or passport. Once approved you
- 5 become a member, and transfer funds to NVSG702/Silverstate702
- 6 • How am I approved?
- 7 • You will need to fill out a short verification form, have it notarized, and email it
- 8 to NVSG702LLC/Silverstate702
- 9 • Silverstate investors operate on a month to month basis with dividends paying out
- 10 after month 3 of the company and every month as requested by investor.
- 11 • Taxes and ownership fees can total up too but will not ever exceed 40%.
- 12 • Any pictures or stats posted are purely fictitious and examples of the sports wagering
- 13 industry this site and all others including social media platforms, picture messages,
- 14 texts and emails owned and operated by NVSG702/Silverstate are strictly for
- 15 information and preparation the format NVSG702/Silverstate wishes to operates on
- 16 and have set in place and we will never offering gambling/betting directly from our
- 17 companies. Thank you all for your belief in NVSG702 God bless have a great day.

11
12 11. Based upon information and belief, Senate Bill 443 is a reference to SB443, adopted
13 during the 2015 Nevada Legislative Session. SB 443 allowed entities to conduct previously
14 prohibited gaming, to wit: entity sports wagering. Nothing in the SB443 provides an exemption
15 from Nevada or Federal securities laws.

16 12. In March 2017, Unnamed Investor #1 ("UII") came across the website for NVSG and
17 contacted Uranga for more information.

18 13. UII initially purchased a monthly package with Respondents for \$60.00. Uranga
19 immediately contacted UII and began regular correspondence with UII in regards to sports bets he
20 advised UII to make on his own.

21 14. After the first month, in April 2017, Uranga then offered UII the opportunity to invest
22 in what Uranga described as a sports betting hedge fund he called NVSG702 with an initial
23 investment of \$10,000.00, promising an astronomical return on his investment.

24 15. Uranga assured UII that he held a valid business license in the State of Nevada and
25 sent a copy of a stock certificate purporting to be that of Respondent NVSG.

26 16. UII made the following investments to a PayPal account he believed belonged to the
27 Uranga as manager of the "NVSG702 fund":

28 a. March 20, 2017 -- \$62.04

- 1 b. April 5, 2017 -- \$600.00
- 2 c. April 10, 2017 -- \$2000.00
- 3 d. April 27, 2017 -- \$1,000.00
- 4 e. May 19, 2017 -- \$1,000.00
- 5 f. May 30, 2017 -- \$400.00
- 6 g. June 7, 2017 -- \$500.00
- 7 h. August 24, 2017 -- \$500.00
- 8 i. September 20, 2017 -- \$500.00
- 9 j. September 29, 2017 -- \$500.00
- 10 k. October 26, 2017 -- \$500.00
- 11 l. January 1, 2018 -- \$2,500.00

12 17. On January 5, 2018, UII wired \$2,500.00 to Wells Fargo Account #xxx-xxx-5649,
13 which account is titled in the name of "NVSG702, LLC" at a branch address located in Las Vegas,
14 Nevada, as an investment in the sports betting hedge fund.

15 18. On January 19, 2018, UII wired \$2,500.00 to Clark County Credit Union #xxx692,
16 which account is held by John Uranga at a branch office located in Las Vegas, Nevada, as an
17 investment in the sports betting hedge fund.

18 19. On May 23, 2018, UII wired \$2,000.00 to Chase Bank Account #xxx-xxx-659"
19 located at a Las Vegas, Nevada branch office, as an investment in the sports betting hedge fund..

20 20. Uranga also described alternate funds he called "Silverstate702" and "United States
21 Sports Wagering" to UII.

22 21. At the time of the investment, UII was not provided with a receipt, contract or other
23 documents to reflect his investment in Uranga's sports betting hedge fund.

24 22. By June 2018, UII had invested a total of \$17,062.04 and had not been paid any
25 dividends by Uranga or NVSG.

26 23. UII requested payment of dividends or to otherwise withdraw his monies from the
27 fund from Uranga. Uranga promised to send a check via US mail, which never arrived. Growing
28 concerned, UII then traveled directly to Las Vegas to meet Uranga and receive his check. Uranga

1 arranged to meet with UII in two different locations in Las Vegas on two different days and never
2 appeared at either location.

3 24. Uranga has since ceased all communication with UII and has blocked all forms of
4 electronic communication between himself and UII. As of the date of this complaint, UII has not
5 received the requested return of his monies from Uranga or NVSG702.

6 25. UII is not an accredited investor as defined by 17 CFR §230.501(a)(5)-(6), which
7 states that an accredited investor is "any natural person whose individual net worth...exceeds
8 \$1,000,000" or "any natural person who had an individual income in excess of \$200,000 in each of
9 the two most recent years." At the time of the investment, UII's assets were limited to less than
10 \$750,000.00 and his yearly income was between \$50,000 and \$75,000.00.

11 26. Based upon information and belief, Respondent Uranga has also offered investments
12 in a sports betting hedge fund under the name Silverstate702, LLC. The investment contract for this
13 fund referred to Silverstate702/NVSG702, provided that an investor will receive a members sheet,
14 and indicated that taxes would be paid on profits, as well as a 10% fee to Respondent Uranga. The
15 contract also provided that the investor was to provide funds to the Bank America account, under
16 the name John Uranga (Silverstate702, LLC) and numbered xxxx-xxxx- 2432.

17 27. Based upon information and belief, Respondents have offered a 10% fee of initial
18 investment to individuals referring investors to Respondents' funds.

19 28. According to records maintained by the Division, Respondent Uranga has never been
20 licensed with the Division as a sales representative of a broker/dealer or issuer. Upon information
21 and belief, Uranga did not disclose the fact that he was required to be licensed and was not to UII or
22 to other investors whom Uranga solicited.

23 29. According to records maintained by the Division, Respondent Uranga has never filed
24 an application for the registration of securities or a notice of exemption from registration with the
25 Division. Upon information and belief, Respondents did not disclose the fact that the security was
26 required to be registered or exempt and it was not to UII or to other investors whom Uranga solicited.

27 30. According to records maintained by the Division Respondents have never been
28 licensed with the Division as an investment adviser. Upon information and belief, Uranga did not

1 disclose the fact that Respondents were required to be licensed and were not to UII or to other
2 investors Uranga solicited.

3 31. According to records maintained by the Division, Respondent Uranga has never been
4 licensed with the Division as a representative of an investment adviser. Upon information and belief,
5 Uranga did not disclose the fact that he was required to be licensed and was not to UII or to other
6 investors whom Uranga solicited.

7 32. CG Technology is the only sportsbook in the State of Nevada that has ever been
8 approved by the Nevada Gaming Commission to accept entity wagering. Upon information and
9 belief, no Respondent has ever been an approved entity with CG Technology, and CG Technology
10 has never accepted wagers from any Respondent for entity wagering. CG Technology is no longer
11 approved by the Nevada Gaming Commission to accept entity wagering and no other sportsbook has
12 been approved in its stead.

13 33. The website at silverstateconsultant.com sets forth that it is a "Full Service Sports
14 Consulting Firm". The site differs slightly from that of NVSG702.com, but the majority of the
15 language has remained unchanged.

16 34. Uranga continues to offer unregistered investments into a sports betting hedge fund
17 through the Silverstateconsultant.com website.

18 35. NVSG702 is not an actively registered entity in the State of Nevada, although the
19 home page of the site states, "We are a Full Service Sports Consulting Firm based in Las Vegas,
20 Nevada. We use highly skilled algorithms that we have built over the years. We take as much guess
21 work out of the mix as possible. We are the top rated gambling firm in America! Please contact us
22 today for more information!"

23 36. The silverstateconsultant.com site also sets forth various charges that can occur for
24 early withdrawal of an investor's fund. The site also sets forth that the "taxes and ownership fees
25 can total up too but will not ever exceed 40%".

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1 41. NRS 90.280 defines "sale" and "sell" as including "every contract of sale, contract to
2 sell, or other disposition, of a security or interest in a security for value." Additionally, "offer to
3 sell" includes "every attempt or offer to dispose of, or solicitation of an offer to purchase, a security
4 or interest in a security for value."

5 42. NRS 90.250 defines an "investment adviser" as "any person who, for compensation,
6 engages in the business of advising others as to the value of securities or as to the advisability of
7 investing in, purchasing or selling securities, or who, for compensation and as a part of a regular
8 business, issues or promulgates analyses or reports concerning securities."

9 43. NRS 90.255 defines "issuer" as "a person who issues or proposes to issue a security."

10 44. NRS 90.285 defines "sales representative" as "a natural person other than a broker-
11 dealer, authorized to act and acting for a broker-dealer or issuer effecting or attempting to effect
12 purchases or sales of securities."

13 45. NRS 90.220 defines a "broker-dealer" as "any person engaged in the business of
14 effecting transactions in securities for the account of others or for the person's own account."

15 46. As set forth in NRS 90.310, it is a violation of the Act for any person to act as a broker-
16 dealer or sales representative unless licensed or exempt from licensing under the Act; additionally,
17 it is a violation of the Act for any issuer or any licensed broker-dealer to employ or contract with a
18 person as a sales representative unless the sales representative is licensed or exempt from licensing
19 under the Act.

20 47. As set forth in NRS 90.460, it is a violation of the Act for a person to offer to sell or
21 sell any security in this State unless the security is registered or the security or transaction is exempt
22 under the Act.

23 48. As set forth in NRS 90.550, the Administrator by order may deny or revoke an
24 exemption specified in NRS 90.520 or 90.530, with respect to a specific security or transaction.

25 49. As set forth in NRS 90.570, in connection with the offer to sell, sale, offer to purchase
26 or purchase of a security, a person shall not, directly or indirectly, employ any device, scheme or
27 artifice to defraud; make an untrue statement of a material fact or omit to state a material fact
28 necessary in order to make the statements made not misleading in the light of the circumstances

1 under which they are made; or engage in an act, practice or course of business which operates or
2 would operate as a fraud or deceit upon a person.

3 50. As set forth in NRS 90.630(1), if the Administrator of the Division reasonably believes
4 that a security is being offered or has been offered or sold in violation of the Act, or that a person is
5 acting in violation of the Act, the Administrator may issue, without a prior hearing, a Summary Order
6 against the person engaged in the prohibited activities, directing such person to desist and refrain
7 from further activity until the security is registered or such person is licensed under the Act.

8 51. Pursuant to NRS 90.630(2), the Administrator of the Division, after giving notice by
9 registered certified mail and conducting a hearing in an administrative proceeding, unless the right
10 to notice and hearing is waived by the person against whom the sanction is imposed, may: (a) issue
11 an order against the person to cease and desist; (b) censure the person if he or she is a licensed broker-
12 dealer, sales representative, investment adviser or representative of an investment adviser; (c) bar or
13 suspend the person from association with a licensed broker-dealer or investment adviser in this State;
14 (d) issue an order against an applicant, licensed person or other person who willfully violates this
15 chapter, imposing a civil penalty of not more than \$25,000 for each violation, or if the violation was
16 committed against an older person or vulnerable person, a civil penalty equal to twice the amount of
17 the civil penalty that would otherwise have been imposed pursuant to this paragraph, not to exceed
18 \$50,000 for each violation; or (e) initiate one or more of the actions specified in NRS 90.640.

19 52. Pursuant to NRS 90.575, a sales representative of a broker dealer, an investment
20 adviser, and a representative of an investment adviser, owe to UII a fiduciary duty to act in his best
21 interest.

22 COUNT I

23 (Unlicensed Broker-Dealer and Sales Representative)

24 53. The Division realleges and incorporates by reference paragraphs 1 through 52 above
25 as if set forth fully herein.

26 54. Respondents are not licensed as a broker-dealer with the Division.

27 55. Respondent Uranga is not licensed as sales representative with the Division.

56. Respondents by engaging in the conduct above, have violated and continue to violate NRS 90.310 by acting as a broker-dealer and Respondent Uranga as a sales representative without being licensed by the Division.

COUNT II

57. The Division realleges and incorporates by reference paragraphs 1 through 56 above as if set forth fully herein.

58. Respondents are not licensed as an investment adviser with the Division.

59. Respondent Uranga is not licensed as a representative of an investment adviser with the Division.

60. Respondents, by engaging in the conduct above, have violated and continue to violate NRS 90.330 by acting as an investment adviser and Respondent Uranga by acting as a representative of an investment adviser without being licensed by the Division.

COUNT III

(Offer or Sale of Unregistered Securities)

61. The Division realleges and incorporates by reference paragraphs 1 through 60 above as if set forth fully herein.

62. Respondents have not filed an application for the registration of securities or a notice of exemption from registration with the Division for the sale of the securities as described supra.

63. Respondents have violated and continue to violate NRS 90.460 by offering to sell and selling securities that are not registered with the Division, are not exempt from registration with the Division, and/or are not federally-covered securities.

COUNT IV

(Operating as a Deceit Upon a Client)

64. The Division realleges and incorporates by reference paragraphs 1 through 63 above as if set forth fully herein.

65. Respondents by engaging in the conduct set forth above, have employed a device, scheme, or artifice to defraud by engaging in the offer of unregistered, non-exempt securities that are not federally-covered securities.

66. Respondents have violated and continue to violate NRS 90.570 by engaging directly or indirectly in an act, practice, or course of business that operates or would operate as a deceit upon a client.

REQUEST FOR RELIEF

Based upon the foregoing, the Division respectfully requests the following:

1. That a Summary Order be entered requiring that Respondents immediately Cease and Desist from violating the Act;

2. That a Final Order be entered requiring that Respondents immediately Cease and Desist from violating the Act;

3. That a Civil Penalty not to exceed \$25,000.00 be imposed against Respondents for each violation of the Act;

4. That a Civil Penalty not to exceed \$50,000.00 be imposed against Respondents for each violation of the Act against an older person or a vulnerable person;

5. That the exemptions from registration set forth in NRS 90.530 be revoked for any evidence of indebtedness, limited liability membership or other security issued by NVSG702, LLC and/or sold by any Respondent.

6. Reasonable attorney's fees and costs of investigation; and

7. For such other and further relief as the Hearing Officer deems just and proper.

Dated this 11 day of February 2020.

Respectfully submitted,

NEVADA SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE

Ain M. Houston

ERIN M. HOUSTON
ADMINISTRATOR

CERTIFICATE OF MAILING

I certify that I am an employee of the Securities Division of the Office of the Secretary of State, State of Nevada, and that on this 14th day of February, 2020, I have caused a true and correct copy of the foregoing Complaint for Summary and Final Order to Cease and Desist and Other Appropriate Relief to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

**John Uranga, individually and
DBA NVSG702, NVSG702, LLC,
Silverstate702, LLC, Silverstate702
and Silverstateconsultant
500 N. Rainbow Blvd.
Las Vegas, NV 89107**

**John Uranga, individually and
DBA NVSG702, NVSG, LLC,
Silverstate702, LLC, Silverstate702
and Silverstateconsultant
2416 West Caribbean Lane #1 or No. 2
Phoenix, AZ 85023**

**John Uranga, individually and
DBA NVSG702, NVSG, LLC,
Silverstate702, LLC, Silverstate702
and Silverstateconsultant
2416 West Caribbean Lane #2
Phoenix, AZ 85023**

**NVSG702, LLC
c/o Legal Inc. Corporate Services, Registered Agent
1810 E. Sahara Avenue, Suite 215
Las Vegas, NV 89104**

**NVSG702, LLC
c/o United States Corporation Agents, Inc.
500 N. Rainbow Blvd., Ste. 300 A
Las Vegas, NV 89107**


Employee of the Nevada Securities Division