STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION OF BANKING AND SECURITIES

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In the matter of:) ORDER NO: 12-029-S
) ORDER NO. 12-029-3
VirtualMetrix, Inc.		ORDER IMPOSING A CIVIL PENALTY AND CONSENT TO ORDER
))
)
	Respondent.	<i>)</i> } }

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (the Administrator), has conducted an investigation into certain business activities of VirtualMetrix, Inc. (VirtualMetrix or Respondent), and has determined that Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS) 45.55 et seq., by offering and selling securities in Alaska without the securities first being registered or with benefit of exemption from registration.

Respondent agrees that the Administrator has jurisdiction over Respondent and these matters pursuant to the Alaska Securities Act.

Respondent wishes to resolve and settle this matter with the Administrator. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order assessing a civil penalty based on the Conclusions of Law and Order. Respondent waives its right of appeal under AS 45.55.920(d).

I. FACTS

1. VirtualMetrix (Respondent) is a corporation organized under the laws of the State of California. Respondent was formed in California on May 5, 2005 and was issued entity number C2589945 by the California Secretary of State. Respondent's primary business

location and mailing address is 16738 Zumaque Street, Suite A, Rancho Santa Fe, California 92067.

- 2. On February 11, 2011, Respondent issued a Convertible Secured Promissory Note to an Alaska resident investor for the principal amount of \$10,000.
- 3. On April 22, 2011, respondent issued a Convertible Secured Promissory Note to the same Alaska resident investor for the principal amount of \$15,000.
- 4. Neither the February 11, 2011 transaction nor the April 22, 2011 transaction was registered with the State of Alaska, and no exemption from registration filing was made with the Division of Banking and Securities.

II. CONCLUSIONS OF LAW

- 1. The Convertible Secured Promissory Notes offered and sold by Respondent were securities under AS 45.55.990(32).
- 2. The Convertible Secured Promissory Notes offered and sold by Respondent were not registered under AS 45.55; were not federal covered securities; and no exemption from registration filings were made pursuant to AS 45.55.900 with the Division.
- 3. Because Respondent did not register the securities or qualify for exemptions, Respondents violated AS 45.55.070 by offering and selling those securities.
- 4. Respondent is subject to a civil penalty under AS 45.55.920 for selling unregistered securities.

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III. ORDER

- 1. Respondent is ordered to pay a civil penalty under AS 45.55.920(c) in the amount of \$500. The civil penalty is due and payable in full at the time of the entry of this Order.
- 2. Respondent is ordered to comply with all provisions of the Alaska Securities Act, including associated regulations.
 - 3. Nothing in this order affects any private right of action under AS 45.55.930

SUSAN BELL, Commissioner Department of Commerce, Community and Economic Development

February 19, 2014

Date

/s/ Kevin Anselm

Kevin Anselm, Director

Division of Banking and Securities

Corporate Consent to Entry of Order

, state that I am the CEO

VirtualMetrix, Inc. (VirtualMetrix); that I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the Order's contents; that VirtualMetrix has been represented by counsel in this matter; that VirtualMetrix admits the jurisdiction of the Department of Commerce, Community and Economic Development, Division of Banking and Securities (Division) for purposes of settling this action and VirtualMetrix further consents to entry of this Order by the Division as settlement of the issues contained in this Order, without admitting or denying the factual allegations stated herein; that VirtualMetrix and I have been advised of the right to a hearing; that VirtualMetrix voluntarily and without any force or duress, consents to the entry of this Order, and acknowledges that nothing in this Order affects any private right of action under AS

VirtualMetrix, Inc.
Order imposing civil penalty and consent to order

I. Val Popescu

of

1	45.55.930; that VirtualMetrix expressly waives any right to a hearing in this matter; that		
2	VirtualMetrix understands that the Administrator reserves the right to take further actions to		
3	enforce this Order or to take appropriate action upon discovery of other violations of the		
4	Alaska Securities Act; and that VirtualMetrix will fully comply with the terms and conditions		
5	stated herein.		
6	VirtualMetrix further assures the Administrator that VirtualMetrix and its members,		
7	officers, employees and agents will only effect securities transactions in Alaska in full		
8	compliance with the terms of this Order, the Alaska Securities Act (AS 45.55) and		
9	regulations (AAC 03.008).		
10	VirtualMetrix understands that this Consent Order is a public document.		
11			
12	February 11, 2014 /s/ Val Popescu		
13	Date VirtualMetrix, Inc.		
	Name Val Popescu		
14	Title CEO		
15			
16	SUBSCRIBED AND SWORN TO before me this day of, at		
17			
18			
19	Notary Public in and for		
11	1		

See Attached Document

Notary Public in and for

Notary Printed Name

My commission expires:

Approved as to form:

23 Name

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4 Attorney for respondent

VirtualMetrix, Inc.
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DEPARTMENT OF COMMERCE, CO

Contact Person: George R. Humm Securities Examiner (907) 269-8141

VirtualMetrix, Inc. Order imposing civil penalty and consent to order

CALIFORNIA JURAT WITH AFFIANT STATEMENT

See Attached Document (Notary to cr □ See Statement Below (Lines 1–5 to b	ross out lines 1-6 below) pe completed only by document signer[s], not Notary)
3	
5	
6Signature of Document Signer No. 1	Signature of Document Signer No. 2 (if any)
State of California	
County of San Diego	Subscribed and sworn to (or affirmed) before me on this
	11th day of February , 20 14 by (1) Valerie Popescu Name of Signer proved to me on the basis of satisfactory evidence to be the person who appeared before me (.) (,)
MICHELLE PLAVNIKOV Commission # 1977125 Notary Public - California San Diego County My Comm. Expires May 4, 2016	(and (2)
	Signature /s/ Michelle Plavnikov Signature of Notary Public
Place Notary Seal Above	
Though the information below is not require valuable to persons relying on the docume fraudulent removal and reattachment of this fo	ent and could prevent OF SIGNER #1 OF SIGNER #2 Top of thumb here RIGHT HUMBPRINT OF SIGNER #2 Top of thumb here
Title or Type_of Document: Order Imposing a Civil Consent to Order	il Penalty and
Document Date. February 11, 2014	Number of Pages:
Signer(s) Other Than Named Above:	