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8 UNITED STATES DISTRICT COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

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12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 vs.

15 RYVYL, INC, FREDI NISAN, AND
16 BEN ERREZ

17 Defendants.
18

Case No.: 3:26-cv-2672-WQH-MMP

CONSENT OF DEFENDANT BEN ERREZ

19
20 1. Defendant BEN ERREZ (“Defendant”) waives service of a summons
21 and the complaint in this action, enters a general appearance, and admits the Court’s
22 jurisdiction over Defendant and over the subject matter of this action.

23 2. Without admitting or denying the allegations of the complaint (except as
24 provided herein in paragraph 12 and except as to personal and subject matter
25 jurisdiction, which Defendant admits), Defendant hereby consents to the entry of the
26 final Judgment in the form attached hereto (the “Final Judgment”) and incorporated
27 by reference herein, which, among other things:
28

- 1 (a) permanently restrains and enjoins Defendant from violation of
2 Section 10(b) of the Securities Exchange Act of 1934 (the
3 “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5
4 promulgated thereunder [17 C.F.R. § 240.10b-5], Section 17(a) of
5 the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §
6 77q(a)], and from aiding and abetting any violation of Section
7 13(a) of the Exchange Act [15 U.S.C. §78m(a)] and Rules 12b-20,
8 13a-1, 13a-11, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1,
9 240.13a-11, 240.13a-13] promulgated thereunder
- 10 (b) prohibits Defendant, under Section 21(d)(5) of the Exchange Act
11 [15 U.S.C. § 78u(d)(5)], from acting as an officer or director of
12 any issuer that has a class of securities registered pursuant to
13 Section 12 of the Exchange Act [15 U.S.C. § 781] or that is
14 required to file reports pursuant to Section 15(d) of the Exchange
15 Act [15 U.S.C. § 78o(d)] for a period of five (5) years; and
- 16 (c) orders Defendant to pay a civil penalty in the amount of \$230,464
17 under Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d),
18 and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

19 3. Defendant acknowledges that the civil penalty paid pursuant to the Final
20 Judgment may be distributed pursuant to the Fair Fund provisions of Section 308(a)
21 of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund
22 distribution is made, the civil penalty shall be treated as a penalty paid to the
23 government for all purposes, including all tax purposes. To preserve the deterrent
24 effect of the civil penalty, Defendant agrees that he shall not, after offset or reduction
25 of any award of compensatory damages in any Related Investor Action based on
26 Defendant’s payment of disgorgement in this action, argue that he is entitled to, nor
27 shall he further benefit by, offset or reduction of such compensatory damages award
28 by the amount of any part of Defendant’s payment of a civil penalty in this action

1 (“Penalty Offset”). If the court in any Related Investor Action grants such a Penalty
2 Offset, Defendant agrees that he shall, within 30 days after entry of a final order
3 granting the Penalty Offset, notify the Commission’s counsel in this action and pay
4 the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as
5 the Commission directs. Such a payment shall not be deemed an additional civil
6 penalty and shall not be deemed to change the amount of the civil penalty imposed in
7 this action. For purposes of this paragraph, a “Related Investor Action” means a
8 private damages action brought against Defendant by or on behalf of one or more
9 investors based on substantially the same facts as alleged in the Complaint in this
10 action.

11 4. Defendant agrees that he shall not seek or accept, directly or indirectly,
12 reimbursement or indemnification from any source, including but not limited to
13 payment made pursuant to any insurance policy, with regard to any civil penalty
14 amounts that Defendant pays pursuant to the Final Judgment, regardless of whether
15 such penalty amounts, or any part thereof are added to a distribution fund or
16 otherwise used for the benefit of investors. Defendant further agrees that he shall not
17 claim, assert, or apply for a tax deduction or tax credit with regard to any federal,
18 state, or local tax for any penalty amounts that Defendant pays pursuant to the Final
19 Judgment, regardless of whether such penalty amounts or any part thereof are added
20 to a distribution fund or otherwise used for the benefit of investors.

21 5. Defendant waives the entry of findings of fact and conclusions of law
22 pursuant to Rule 52 of the Federal Rules of Civil Procedure.

23 6. Defendant waives the right, if any, to a jury trial and to appeal from the
24 entry of the Final Judgment.

25 7. Defendant enters into this Consent voluntarily and represents that no
26 threats, offers, promises, or inducements of any kind have been made by the
27 Commission or any member, officer, employee, agent, or representative of the
28 Commission to induce Defendant to enter into this Consent.

1 8. Defendant agrees that this Consent shall be incorporated into the Final
2 Judgment with the same force and effect as if fully set forth therein.

3 9. Defendant will not oppose the enforcement of the Final Judgment on the
4 ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of
5 Civil Procedure, and hereby waives any objection based thereon.

6 10. Defendant waives service of the Final Judgment and agrees that entry of
7 the Final Judgment by the Court and filing with the Clerk of the Court will constitute
8 notice to Defendant of its terms and conditions. Defendant further agrees to provide
9 counsel for the Commission, within thirty days after the Final Judgment is filed with
10 the Clerk of the Court, with an affidavit or declaration stating that Defendant has
11 received and read a copy of the Final Judgment.

12 11. Consistent with 17 C.F.R. § 202.5(f), this Consent resolves only the
13 claims asserted against Defendant in this civil proceeding. Defendant acknowledges
14 that no promise or representation has been made by the Commission or any member,
15 officer, employee, agent, or representative of the Commission with regard to any
16 criminal liability that may have arisen or may arise from the facts underlying this
17 action or immunity from any such criminal liability. Defendant waives any claim of
18 Double Jeopardy based upon the settlement of this proceeding, including the
19 imposition of any remedy or civil penalty herein. Defendant further acknowledges
20 that the Court's entry of a permanent injunction may have collateral consequences
21 under federal or state law and the rules and regulations of self-regulatory
22 organizations, licensing boards, and other regulatory organizations. Such collateral
23 consequences include, but are not limited to, a statutory disqualification with respect
24 to membership or participation in, or association with a member of, a self-regulatory
25 organization. This statutory disqualification has consequences that are separate from
26 any sanction imposed in an administrative proceeding. In addition, in any
27 disciplinary proceeding before the Commission based on the entry of the injunction in
28 this action, Defendant understands that he shall not be permitted to contest the factual

1 allegations of the complaint in this action.

2 12. Defendant understands and agrees to comply with the terms of 17 C.F.R.
3 § 202.5(e), which provides in part that it is the Commission’s policy “not to permit a
4 defendant or respondent to consent to a judgment or order that imposes a sanction
5 while denying the allegations in the complaint or order for proceedings,” and “a
6 refusal to admit the allegations is equivalent to a denial, unless the defendant or
7 respondent states that he neither admits nor denies the allegations.” As part of
8 Defendant’s agreement to comply with the terms of Section 202.5(e), Defendant: (i)
9 will not take any action or make or permit to be made any public statement denying,
10 directly or indirectly, any allegation in the complaint or creating the impression that
11 the complaint is without factual basis; (ii) will not make or permit to be made any
12 public statement to the effect that Defendant does not admit the allegations of the
13 complaint, or that this Consent contains no admission of the allegations, without also
14 stating that Defendant does not deny the allegations; (iii) upon the filing of this
15 Consent, Defendant hereby withdraws any papers filed in this action to the extent that
16 they deny any allegation in the complaint; and (iv) stipulates solely for purposes of
17 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C.
18 § 523, that the allegations in the complaint are true, and further, that any debt for
19 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant
20 under the Final Judgment or any other judgment, order, consent order, decree or
21 settlement agreement entered in connection with this proceeding, is a debt for the
22 violation by Defendant of the federal securities laws or any regulation or order issued
23 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
24 § 523(a)(19). If Defendant breaches this agreement, the Commission may petition
25 the Court to vacate the Final Judgment and restore this action to its active docket.
26 Nothing in this paragraph affects Defendant’s: (i) testimonial obligations; or (ii) right
27 to take legal or factual positions in litigation or other legal proceedings in which the
28 Commission is not a party.

13. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.


14. Defendant agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

15. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

Dated: 8/14/2025


BEN ERREZ

On August 14, 2025, Ben Errez, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.


Notary Public
Commission expires: August 11, 2028

Approved as to form:
Stephen Anthony Cazares

Stephen A. Cazares
Foundation Law Group, LLP
4100 W Alameda Avenue, 3rd floor
Burbank, CA 91505
(323) 240-5348
Attorney for Defendant

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On August 14, 2025 before me, Jasmine Farrington, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ben Errez
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jasmine Farrington
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Consent of Defendant Ben Errez
Document Date: August 14, 2025 Number of Pages: 4
Signer(s) Other Than Named Above: no other signors

Capacity(ies) Claimed by Signer(s)

Signer's Name: Ben Errez
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Title	Errez Consent to Sign
File name	8.8.2025_Errez_Consent_v.4_notarized.pdf
Document ID	52ca6a5d00748dfacc7deb239f15d602860afc62
Audit trail date format	MM / DD / YYYY
Status	● Signed

Document History

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 SIGNED	08 / 18 / 2025 09:56:48 UTC-7	Signed by Stephen A. Cazares (scazares@foundationlaw.com) IP: 108.226.14.182
 COMPLETED	08 / 18 / 2025 09:56:48 UTC-7	The document has been completed.