

1 DONALD W. SEARLES (Cal. Bar No.135705)  
Email: SearlesD@sec.gov  
2 MARC J. BLAU (Cal. Bar No. 198162)  
Email: BlauM@sec.gov

3 Attorneys for Plaintiff  
4 Securities and Exchange Commission  
Gary Y. Leung, Associate Director  
5 Douglas M. Miller, Supervisory Trial Counsel  
444 S. Flower Street, Suite 900  
6 Los Angeles, California 90071  
Telephone: (323) 965-3998  
7 Facsimile: (213) 443-1904

8 UNITED STATES DISTRICT COURT  
9 SOUTHERN DISTRICT OF CALIFORNIA

10  
11  
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

19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
**CONSENT OF DEFENDANT FREDI NISAN**

1. Defendant FREDI NISAN (“Defendant”) waives service of a summons and the complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over Defendant and over the subject matter of this action.

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

- 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-  
8 20, 13a-1, 13a-11, and 13a-13 [17 C.F.R. §§ 240.12b-20,  
9 240.13a-1, 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.

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

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

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

13  
14 Dated: 8/15/2025  
15 FREDI NISAN

16 On August 15, 2025, Fredi Nisan, a person known to  
17 me, personally appeared before me and acknowledged executing the foregoing  
18 Consent.

19 [Signature]  
20 Notary Public  
21 Commission expires: August 11, 2028

22 Approved as to form:  
23 Stephen Anthony Cazares

24 Stephen A. Cazares  
25 Foundation Law Group, LLP  
26 4100 W Alameda Avenue, 3rd floor  
27 Burbank, CA 91505  
28 (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 )

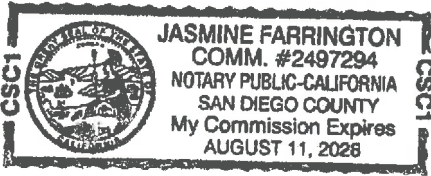
On August 15, 2025 before me, Jasmine Farrington, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Fredi Nisan  
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 Fredi Nisan  
Document Date: August 15, 2025 Number of Pages: 6  
Signer(s) Other Than Named Above: no other signers

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Fredi Nisan  
 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	Nisan Consent to Sign
File name	8.8.2025_Nisan_Consent_v.6_notarized.pdf
Document ID	c27c01ec17a4eee30f6b9c4a497d564381f95517
Audit trail date format	MM / DD / YYYY
Status	● Signed

---

### Document History

 SENT	<b>08 / 18 / 2025</b> 09:47:21 UTC-7	Sent for signature to Stephen A. Cazares (scazares@foundationlaw.com) from stevcaz@gmail.com IP: 108.226.14.182
 VIEWED	<b>08 / 18 / 2025</b> 09:53:26 UTC-7	Viewed by Stephen A. Cazares (scazares@foundationlaw.com) IP: 108.226.14.182
 SIGNED	<b>08 / 18 / 2025</b> 09:54:01 UTC-7	Signed by Stephen A. Cazares (scazares@foundationlaw.com) IP: 108.226.14.182
 COMPLETED	<b>08 / 18 / 2025</b> 09:54:01 UTC-7	The document has been completed.