

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934
Release No. 64702/June 20, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14346

In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
TROY B. WRAGG	:	IMPOSING SANCTION BY DEFAULT

SUMMARY

This Order bars Troy B. Wragg (Wragg) from association with a broker or dealer. Wragg was previously enjoined from violating the antifraud provisions and registration provisions of the securities laws in connection with wrongdoing while acting as an unregistered broker-dealer.

I. BACKGROUND

The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP) against Wragg on April 20, 2011, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). The OIP alleges that he was enjoined in 2011 from violating the antifraud and registration provisions of the securities laws in connection with wrongdoing while acting as an unregistered broker-dealer. Through his attorney, at a June 17, 2011, prehearing conference, Wragg affirmatively declined to defend this proceeding. Wragg is in default within the meaning of 17 C.F.R. § 201.155(a) in that he affirmatively declined to defend this proceeding.¹ Accordingly, the undersigned finds the following allegations in the OIP are true.

II. FINDINGS OF FACT

Wragg, the founder, chairman of the board, and chief executive officer of Mantria Corporation (Mantria), is permanently enjoined from violating Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. SEC v. Mantria Corp., No. 1:09-cv-02676 (D. Colo. Mar. 29, 2011). The wrongdoing that underlies Wragg's injunction occurred from at least September 2007 through November 2009, when he and others sold the securities of Mantria and its affiliates by making

¹ Wragg was previously advised that, if he were deemed to be in default, the undersigned would enter an order barring him from association with any broker or dealer. See Troy B. Wragg, Admin. Proc. No. 3-14346 (A.L.J. May 17, 2011) (unpublished).

materially false representations to investors regarding, among other things, the intended use of the proceeds from the sale of such securities, the past rates of return that had been paid to other investors, and the operational success and business prospects of the companies issuing the securities and omitting the material fact that the proceeds from the sale of these securities were used, in Ponzi-like fashion, to pay off earlier investors. Wragg acted as an unregistered broker or dealer in selling the securities and actively solicited purchasers through seminars, Internet webinars, telephone conference calls, and/or conversations with investors, as well as other means. Wragg received transaction-based compensation for the sale of the securities and paid transaction-based compensation to others for such sales.

III. CONCLUSIONS OF LAW

Wragg is permanently enjoined “from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security” within the meaning of Sections 15(b)(4)(C) and 15(b)(6)(A)(iii) of the Exchange Act.

IV. SANCTION

Wragg will be barred from association with any broker or dealer. This sanction will serve the public interest and the protection of investors, pursuant to Section 15(b) of the Exchange Act. It accords with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979), aff’d on other grounds, 450 U.S. 91 (1981). Wragg’s unlawful conduct was egregious and recurring, occurring repeatedly over a short period. There are no mitigating circumstances.

V. ORDER

IT IS ORDERED that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, TROY B. WRAGG IS BARRED from association with a broker or dealer.

Carol Fox Foelak
Administrative Law Judge