

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: WEBE Universe, Inc.
P.O. Box 3169
Rancho Santa Fe, California 92067

Macrohard Holdings, Inc.
P.O. Box 3169
Rancho Santa Fe, California 92067

Catherine Irene Corn
228 Via Tierra
San Diego, California 92024

Joshua Joel Washington
10237 Fall Glen Ct.
San Diego, California 92126

DESIST AND REFRAIN ORDER

(For violations of section 25401 of the Corporations Code)

The California Commissioner of Business Oversight finds that:

1. At all relevant times herein, WEBE Universe, Inc. (“WEBE”) is a business entity, form unknown, which purportedly developed military and consumer technologies and was seeking to raise capital through a stock offering.

2. At all relevant times herein, Macrohard Holdings, Inc. (“Macrohard”) is a business entity, form unknown, which purportedly developed military and consumer technologies and was seeking to raise capital through a stock offering.

3. At all relevant times herein, Catherine Irene Corn (“Corn”) acted as a sales person for WEBE and Macrohard and was a “control” person of WEBE and Macrohard within the meaning of Corporations Code section 160.

4. At all relevant times herein, Joshua Joel Washington (“Washington”) acted as a sales person for WEBE and Macrohard and was a “control” person of WEBE and Macrohard within the meaning of Corporations Code section 160.

1 5. Beginning in at least January 2013 and continuing through at least April 2013, Corn
2 and Washington offered and sold securities in the form of stock in WEBE and Macrohard in this
3 state.

4 6. Corn and Washington solicited investors through postings to Craigslist, phone calls
5 and in-person meetings.

6 7. Corn and Washington paid or offered to pay referral fees, kickbacks or commission
7 to investors who recruited additional investors.

8 8. Corn told prospective investors that WEBE and Macrohard had signed a \$540
9 million supply contract with the U.S. Department of Defense. Corn told prospective investors that
10 WEBE and Macrohard were offering stock in order to generate the money it needed to fulfill that
11 contract.

12 9. Corn told prospective investors that each \$1,000.00 of WEBE and Macrohard stock
13 purchased would earn \$77,000.00 in return in only a few months. Corn also told some prospective
14 investors that their investment would shortly earn over 2,000% in returns.

15 10. Corn told prospective investors that an investment in WEBE and Macrohard would
16 be risk-free since the investment had been sanctioned or guaranteed by the U.S. Department of
17 Defense.

18 11. Washington held phone calls with prospective investors, claiming to be the inventor
19 of various WEBE and Macrohard technologies, in which he attempted to explain technologies being
20 by WEBE and Macrohard.

21 12. Corn provided some investors with a Private Placement Memorandum for WEBE
22 (“PPM”). The PPM stated that WEBE was offering 1,200 shares of stock for the price of
23 \$49,800.00 per share.

24 13. Corn and Washington took in at least \$49,000.00 from sales of WEBE and
25 Macrohard stock to investors. Money from investors in WEBE and Macrohard went to the personal
26 bank accounts of Corn and Washington.

27 14. Corn and Washington refused to return any money to investors, despite investor
28 demands, and investors lost their entire investments.

1 15. In connection with the offer and sale of these securities, WEBE, Macrohard, Corn,
2 and Washington made, or caused to be made, misrepresentations of material fact or omitted to state
3 material facts necessary in order to make the statements made, in the light of the circumstances
4 under which they were made, not misleading, in violation of sections 25401 of the Corporations
5 Code. These misrepresentations and omissions included, but are not limited to the following:

6 a. WEBE or Macrohard had signed a \$540 million supply contract with the U.S.
7 Department of Defense;

8 b. WEBE, Macrohard or Washington had invented or developed any valuable
9 technologies;

10 c. investments in WEBE or Macrohard would be risk-free;

11 d. investors' money would be used for the development of new technologies by
12 WEBE and Macrohard, when, in fact, investors' money went directly to bank accounts of Corn,
13 Washington or their friends and was used, instead, for personal expenses;

14 e. failing to disclose that Corn and Washington were paying or offering to pay
15 referral fees, kickbacks or commissions to investors who brought in friends or family as additional
16 investors

17 f. failing to disclose that WEBE and Macrohard were not legally formed
18 business entities in any jurisdiction; and

19 g. failing to disclose the risk that WEBE or Macrohard would be unable to pay
20 a 2000% or greater return in a short period of time.

21 Based on the foregoing findings, the California Commissioner of Business Oversight is of
22 the opinion that the securities offered and sold by WEBE Universe, Inc., Macrohard Holdings, Inc.,
23 Catherine Irene Corn and Joshua Joel Washington were offered and sold in this state by means of
24 written or oral communications that included untrue statements of material fact or omitted to state
25 material facts necessary in order to make the statements made, in light of the circumstances under
26 which they were made, not misleading, in violation of section 25401 of the Corporations Code.

27 Pursuant to section 25532 of the Corporations Code, WEBE Universe, Inc., Macrohard
28 Holdings, Inc., Catherine Irene Corn and Joshua Joel Washington are hereby ordered to desist and

1 refrain from offering or selling any security in the State of California, including, but not limited to,
2 stock in WEBE Universe, Inc., and Macrohard Holdings, Inc., by means of written or oral
3 communication which includes an untrue statement of a material fact or omits to state a material
4 fact necessary in order to make the statements made, in light of the circumstances under which they
5 were made, not misleading.

6 This Order is necessary, in the public interest, for the protection of investors and consistent
7 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

8

9 Dated: August 6, 2015
10 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

11

By _____
12 MARY ANN SMITH
13 Deputy Commissioner
14 Enforcement Division

15

16

17

18

19

20

21

22

23

24

25

26

27

28