

1 **STATE OF WASHINGTON**  
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**  
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING  
5 Whether there has been a violation of the  
6 Securities Act of Washington by:

7 Tryp Technologies, Inc. and  
8 Robert John McNulty a.k.a. Bob McNulty,  
9 Respondents.

Order No. S-19-2791-21-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER TO  
CEASE AND DESIST, TO IMPOSE FINES, AND TO  
CHARGE COSTS

10 THE STATE OF WASHINGTON TO:

Tryp Technologies, Inc. and  
Robert John McNulty

11 **INTRODUCTION**

12 On May 17, 2021, the Securities Administrator of the state of Washington issued Statement of  
13 Charges and Notice of Intent to Enter an Order to Cease and Desist, to Impose Fines, and to Charge Costs,  
14 Order No. S-19-2791-21-SC01 (“Statement of Charges”) against Respondents Tryp Technologies, Inc. and  
15 Robert John McNulty a.k.a. Bob McNulty. The Statement of Charges, a Notice of Opportunity to Defend  
16 and Opportunity for Hearing (“Notice of Opportunity for Hearing”), and an Application for Adjudicative  
17 Hearing (“Application for Hearing”) were served on Respondents by U.S. Mail on May 29, 2021.

18 The Notice of Opportunity for Hearing advised Respondents that a written application for an  
19 administrative hearing on the Statement of Charges must be received within twenty days from the date of  
20 receipt of the notice. The Statement of Charges advised Respondents that if a hearing was not requested, the  
21 Securities Administrator intended to adopt the “Tentative Findings of Fact” and “Conclusions of Law” as set  
22 forth in the Statement of Charges as final and enter a final order against Respondents to cease and desist,  
23 impose fines, and charge costs.

The Securities Administrator makes the following Findings of Fact and Conclusions of Law:

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF  
LAW AND FINAL ORDER TO CEASE AND DESIST, TO  
IMPOSE FINES, AND TO CHARGE COSTS

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Securities Division  
PO Box 9033  
Olympia, WA 98507-9033  
360-902-8760

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2 **FINDINGS OF FACT**

3 **Respondents**

4 1. Tryp Technologies, Inc. (“Tryp”) is a Wyoming corporation with its principal place of  
5 business in Las Vegas, Nevada. Tryp is in the business of offering on demand ride sharing services in which  
6 the drivers pay the company a monthly fee in exchange for receiving 100% of fares, tips and other benefits.

7 2. Robert John McNulty, (“McNulty”) a resident of Henderson, Nevada, is the founder and Chief  
8 Executive Officer of Tryp.

9 **Prior Securities Law Violations**

10 3. On October 10, 1995, an Order was issued against McNulty by the U.S. District Court for the  
11 Southern District of New York, to which McNulty consented, permanently enjoining him from violations of  
12 various provisions of the federal securities laws, including antifraud. In the complaint filed by the Securities  
13 and Exchange Commission (“SEC”) in 1994, McNulty was charged with orchestrating a complex scheme to  
14 defraud investors by using the proceeds of securities offerings to finance the operations of affiliated  
15 companies rather than for the stated purpose of funding the issuers' operations. In connection with this  
16 scheme, McNulty and the other defendants caused false and misleading registration statements and reports  
17 to be filed with the SEC and caused the companies' books and records to be false. The Court also ordered  
18 McNulty to disgorge ill-gotten gains of \$70,000.

19 4. On May 8, 2013, the Pennsylvania Department of Banking and Securities (“Department”)  
20 entered a Final Order that affirmed the January 25, 2012 Summary Order to Cease and Desist against Robert  
21 J. McNulty and others from violations of state securities laws, including antifraud provisions. The  
22 Department alleged that McNulty failed to disclose the bankruptcy and NASD/FINRA bar from the  
23 brokerage industry of a co-respondent; that McNulty had been enjoined by the SEC in 1995 from violating

1  
2 federal securities laws; and that McNulty failed to disclose that promissory notes offered to investors were  
3 not registered or exempt from registration under federal securities laws.

#### 4 **Nature of the Conduct**

5 5. In 2018, a Tryp agent told a Washington resident (“Resident”) about Tryp’s new ride sharing  
6 company that had a network marketing structure. The agent told the Resident that the Tryp compensation  
7 plan provided its drivers with 100% of the fare. The agent told the Resident that Tryp made its money by  
8 recruiting Influencers and Drivers who would pay a sign-up fee and a flat monthly fee. The agent told the  
9 Resident that signing up could enable one to receive Tryp Technologies stock options.

10 6. McNulty spoke to the Resident by telephone and explained that Tryp would be putting  
11 millions into advertising and having endorsers such as Shaquille O’Neal.

12 7. In a subsequent telephone call, McNulty told the Resident about the opportunity to buy  
13 \$100,000 of Tryp stock. The Resident told McNulty that the Resident could only afford to purchase \$25,000  
14 of shares. The Resident sent \$25,000 by wire to Tryp Technologies. Tryp sent the Resident a stock certificate  
15 for 33,000 shares of Tryp stock and representing a share price of about \$0.76 a share. McNulty previously  
16 told the Resident that when Tryp Technologies went public, the shares would be valued at about \$75 a share.

17 8. Tryp emailed the Resident its Tryp Influencer “Compensation Plan” that explained the  
18 different ways one could earn compensation and the different forms of compensation that were available  
19 such as cash bonuses, vacation trips, vehicles and its “Stock Option Bonus Program.” To be eligible to qualify  
20 for the stock option program, Tryp required prospective Drivers to sign up as a “Driver Influencer” and pay  
21 a set-up fee of \$399 and a \$199 a monthly “Influencer Fee.”

22 9. During 2018 and 2019, Tryp maintained a website at [www.tryp.com](http://www.tryp.com). On the website, Tryp  
23 advertised to potential drivers and Influencers that they were planning to provide ride share services in Seattle

1  
2 in the coming months. The Official Company Statement posted on the website said that Tryp was committed  
3 to providing Drivers with a stock option plan.

4 10. Tryp and McNulty failed to provide the Resident with material information regarding the sale  
5 of Tryp stock and the opportunity to participate in the Tryp stock option plan such as failing to disclose  
6 McNulty's litigation history, the risks of the investment and the financial condition of the company.

7 11. Tryp and McNulty failed to have and provide a reasonable basis for the claim made to the  
8 Resident regarding a possible valuation of \$75 a share in a public stock offering of Tryp shares.

9 12. To date, Tryp's stock offering has not gone public.

#### 10 **Registration Status**

11 13. Tryp is not currently registered to sell securities in the state of Washington and has not previously  
12 been so registered.

13 14. McNulty is not currently registered as a securities salesperson or broker-dealer in the state of  
14 Washington and has not previously been so registered.

15 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

#### 16 **CONCLUSIONS OF LAW**

17 1. The offer and/or sale of stock and stock option plan described above constitute the offer and/or  
18 sale of a security as defined in RCW 21.20.005(14) and (17).

19 2. Tryp and McNulty have each violated RCW 21.20.140, because, as set forth in the Tentative  
20 Findings of Fact, Respondents offered and/or sold securities for which no registration is on file with the  
21 Securities Administrator.

22 3. McNulty has violated RCW 21.20.040 by offering and/or selling said securities while not  
23 being registered as a securities salesperson or broker-dealer in the state of Washington.

1  
2 4. Tryp and McNulty have each violated RCW 21.20.010, because, as set forth in the Tentative  
3 Findings of Fact, Respondents made untrue statements of material fact or omitted to state material facts  
4 necessary to make the statements made, in light of the circumstances in which they were made, not  
5 misleading.

#### 6 **FINAL ORDER**

7 Based upon the foregoing, and finding it in the public interest:

8 IT IS HEREBY ORDERED that Tryp and McNulty, their agents and employees each shall cease and  
9 desist from violations of RCW 21.20.140 and RCW 21.20.010.

10 IT IS FURTHER ORDERED that Respondent McNulty shall cease and desist from violations of  
11 RCW 21.20.040.

12 IT IS FURTHER ORDERED that Respondents Tryp and McNulty shall be jointly and severally be  
13 liable for and shall pay a fine of \$25,000.

14 IT IS FURTHER ORDERED that Respondents Tryp and McNulty shall be liable for shall be jointly  
15 liable for and shall pay costs of \$9,000.

#### 16 **AUTHORITY AND PROCEDURE**

17 This Final Order is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to the  
18 provisions of Chapter 34.05 RCW and RCW 21.20.440. The Respondents have a right to petition the  
19 superior court for judicial review of this agency action under the provisions of Chapter 34.05 RCW. For the  
20 requirements for judicial review, see RCW 34.05.510 and sections following. Pursuant to RCW 21.20.395, a  
21 certified copy of this order may be filed in superior court. If so filed, the clerk shall treat the order in the  
22 same manner as a superior court judgment as to the fine and the fine may be recorded, enforced, or  
23

1 satisfied in like manner.

2 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

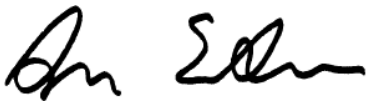
3 Signed and Entered this 8th day of July, 2021.

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8 William M. Beatty  
Securities Administrator

9 Approved by:

Presented by:

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13 Suzanne Sarason  
Chief of Enforcement

14  
15 Martin Cordell  
Financial Legal Examiner

16 Reviewed by:

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18  
19 Jack McClellan  
Financial Legal Examiner Supervisor