

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: SALVATORE R. CALI and
SRC TECHNOLOGIES, INC,
their partners, officers and directors,
managers, agents, employees,
affiliates, successors and assigns.

C1500381

CONSENT ORDER

TO RESPONDENTS: SALVATORE R. CALI
5555 N. Sheridan Rd.
Unit 515
Chicago, IL 60640
and
SRC TECHNOLOGIES, INC.
109 Terra Firma Ln.
Volo, IL 60020

WHEREAS, Respondents Salvatore R. Cali and SRC Technologies, Inc. on the 30th day of SEPTEMBER, 2016 executed a certain Stipulation to Enter Consent Order of Prohibition (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondents have admitted to the jurisdiction of the Secretary of State and service of Notice of Hearing of the Secretary of State, Securities Department, dated 9/30/16 in this proceeding (the "Notice") and Respondents consented to the entry of this Consent Order of Prohibition ("Consent Order").

WHEREAS, by means of the Stipulation, Respondents Salvatore R. Cali and SRC Technologies, Inc. acknowledged that the following allegations contained in the Notice shall be, and are, adopted as the Secretary of State's Findings of Fact:

1. Respondent Salvatore R. Cali, has a last known address of 5555 N. Sheridan Rd., Unit 515, Chicago, IL 60640 and Respondent SRC Technologies, Inc. has a last known address of 109 Terra Firma Lane, Volo, IL 60020 (at times hereinafter "Respondents").
2. In July 2012 Respondents offered to sell \$20,000 worth of stock in Respondent corporation SRC Technologies, Inc. to each of two Illinois residents ("Investors")

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3. In or near July 2012 each of the Investors paid Respondents \$20,000 to purchase the stock for a total of \$40,000 invested.
4. Respondents' activities described in paragraphs 2-3 involved the offer and sale of stock as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
5. Prior to Investors purchase of SRC Technologies, Inc. shares of stock Respondents promised Investors that their investment was "personally guaranteed" by Respondent Salvatore R. Cali, and in the event the corporation became insolvent, Investors would be refunded their invested funds.
6. The Investors both relied on the personal guarantees to make the decision to purchase the stock.
7. However, at the time of the personal guarantees made by Respondent Salvatore R. Cali, he had insufficient assets available to him to return the invested funds to the Investors in the event SRC Technologies, Inc. became insolvent.
8. Subsequently SRC Technologies, Inc became insolvent and the Investors demanded a refund of their investments.
9. Respondents failed to refund the investments because they were financially unable to do so.
10. Investors have received no return or refund from Respondents.
11. Respondents knew, or should have known, that Respondent Salvatore R. Cali was financially unable to return the invested funds to Investors.
12. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
13. By virtue of the foregoing, Respondents violated Section 12.G of the Act.

WHEREFORE, the following is adopted as the Secretary of State's Conclusion of Law:

Respondents Salvatore R. Cali and SRC Technologies, Inc have violated Section 12.G of the Act.

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NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.E of the Act:

Respondents Salvatore R. Cali and SRC Technologies, Inc are PROHIBITED from selling or offering securities for sale in or from the State of Illinois.

Dated: This 30th day of September 2016.



JESSE WHITE
Secretary of State
State of Illinois

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