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U.S. DISTRICT COURT
DISTRICT OF COLORADO

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GREGORY C. LANGHAM
CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Case No. 09 CV 1 09CV02676 CMA-MJW

BY _____ DEP. CLK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MANTRIA CORPORATION,
TROY B. WRAGG,
AMANDA E. KNORR,
SPEED OF WEALTH, LLC,
WAYDE M. MCKELVY, and
DONNA M. MCKELVY,

Defendants.

COMPLAINT

Plaintiff, the United States Securities and Exchange Commission ("SEC"), alleges that:

SUMMARY

1. From in or about September 2007 through the present, Mantria Corporation, through its principals Troy Wragg and Amanda Knorr, has raised approximately \$30 million from more than 300 investors nationwide in approximately twelve fraudulent and unregistered securities offerings which offered securities to investors totaling at least \$122 million.

2. Mantria purports to be primarily engaged in the development of several planned residential communities in rural Tennessee, and more recently, in the production and sale of "biochar" – a charcoal substitute made from organic waste. In addition to these primary

ventures, however, Mantria claims to have diverse operations ranging from mortgage banking to hip-hop record production, through 11 operating divisions and 32 wholly-owned or affiliated companies. However, to date, Mantria's operations have failed to generate significant profits.

3. Mantria has offered its investments primarily through Speed of Wealth, LLC and its principals, Wayde McKelvy and Donna McKelvy, who advertise on television, radio, and print media to draw prospective investors to seminars, Internet "webinars", internet radio shows and telephone conference calls. At these seminars and other presentations, the Defendants urge investors to move at the "speed of wealth" by liquidating all traditional investments such as retirement plans and home equity, in order to purchase short-term Mantria securities which they claim have paid and promise will pay extremely high rates of return ranging from 17% to "hundreds of percent" annually.

4. To date, Mantria's operations have generated no cash with which to pay the touted extraordinary investment returns. Instead, Mantria and Speed of Wealth have paid, and are continuing to pay, promised high investor returns using offering proceeds from new investors in a Ponzi-like fashion. Mantria's paid investors are then exhorted to provide "testimonials" which defendants use to lure additional investors.

5. Defendants have failed to disclose to investors in offering materials, during seminars, on the Internet, or otherwise, the material fact that Mantria uses a substantial portion of investor funds from its offerings to pay the returns of existing investors. In addition, Defendants have made material misrepresentations and omissions to investors regarding the status of Mantria's existing operations, often grossly overstating the success of those operations. Moreover, Defendants have failed to disclose to investors the commissions and other financial

interests received by Speed and Wealth and Defendants Wayde McElvy and Donna McElvy for selling Mantria securities.

6. As a result of the conduct described in the Complaint, Defendants, and each of them, have violated and, unless restrained and enjoined will continue to violate, Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”); [15 U.S.C. §§ 77e(a), 77e(c), 77q(a)]; Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78j(b) and 78o(a)] and Rule 10b-5 thereunder [17 C.F.R. §240.10b-5].

JURISDICTION AND VENUE

7. The Court has jurisdiction pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v (a)] and Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d) and (e) and 78aa]. The Defendants, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, the means and instrumentalities of interstate commerce, or of the mails, in connection with the acts, practices, and courses of business set forth in this Complaint.

8. Venue lies in this Court pursuant to 15 U.S.C. §§ 77u (a) and 78aa and 28 U.S.C. § 1391(b) (2). Defendant Speed of Wealth maintains its principal place of business in Centennial, Colorado, defendant Donna McKelvy resides in Parker, Colorado, and many of the acts and practices described in this Complaint occurred in the District of Colorado.

DEFENDANTS

9. **Mantria Corporation (“Mantria”)** is a Delaware corporation with its principal place of business in Bala Cynwyd, Pennsylvania, which is near Philadelphia. Although Mantria purports to have 11 operating divisions and 32 wholly-owned or affiliated companies, its primary

businesses include the purported development of several residential housing communities in rural Tennessee and the purported commercial production of “biochar,” a charcoal alternative, as well as biochar manufacturing systems. Mantria and its subsidiaries have not registered any securities offerings with the SEC.

10. **Troy B. Wragg**, age 27, is a resident of Philadelphia, Pennsylvania. Wragg is the founder, chairman of the board of directors, and chief executive officer (“CEO”) of Mantria. Wragg does not hold any securities licenses, and he has never been associated with a registered broker-dealer. Prior to serving as Mantria’s CEO, Wragg was employed as a manager for a small janitorial services company and then as a financial adviser to a relative.

11. **Amanda E. Knorr**, age 26, is a resident of Philadelphia, Pennsylvania. Knorr is the president, vice-chairman of the board of directors, and chief operating officer (“COO”) of Mantria. Knorr does not hold any securities licenses, and she has never been associated with a registered broker-dealer. Prior to serving as Mantria’s COO, Knorr was employed as a human resources manager at the same janitorial services company where Wragg was employed.

12. **Speed of Wealth, LLC**, is a Colorado limited liability company (“LLC”) with its principal place of business in Centennial, Colorado. Speed of Wealth advertises on local television, radio, and print media to draw prospective investors to seminars nationwide. Wayde McKelvy and Donna McKelvy are Speed of Wealth’s sole members. Speed of Wealth has not registered any securities with the SEC.

13. **Wayde M. McKelvy**, age 46, is currently a resident of Sunny Isle Beach, Florida, though he resided in the Denver area during most of the relevant period. He is the founder and managing member of Speed of Wealth. He is a 25% owner of Mantria Industries, LLC, one of

the Mantria subsidiaries that has actively raised funds from investors, as well as three other Mantria subsidiaries. He does not hold any securities licenses, and he has never been associated with a registered broker-dealer.

14. **Donna M. McKelvy**, age 43, is a resident of Parker, Colorado. She uses the titles of president of Speed of Wealth in charge of investor relations and vice president of Speed of Wealth in charge of investor relations. She is a 25% owner of Mantria Industries, LLC, one of the Mantria subsidiaries that has actively raised funds from investors, as well as three other Mantria subsidiaries. She does not hold any securities licenses, and she has never been associated with a registered broker-dealer.

FACTS

Defendants' Solicitation of Investors Using High-Pressure Sales Tactics and Promises of Extraordinary Returns

15. Speed of Wealth, and its principals, Defendants Wayde McKelvy and Donna McKelvy, conduct live seminars in various states, as well as Internet "webinars," telephone conference calls, and Internet radio programs. Speed of Wealth describes itself to the public as a "wealth educator." However, from approximately September 2007 through the present, Speed of Wealth's primary purpose has been to solicit investors to invest in Mantria's securities offerings.

16. Speed of Wealth's live seminars, Internet webinars, telephone conference calls, and Internet radio programs are open to the public. Some attendees of Speed of Wealth events had no pre-existing relationship with either Speed of Wealth or Mantria. Speed of Wealth frequently advertises its events on television, radio, print media, its Internet website www.speedofwealth.com and through mass emails. Speed of Wealth particularly markets itself to the elderly, and to those approaching retirement age.

17. Wayde McKelvy, Wragg and/or Knorr, generally conduct a two-part presentation at Speed of Wealth seminars and other presentations. First, Wayde McKelvy says he will give investors the secrets of wealth and encourages investors to liquidate all of their traditional investments, including individual retirement accounts, employer-sponsored 401(k) plans, mutual funds, stocks, bonds, and savings accounts. Wayde McKelvy also encourages investors to borrow as much as possible against home equity, their parents' home equity, and business lines of credit. He then recommends that investors use all of their funds to invest in what he represents as the consistent and safe high-yield securities offered by Speed of Wealth and Mantria. Second, Wayde McKelvy introduces Wragg as, among other things, "my best friend, my confidant, my business partner." Wragg then describes Mantria's purported operations and corresponding securities being offered.

- a. For example, at a May 7, 2009 Speed of Wealth seminar conducted in Centennial, Colorado, Wayde McKelvy stated to prospective Mantria investors, "Number one, you must quit following the herd and never, ever expect to build wealth by investing in mutual funds, CDs, money market, bonds, or qualified retirement accounts, such as a 401(k) plan, which is exactly where all you guys are investing. You will not get wealthy. You'll go straight to the poor house. I'll prove that to you in a moment."
- b. Later, at the same conference, McKelvy stated when touting his investment advice, "[w]hat do we always hear, students? It's too good to be true, right? All the time, it's too good to be true. It's a Ponzi scheme. No, guys, you need to understand the truth about guarantees and collateral. We'll go over that tonight."

- c. Later still, at the same conference, when telling investors how to become millionaires in a recession, McKelvy stated, "You've just got to be at the right place at the right time, and folks, you are at the right place at the right time. When Troy [Wragg] comes on the second half of this presentation tonight, it's going to blow your mind, what we are doing at the Speed of Wealth and Mantria."
- d. Even later, at the same conference, in encouraging investors to take equity out of their homes to invest in Mantria, McKelvy states, "So here's what I'm telling you to do, guys. Go take your equity out, because you're an A lender, you can borrow 6 percent or less today. Go loan it out at 17 percent. Create arbitrage. That's how you get rich. That's it. Troy [Wragg] is going to be talking to you about an opportunity to make phenomenal returns collateralized by real estate, in the second half."
- e. Later, after being introduced at the same conference via the telephone purportedly from Wall Street in New York, Wragg stated, "And as I sit here on Wall Street, having met with hedge funds, institutions, if you would have looked at the collective of the people that I've met with today, managing over \$21 billion in assets, just today." And later, when referring to this purported meeting with Wall Street again, Wragg stated, "But more importantly than any Wall Street investment banker, who would absolutely – by the way, the opportunity we're going [into] tonight, they're in love with this – but when we showed them the actual, this is the gateway, when we actually showed what the actual opportunity is, they [Wall Street] loved it even more."

18. Defendants market Speed of Wealth and Mantria securities with high-pressure tactics, frequently offering short-term incentives and bonuses in various programs to induce investors to “pledge” their investments, or to induce those who have pledged to send in their money immediately. Defendants particularly emphasize extraordinary past investment returns paid of anywhere from 17% to “hundreds of percent rates of return,” the safety of Mantria securities, which they claim are collateralized with assets valued from 100% to 400% of the amount of their investments, and the purported success of Mantria’s business operations.

19. For example, in seminars, webinars, and conference calls, Wayde McKelvy often calls upon past investors to provide testimonials as to their receipt of high returns from past programs. Wayde McKelvy and Wragg tout the safety and security of Mantria’s securities based on purported collateral consisting of deeds of trust given to investors on Mantria’s Tennessee rural land holdings which are undeveloped. Wragg even tells potential investors that because of the purported valuable collateral, investors may make more money on their investments if Mantria defaults than if Mantria makes the promised payments.

20. Wragg, Knorr, and Wayde McKelvy frequently allude to Mantria’s purported imminent closing of sales worth hundreds of millions of dollars, purported initial public offerings of securities that are “sure to come” and “sure to be a very huge Wall Street hit,” or purported upcoming investments by “Wall Street.”

21. Although the terms of Speed of Wealth and Mantria securities are described at Speed of Wealth seminars and other presentations, interested prospective investors are directed to contact Donna McKelvy and/or Mantria representatives for more information, and to effectuate their investment. Prospective investors are also encouraged to visit various Internet

websites operated by Speed of Wealth, Mantria or affiliated entities or individuals, including, but not limited to, www.speedofwealth.com; www.mantria.com; www.mantriacentral.com; www.eternagreen.com; www.goeternagreen.com and www.biocharbrokers.com.

22. Defendants improperly tell prospective investors that they can invest regardless of their accreditation by investing in limited liability companies established by Speed of Wealth for the sole purpose of purchasing specific Mantria securities.

23. Donna McKelvy then follows up with prospective investors in e-mails, telephone calls, and in face-to-face meetings at Speed of Wealth's offices. In these communications, Donna McKelvy reiterates Wayne McKelvy's recommendations to liquidate traditional investments and to use those funds to purchase Speed of Wealth and Mantria securities. She also assists investors with the paperwork needed to access their retirement and 401(k) accounts.

24. Donna McKelvy sends prospective investors offering materials prepared by Mantria, Wragg, Wayne McKelvy, and Speed of Wealth. She also assists investors by, among other things, receiving funds, and helping investors to complete subscription documents and other paperwork necessary to make their investments.

Speed of Wealth's and Mantria's Fraudulent Securities Offerings

25. From in or about September 2007 through the present, Mantria has conducted approximately twelve securities offerings at a frenetic pace totaling at least \$122 million. Mantria has offered securities in the form of promissory notes, stock, limited partnership interests, and so-called "profits interests," usually using different Mantria subsidiaries as the issuer. Through these numerous offerings, Mantria has raised approximately \$30 million from more than 300 investors. Of that amount, Mantria and Speed of Wealth have convinced

investors to roll-over roughly \$6.2 million from earlier investments into later investments. As indicated, each of these offerings was fraudulent in that Defendants made material misstatements and omissions to investors regarding, among other things, the status and success of Mantria's business operations, the use of investor proceeds, and the commissions and other financial interests received by Speed of Wealth. None of the offerings at issue were registered with the SEC and none of the offering materials contained audited financial statements.

26. Mantria's fraudulent offerings currently known to the SEC include, but may not be limited to, the following:

- a. Mantria Communities, LP Mantria 50 promissory notes offering;
- b. Infinite Cash Entertainment, LLC 18% promissory notes offering dated April 8, 2008;
- c. Mantria Financial, LLC 17% promissory notes offering dated July 1, 2008;
- d. Mantria Communities/Financial Mantria 30 promissory notes offering;
- e. Mantria Communities/Financial 2nd Mantria 50 promissory notes offering;
- f. The Mantria Renewable Energy Fund, L.P. offering dated January 7, 2009;
- g. The Mantria Place Renewable Energy Site Development, L.P. offering dated January 7, 2009;
- h. Mantria Real Estate Opportunities Group, LP offering;
- i. Mantria Real Estate Opportunities Group II, LP offering;
- j. Mantria Corporation diversification profits interest offering;
- k. Carbon Diversion Carlsbad New Mexico Manufacturing Plant, LLC offering dated March 15, 2009;

- l. Mantria Industries, LLC Sale of 25% of Profits Interest – Hohenwald Eco-Industrial Center dated May 1, 2009;
- m. Mantria Corporation Sale of 5% of Common Stock dated May 15, 2009;
- n. Mantria Place Eco Village Carbon Fields grids offering dated July 7, 2009;
- o. Mantria Industries, LLC Sale of 25% of Profits Interest – Mantria Place Eternagreen Center dated July 31, 2009; and
- p. Mantria Industries, LLC 25% Profits Interest in Earthmate Waste Conversion System Sales dated August 31, 2009.

27. Mantria subsequently conducted numerous, unregistered exchange offerings in which Mantria debt investors were offered the opportunity to exchange their debt for stock and/or equity warrants in one or more Mantria subsidiaries.

28. Most of the Mantria limited partnership interest, stock, and profits interest offerings referenced above included a private placement memorandum and/or other offering or promotional materials. Wragg prepared, reviewed and approved the Mantria offering materials, and Knorr also reviewed the Mantria offering materials.

29. Each of the Defendants offered and sold Speed of Wealth and Mantria securities through various means, including, but not limited to: Speed of Wealth live seminars; Internet webinars; telephone conference calls; Internet websites and radio programs; and in-person meetings between Defendants and prospective or actual investors; or by disseminating Speed of Wealth and/or Mantria offering or promotional materials.

30. Some investors purchased Mantria securities directly from Mantria. Most investors invested in Mantria by purchasing an interest in a limited liability company formed and

managed by Speed of Wealth and/or Wayde McKelvy. These Speed of Wealth limited liability companies known to the SEC include, but may not be limited to, the following:

- a. Mantria Trust Deed, LLC;
- b. SOW Trust Deed, LLC;
- c. SOW Hard Money Loans Investment Club, LLC;
- d. SOW Hard Money Loans II, LLC;
- e. SOW Trust Deed II, LLC;
- f. Trust Deed Group I, LLC;
- g. SOW Hard Money 50 Economic Stimulus Investment Club, LLC;
- h. SOW Mantria Income, LLC;
- i. SOW Mantria Diversification, LLC;
- j. SOW MI Sale of Systems, LLC;
- k. SOW Mantria 5%, LLC;
- l. SOW Mantria Place 25%, LLC;
- m. SOW Mantria 25%, LLC; and
- n. Speed of Wealth Investments Gold Club, LLC.

31. Each of these Speed of Wealth limited liability companies was formed for the sole purpose of purchasing a specific Mantria security. Wayde McKelvy, either individually, or through other entities that he controls, is the managing member of each Speed of Wealth limited liability company.

32. Wayde McKelvy delegated to Donna McKelvy some day-to-day management functions of each of the Speed of Wealth limited liability companies. For example, for each of

the Speed of Wealth limited liability companies, Donna McKelvy directs, among other things, the collection of investor funds, the transfer of investor funds to Mantria, and the distribution of Mantria payments back to investors.

33. Speed of Wealth limited liability company investors are passive. They have not voted on any investment decisions, limited liability company actions or operations, or governance.

**Fraudulent Misrepresentations and Omissions Regarding Mantria's
Ponzi-Like Investor Returns**

34. Each of the Defendants routinely represented to investors that Mantria had paid, and would continue to pay, extraordinary investment returns *from Mantria's profitable business operations*. For example:

- a. Promotional materials for Mantria Financial's 17% promissory notes offering, dated July 1, 2008, contains a section entitled "How do we offer such high yields?" which then describes that Mantria can pay such returns because it makes a profit on home site sales relating to land in Tennessee, and from financing land sale purchases. In reality, to the extent there are any such profits, they are paper profits only, which come in the form of revenue recognized from land sales which are generally financed 100% by Mantria and generate almost no cash for the payment of investor returns.
- b. The private placement memorandum for Mantria Industries, LLC 25% Profits Interest in Earthmate Waste Conversion System Sales, dated August 31, 2009, contains a "Return on Investment Analysis Spreadsheet" that predicts returns of 450% for investors. The spreadsheet references estimated annual profits from,

among other things, Mantria's purported sale of bio-char production systems in 2010 and 2011, net profits from annual system fees of \$500,000, as well as anticipated profits from a "conservative" estimate of an initial public offering price of \$9/share to reach a total estimated return of more than 450%. Mantria had no reasonable basis for estimating that it will generate returns of more than 450% for this investment.

- c. At a May 7, 2009 Speed of Wealth seminar where Wayde McKelvy was present, Wragg claimed that "in the past 18 months, [Mantria] has *generated* \$10 million, \$10.6 million to be specific, in pre-tax profit dollars for the entire collection of Speed of Wealth students." (emphasis added). Wragg's testimony under oath before the SEC staff, which is inconsistent, is that Mantria has only made at most roughly \$4.1 million in "profits" for all of 2007, 2008 and 2009 thus far.
- d. At a May 21, 2009 Speed of Wealth Seminar where Wayde McKelvy was present, Wragg claimed that Mantria's biochar manufacturing system at Hohenwald, Tennessee *is* "producing \$6.2 million annually." Knorr has admitted, however, that the facility at Hohenwald has never been operational and that it has never produced any revenues for Mantria.

35. Each of the Defendants knew or was reckless in not knowing that the above representations were false and misleading and that, in reality, Mantria has paid, and continues to pay, promised investor returns almost exclusively with offering proceeds from new investors in a Ponzi-like fashion.

36. Each of the Defendants further knew or was reckless in not knowing that Mantria pays investor returns with funds obtained from later investors because Mantria has no other significant source of cash. In particular, each of the Defendants knew or was reckless in not knowing that:

- a. To date, Mantria has not sold any biochar or any biochar manufacturing systems, it holds no patents on the process, and the technology is at best in the testing phase;
- b. Mantria's only source of revenue has been from its resale of vacant lots for its purported residential communities in rural Tennessee;
- c. Mantria's *revenue* from vacant lot sales *did not generate cash* with which to pay investor returns *because Mantria provided 100% financing for almost all of its vacant lot sales to buyers using other Mantria investors' funds*; and
- d. Mantria faces significant uncertainty in collecting the debt on its financed purchases of vacant lots because the terms of such financing were onerous (no money down, interest rates ranging from 9% to 12%, three-year term, and balloon payments due at end), and in at least one financing program, the borrowers' default rate to date has been 100%.

37. Mantria offering materials falsely represented that new investor proceeds raised through its offerings would be primarily used to pay for Mantria's various business operations.

For example:

- a. Defendants told investors that offering proceeds raised in the Mantria Financial LLC 17% promissory notes offering, dated July 1, 2008, would be used to finance

third parties' purchase of lots in Mantria's various planned residential communities in Tennessee;

- b. Defendants told investors that offering proceeds raised in the Carbon Diversion Carlsbad New Mexico Manufacturing Plant, LLC offering, dated March 15, 2009, would be used to construct a manufacturing plant at that location; and
- c. Defendants told investors that offering proceeds raised in the sale of the Mantria Industries, LLC 25% profits interest in Hohenwald Industrial Center would be used to construct a manufacturing plant at that location.

38. Each of the Defendants knew or was reckless in not knowing that Mantria's representations as to its intended uses of investor proceeds were false and misleading. Each of the Defendants knew or was reckless in not knowing that, in reality, Mantria intended to, and did use a substantial portion of investor proceeds from its offerings to pay returns to existing investors. For example, each of the Defendants knew that:

- a. Offering proceeds raised by Mantria Financial purportedly to finance third parties' purchases of lots in Mantria's various planned residential communities in Tennessee had instead been used to pay returns to Mantria investors;
- b. Offering proceeds raised by Mantria Industries to construct its facilities at Carlsbad, New Mexico, and Hohenwald, Tennessee, had instead been used for other purposes. In particular, Wragg and Knorr also knew, and Wayde McKelvy and Donna McKelvy knew or were reckless in not knowing, that little or no construction had ever taken place at Mantria's leased project sites in Carlsbad,

New Mexico and Hohenwald, Tennessee, and that the facilities have never been completed, never operated, and are not currently being pursued.

**Other Fraudulent Misrepresentations and Omissions
Regarding Mantria's Business Operations**

39. Defendants also materially misrepresented to investors the current status and success of Mantria's business operations. For example:
- a. The Internet website www.eternagreen.com, with content controlled by Wragg and Knorr, falsely represented that Mantria was currently producing 25 tons of biochar per day at multiple facilities when in fact it was not;
 - b. The Internet website www.eternagreen.com, with content controlled by Wragg and Knorr, misrepresented that Mantria was commercially producing biochar; that it was the world's largest manufacturer, producer and distributor of biochar, and that biochar was available through "local retailers," when in fact these statements were false.
 - c. On a Speed of Wealth sponsored internet radio show in which Knorr "sat in" for Wayde McKelvy, she falsely claimed that Mantria's biochar related operations were very profitable. Knorr also falsely claimed that Mantria had "orders [of biochar] going out to Africa." Both statements were false.
 - d. In a May 7, 2009 Speed of Wealth seminar, Wragg falsely stated that "We've built the world's first biorefinery manufacturing plant in Carlsbad, New Mexico . . ." The plant in Carlsbad has not been built.

- e. In various public statements, Wragg and Wayde McKelvy have falsely represented that Mantria holds a patent on its biochar manufacturing process. It holds no such patent.
40. Defendants also made false misrepresentations about Mantria's business prospects without a reasonable basis. For example:
- a. At the May 7, 2009 Speed of Wealth seminar, Wragg, with Wayde McKelvy present, told prospective investors, without a reasonable basis, that Mantria Industries was growing by "leaps and bounds" and was expected to bring in \$56 million in revenue in 2010 alone.
 - b. At the May 21, 2009 Speed of Wealth seminar, Wragg, with Wayde McKelvy present, told prospective investors that their investments into Mantria's Hohenwald facility will pay a 129% return on investment over the next 2.5 years, and that if they add a second eight-hour shift to their production facilities, that return will increase to 293%, then go up yet again if they add a third eight-hour shift and operate 24 hours per day.
 - c. In Mantria offering materials for the Mantria Financial LLC sale of 17% secured four-year notes dated July 1, 2008, prepared by Wragg, Defendants state, without a reasonable basis, that they will have buyers to support the \$70 million in capital requirements for that single offering by December 31, 2009. To date, however, Defendants have only raised approximately \$30 million in total with respect to *all* of its approximate twelve offerings.

**Fraudulent Misrepresentations Regarding the Relationship
Between Speed of Wealth and Mantria**

41. Each of the Defendants misrepresented the relationship between Speed of Wealth and Mantria. These misrepresentations included, but are not limited to, the following:

- a. Mantria offering materials for the Mantria Corporation Sale of 5% of Common Stock prepared by Wragg, and reviewed by Knorr, Wayde McKelvy, and Donna McKelvy, falsely characterized Speed of Wealth as a “division of Mantria.” In addition, Speed of Wealth was falsely listed on Mantria’s website at www.mantria.com as a Mantria Company under Mantria’s purported “education” division.
- b. Wragg’s biography on Mantria’s website falsely claimed he was a member of Speed of Wealth’s board of directors; and
- c. In a May 7, 2009 Speed of Wealth seminar, Wragg falsely claimed that Wayde McKelvy and Donna McKelvy were both members of Mantria’s board of directors.

42. In addition, in the May 7, 2009 Speed of Wealth seminar, Wayde McKelvy stated to the attendees, whom he refers to as his “students” that he is “deeply involved with Mantria” and that “I look at the books, I know where all the money’s going.” McKelvy also repeatedly represents to Mantria investors that its investments provide consistent and safe returns.

However, in recent testimony under oath with the SEC staff, Wayde McKelvy denied knowing anything about Mantria’s business operations. He testified to the following: “I have nothing to do with day to day operations of [Mantria’s] corporations, and they have nothing to do with the day to day operations of Speed of Wealth. I couldn’t tell you what they are doing right now at

Mantria to save my life.” He further testified “I never look at their financials, no. I don’t look at their books.”

43. Each of the Defendants also knew, but failed to disclose to investors in offering materials or otherwise, that Mantria has paid various amounts and given financial interests to Speed of Wealth, Wayde McKelvy and Donna McKelvy for their services in raising capital for Mantria. These included, but may not have been limited to, the following amounts paid by Mantria:

- a. Finders’ fees or commissions of approximately 12.5% of investor funds raised paid to Wayde McKelvy and Donna McKelvy, totaling roughly \$2 million;
- b. Marketing expenses of approximately \$250,000 paid to Speed of Wealth;
- c. Cash bonuses of at least \$75,000 paid to both Wayde McKelvy and Donna McKelvy; and
- d. 50% of the ownership interest (25% for Wayde McKelvy and 25% for Donna McKelvy) in various Mantria subsidiaries or affiliates, including Mantria Industries, LLC, the subsidiary that purports to conduct various biochar operations for Mantria.

44. The Defendants did not disclose the amount, nor in some cases the existence, of these commissions and fees to investors.

45. In fact, Wayde McKelvy falsely implied to his students that he did not make commissions on their investments with Mantria. At a May 21, 2009 live seminar, Wayde McKelvy distinguished himself from financial planners who sell annuities, stating “these slick insurance people have figured it out . . . if [they] can sell this great investment to the public,

[they] get paid a lot of commission. Any of you guys in this room actually – anyone other than me think that these guys . . . might just be looking out for themselves and not you? Wow. How much have I charged you so far? How much money have I ever asked you to give me?

[Response from unidentified attendee]: “Not much.” [McKelvy]: “None. Bruce, have you ever paid me a dime?” [Response from unidentified attendee]: “No, not a dime.” [McKelvy]: I just make you guys money, sometimes.”

**The Mantria and Speed of Wealth Securities Offerings
Were Not Registered or Exempt From Registration**

46. During the relevant period, in connection with the offerings described herein, Mantria and Speed of Wealth sold securities in the form of promissory notes, stock, limited partnership interests, and so-called “profits interests,” all of which constitute investment contracts under the federal securities laws. Defendants offered and sold these securities to investors using the means or instruments of interstate commerce, including but not limited to telephones, the Internet, commercial couriers, and the mails.

47. During the relevant period, no registration statements were in effect and no registration statements were filed with the SEC for the securities sold by Mantria and/or Speed of Wealth. Moreover, the securities transactions at issue were not exempt from registration.

**Defendants Wragg, Knorr, Speed of Wealth, Wayde McKelvy,
and Donna McKelvy Acted As Unregistered Brokers**

48. During the relevant period, Defendants Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy sold securities while acting as unregistered brokers. Among other things, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy used the telephone and the mails to effect purchases and sales of securities in the offerings described

herein. Wragg, Knorr, Wayde McKelvy, and Donna McKelvy were not affiliated with a broker-dealer registered with the SEC during the time in which they sold securities to investors. Speed of Wealth was not a broker-dealer registered with the SEC during the time in which it sold securities to investors.

49. Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy also actively solicited investors to purchase securities in seminars, Internet webinars, telephone conference calls, and/or conversations with investors, as well as other means.

50. Wayde McKelvy, and Donna McKelvy received transaction-based compensation in the form of a commission of approximately 12.5% of the amount of funds they raised. Wragg and Knorr also received transaction-based compensation by taking a commission of at least 1% of the amount of funds raised by Mantria. Speed of Wealth's primary business was to sell securities and generate commissions for its principals.

51. Wragg and Knorr also helped organized the securities sales operations of Speed of Wealth and Mantria, by among other things, establishing websites that indirectly solicited investors, hiring and supervising sales staff, and paying Wayde McKelvy and Donna McKelvy transaction-based compensation in the form of a commission of approximately 12.5%. Through these activities, Wragg and Knorr participated in the securities transactions of a broker-dealer.

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

**Fraud in the Offer or Sale of Securities
Violations of Securities Act Section 17(a) [15 U.S.C. §§ 77q(a)]**

52. Paragraphs 1 through 51 are re-alleged and incorporated by reference.

53. By engaging in the conduct described above, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy have, directly or indirectly, in the offer and sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, employed a device, scheme or artifice to defraud with scienter; negligently obtained money or property by means of untrue statements of material fact or by omitting to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or negligently engaged in transactions, practices, or courses of business that operated or would operate as a fraud or deceit upon the purchasers of such securities..

54. By reason of the foregoing, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy violated, and unless restrained and enjoined will continue to violate, Section 17(a) of the Securities Act [15 U.S.C. §§ 77q(a)].

SECOND CLAIM FOR RELIEF

**Fraud in the Purchase or Sale of Securities
Violation of Exchange Act Section 10(b) and Rule 10b-5
[15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5]**

55. Paragraphs 1 through 51 are re-alleged and incorporated by reference.

56. By engaging in the conduct described above, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy have, directly or indirectly, with scienter, by use of the means or instruments of interstate commerce or by use of the mails, employed devices, schemes or artifices to defraud; made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or engaged in acts, practices or courses of business which operated or would have operated as a fraud or deceit upon any person, in connection with the purchase or sale of a security.

57. By reason of the foregoing, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy violated, and unless enjoined, will continue to violate, Exchange Act Section 10(b) and Rule 10b-5 [15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5].

THIRD CLAIM FOR RELIEF

**Sale of Unregistered Securities
Violations of Securities Act Sections 5(a) and (c)
[15 U.S.C. §§ 77e(a), 77e(c)]**

58. Paragraphs 1 through 51 are re-alleged and incorporated by reference.

59. By engaging in the conduct described above, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy have directly or indirectly, by use of

the means or instruments of transportation or communication in interstate commerce or by use of the mails, offered and sold securities or carried or caused such securities to be carried through the mails or in interstate commerce, for the purpose of sale or delivery after sale.

60. No valid registration statement was filed or in effect with the SEC and no exemption from registration existed with respect to the securities and transactions described in this Complaint.

61. By reason of the foregoing, Defendants Mantria, Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy violated, and unless enjoined, will continue to violate, Sections 5(a) and (c) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c)].

FOURTH CLAIM FOR RELIEF

Acting As Unregistered Broker-dealers Violations of Exchange Act 15(a)(1) [15 U.S.C. § 78o(a)(1)]

62. Paragraphs 1 through 51 are re-alleged and incorporated by reference.

63. Defendants Wragg, Knorr, Wayde McKelvy, and Donna McKelvy are natural persons, Defendant Speed of Wealth is a person as that term is used in Section 15(a)(1) of the Exchange Act, and each of them made use of the mails or means or instrumentalities of interstate commerce to effect transactions in or to induce or attempt to induce the purchase or sale of a security without being registered in accordance with Section 15(b) of the Exchange Act.

64. By engaging in the conduct described above, Defendants Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy violated Section 15(a)(1) of the Exchange Act by acting as unregistered broker-dealers in connection with their offer and sale of securities as described in this Complaint.

65. By reason of the foregoing, Defendants Wragg, Knorr, Speed of Wealth, Wayde McKelvy, and Donna McKelvy violated, and unless enjoined will continue to violate, Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

PRAYER FOR RELIEF

WHEREFORE, the SEC respectfully requests that the Court:

I.

Find that each of the Defendants committed the violations alleged in this Complaint;

II.

Enter an Injunction, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently restraining and enjoining each of the Defendants from violating the laws and rules alleged against them in this Complaint;

III.

Order that each of the Defendants disgorge any and all ill-gotten gains, together with pre-judgment, derived from the activities set forth in this Complaint;

IV.

Order that each of the Defendants pay civil money penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]; and

V.

Grant such other relief as this Court may deem just or appropriate.

DATED: November 16, 2009.

Respectfully submitted,

s/Julie K. Lutz

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