

1 6. Nagrik and New Phase effected these transactions as broker-dealers. Nagrik and New Phase
2 did not have a valid broker-dealer certificate issued by the Department of Corporations or the U.S.
3 Securities and Exchange Commission (SEC) at any time.

4 7. In connection with these offers and sales, Nagrik and New Phase failed to tell investors that
5 Nagrik had judgments entered against him arising out of lawsuits for fraud and breach of contract.
6 These lawsuits arose out of transactions involving promissory notes and similar investment schemes
7 between Nagrik and investors. These lawsuits were filed in the Superior Court of California, County
8 of San Diego: case number GIN033235 judgment entered on April 30, 2004; case number GIN
9 020932 judgment entered on September 11, 2002, and case number 37-2007-0005 8376 CU C0 NC
10 judgment entered March 18, 2008.

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12 Based upon the foregoing findings, the California Corporations Commissioner is of the
13 opinion that the investment contracts representing interests in an “Agreement of Joint Partnership”
14 between the investor and New Phase, and the promissory notes issued by Nagrik and New Phase, are
15 securities subject to qualification under the California Corporate Securities Law of 1968 and are
16 being or have been offered or sold without being qualified in violation of Corporations Code section
17 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Keyur Nagrik and New
18 Phase Group, LLC are hereby ordered to desist and refrain from the further offer or sale of securities
19 in the State of California, including but not limited to, investment contracts and promissory notes,
20 unless and until qualification has been made under the law.

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22 In addition, based upon the foregoing, the California Corporations Commissioner is of the
23 opinion that Keyur Nagrik and New Phase Group, LLC effected transactions in securities as a broker-
24 dealer without having first applied for and secured from the Commissioner a certificate authorizing
25 either Nagrik or New Phase Group, LLC to act in that capacity, in violation of section 25210 of the
26 Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities Law of
27 1968, Keyur Nagrik and New Phase Group, LLC are hereby ordered to desist and refrain from
28 effecting any transaction in, or inducing or attempting to induce the purchase or sale of, any security

1 in this state, unless and until they have applied for and secured from the Commissioner a certificate,
2 then in effect, authorizing them to act in that capacity.

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4 Further, the California Corporations Commissioner is of the opinion that the securities
5 representing interests in an "Agreement of Joint Partnership" between the investor and New Phase,
6 and the promissory notes issued by Nagrik and New Phase were offered or sold in this State by
7 means of written or oral communications, which included an untrue statement of a material fact or
8 omitted to state a material fact necessary in order to make the statements made, in light of the
9 circumstances under which they were made, not misleading, in violation of section 25401 of the
10 Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities Law of
11 1968, Keyur Nagrik and New Phase Group, LLC is hereby ordered to desist and refrain from offering
12 or selling or buying or offering to buy any security in the State of California including, but not
13 limited to, investment contracts, and promissory notes by means of any written or oral
14 communication which includes an untrue statement of a material fact or omits to state a material fact
15 necessary in order to make the statements made, in light of the circumstances under which they were
16 made, not misleading.

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

19 Dated: April 1, 2009
20 Sacramento, California

21 PRESTON DuFAUCHARD
22 California Corporations Commissioner

23 By: _____
24 ALAN S. WEINGER
25 Acting Deputy Commissioner
26 Enforcement Division
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