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STATE OF CALIFORNIA  
BUSINESS TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF CORPORATIONS

TO: Cristina Madrigal Reyes  
C N Broker Service  
915 Main Street, Suite A  
Salinas, CA 93906

**DESIST AND REFRAIN ORDER**  
**(For violations of sections 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. Cristina Madrigal Reyes (“Reyes”) had been doing business as C N Broker Service since October 2, 1998, located at 915 Main Street, Suite A, Salinas, CA 93906-3912. Reyes is a salesperson licensed by the California Dept. of Real Estate, No. 01267626.

2. Beginning in October of 2006 Reyes has offered and sold securities in this state in the form of promissory notes to investors. The combined total value of the notes sold exceeded one million dollars. Reyes represented to investors that she would invest the money in loans for residential home purchases. The promissory notes were unsecured. The notes were frequently for a one year term, with others having a term of 6 months. The notes ostensibly were to pay interest rates that ranged from 25% per year to 40% per year, with the average interest in excess of 35% per year. Each note contained an assurance, in a dollar amount, of payments to be made at monthly intervals. At the end of the term of the note, the investor was guaranteed to be paid the full amount of the principal. To assure investors that they would receive this return of principal, Reyes would provide investors with C N Broker Service checks, signed by Reyes and post-dated one year or six months, as the case may be, from the date of the investment.

3. These securities were offered and sold in this state in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this state.

1 4. Reyes has omitted to disclose the following to investors:

2 a) that it was highly probable at the time she sold notes to later investors that she would fail to  
3 make promised principal payments to earlier investors, and that matured notes would be unpaid. In  
4 fact Reyes failed to pay any principal on all of the issued notes.

5 b) that she failed to make investments in real property as promised to earlier investors.

6 Based upon the foregoing findings, the California Corporations Commissioner is of the  
7 opinion that the promissory notes offered and sold by Cristina Madrigal Reyes, and C N Broker  
8 Service, are securities subject to qualification under the California Corporate Securities Law of 1968  
9 (California Corporations Code section 25000 et seq.) and are being or have been offered and sold  
10 without being qualified in violation of Corporations Code section 25110. Pursuant to section 25532  
11 of the Corporate Securities Law of 1968, Cristina Madrigal Reyes and C N Broker Service are hereby  
12 ordered to desist and refrain from the further offer or sale in the State of California of securities,  
13 including but not limited to promissory notes, unless and until qualification has been made under the  
14 law or unless exempt.

15 Further, the California Corporations commissioner is of the opinion that the securities that are  
16 being or have been offered or sold by Cristina Madrigal Reyes and C N Broker Service have been  
17 offered or sold in this state by means of written or oral communications which included an untrue  
18 statement of a material fact or omitted to state a material fact necessary in order to make the  
19 statements made, in the light of the circumstances under which they were made, not misleading, in  
20 violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the  
21 Corporate Securities Law of 1968 Cristina Madrigal Reyes and C N Broker Service are hereby  
22 ordered to desist and refrain from offering or selling or buying or offering to buy and security in the  
23 State of California, including but not limited to promissory notes, by means of any written or oral  
24 communication which includes an untrue statement of a material fact or omits to state a material fact  
25 necessary in order to make the statements made, in the light of the circumstances under which they  
26 were made, not misleading.

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

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Dated: September 8, 2008

PRESTON DuFAUCHARD  
California Corporations Commissioner

By: \_\_\_\_\_  
ALAN S. WEINGER  
Acting Deputy Commissioner