

1 WAYNE STRUMPFER
Acting California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Acting Deputy Commissioner
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8
9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

12	In the Matter of)	CASE NO.
13)	
14	THE CALIFORNIA CORPORATIONS)	FILE NO. 923-5067
15	COMMISSIONER,)	
16	Complainant,)	ORDER DENYING APPLICATION FOR
17	v.)	AN INVESTMENT ADVISER
18	BROOKSTONE CAPITAL, INC.,)	CERTIFICATE PURSUANT TO
19)	CORPORATIONS CODE SECTION 25232
20	Respondent.)	
21)	

22 TO: Robert L. Carver
23 Brookstone Capital, Inc.
24 695 Town Center Drive, Ste. 850
Costa Mesa, CA 92626

25 1. On August 11, 2005 the Department of Corporations for the State of California
26 (“Department”) brought an action to deny a certificate of investment adviser to Respondent
27 Brookstone Capital, Inc. (“Brookstone Capital”) pursuant to CC section 25232. The primary office
28 of Brookstone Capital is located at 695 Town Center Drive, Ste. 850, Costa Mesa, CA 92626.

1 According to Schedule A of an application for an investment adviser certificate filed with the
2 Department, Robert L. Carver is noted to be the founder, CEO and sole owner, manager and control
3 person of Brookstone Capital.

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5 2. On October 20, 2004, Brookstone Capital filed an application for an investment
6 adviser certificate with the Department. During the course of the application process it was
7 discovered that on July 22, 1994 in the Los Angeles County Superior Court Robert L. Carver pled
8 guilty to one felony count of making/passing fictitious checks, and on August 4, 1994 in the
9 Riverside County Superior/Municipal Court Mr. Carver pled nolo contendere to two felony counts of
10 grand theft. For the former conviction he was sentenced to 98 days in the county jail and five years
11 probation and for the later conviction he was sentenced to 180 days in county jail and five years
12 probation as well.

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14 3. In its application Brookstone Capital stated that Mr. Carver had never been found by
15 any state agency to have violated any investment related regulation or statute and yet on March 21,
16 1996 the State of California Department of Corporations issued a Desist and Refrain Order to Robert
17 L. Carver, among others, regarding the offer and sale of unqualified securities.

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19 4. Robert L. Carver has been convicted and has pled nolo contendere to felonies and
20 Robert L. Carver and Brookstone Capital have willfully made or caused to be made a false and
21 misleading application with respect to a material fact, which warrants a denial of a certificate as an
22 investment adviser pursuant to Corporations Code section 25232 subdivisions (a) and (b).

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24 5. Brookstone Capital has not requested a hearing on this matter within 30 days of
25 service as required, and the time period has expired to request a hearing.

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GOOD CAUSE APPEARING THEREFORE, IT IS ORDERED that Brookstone Capital Inc.'s Application for an Investment Adviser Certificate is denied pursuant to Corporations Code Section 25232.

Dated: September 26, 2005

WAYNE STRUMPFER
Acting California Corporations Commissioner

By: _____
ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division