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**STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: CMB Capital Investments, LLC
4757 E. Greenway Rd., #107B
Phoenix, Arizona 85032

Albert Daniel Pino
4757 E. Greenway Rd., #107B
Phoenix, Arizona 85032

Karen J. DiValerio
karenjdv@gmail.com

DESIST AND REFRAIN ORDER

(For violations of sections 25210 and 25401 of the Corporations Code)

The California Commissioner of Business Oversight finds that:

1. At all relevant times herein, CMB Capital Investments, LLC (“CMB”), is an active status Arizona limited liability company that offered investments in viatical settlements.

2. At all relevant times herein, Albert Daniel Pino (“Pino”) is a member and manager of CMB, as well as CMB’s President and CEO.

3. At all relevant times herein, Karen J. DiValerio (“DiValerio”) acted as an agent of Pino and CMB in locating potential investors.

4. On or about March 12, 2014, DiValerio met with a California resident (“Resident”) in California. During the meeting, DiValerio claimed she could help Resident double a \$10,000.00 investment within 30 days. DiValerio represented that the \$10,000.00 would be invested in an urgent viatical settlements opportunity in which her colleague, Pino, was looking for investors.

5. The following morning, DiValerio and Pino instructed Resident to wire \$10,000.00 to CMB by noon if Resident wished to be able to get in on the viatical investment opportunity. Thereafter, Resident wired \$10,000.00 to CMB.

6. On March 13, 2014, Pino sent Resident an email that stated, “We appreciate the opportunity to have you as a client and feel you can be a long term investor with CMB.” DiValerio was copied on the email.

1 7. Subsequently, Resident and Pino, acting on behalf of CMB, entered into what Pino
2 called an “investment agreement,” which referenced a portfolio of Deutsche Bank life insurance
3 policies.

4 8. Pino paid DiValerio commission on arranging Resident’s investment.

5 9. In or about August 2014, Resident had not received the \$20,000.00 within 30 days as
6 promised by DiValerio and contacted Pino and DiValerio asking for an immediate refund of the
7 \$10,000.00 initial investment. Pino replied that DiValerio had misled Resident about the length of
8 maturity of the investment, claiming, instead, that the “big returns” Pino offered investors would
9 take longer to mature.

10 10. To date, Resident has yet to receive any return on the investment or any refund of
11 the initial \$10,000.00 investment.

12 11. The “investment agreement” and the underlying viatical settlements constitute
13 securities under Corporations Code section 25019.

14 12. DiValerio is not licensed by the State of California, or any other similar licensing
15 entity, to act as a broker-dealer in this state.

16 13. In connection with the offer and sale of these securities, CMB and Pino made, or
17 caused to be made, misrepresentations of material fact or omitted to state material facts necessary in
18 order to make the statements made, in the light of the circumstances under which they were made,
19 not misleading, in violation of sections 25401 of the Corporations Code. These misrepresentations
20 and omissions included, but are not limited to the following:

21 a. failing to disclose that the Arizona Department of Financial Institutions
22 issued a cease and desist order against Pino and a company owned by Pino on June 7, 2006, which
23 included Pino’s consent to the entry of a final order and findings of fact establishing that Pino had
24 violated six separate Arizona laws relating to the mortgage and real estate industry, including
25 Pino’s failure to disclose possible conflicts of interest to clients and his payment of commission or
26 referral fees to unlicensed persons;

27 b. failing to disclose accurate maturity dates for Resident’s investment;

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- 1 c. failing to disclose the nature and risks of viatical settlement investments
- 2 generally; and
- 3 d. failing to disclose that DiValerio would be paid commission for Resident’s
- 4 investment.

5 Based on the foregoing findings, the California Commissioner of Business Oversight is of
6 the opinion that the securities offered and sold by CMB Capital Investments, LLC, and Albert
7 Daniel Pino were offered and sold in this state by means of written or oral communications that
8 included untrue statements of material fact or omitted to state material facts necessary in order to
9 make the statements made, in light of the circumstances under which they were made, not
10 misleading, in violation of section 25401 of the Corporations Code.

11 Pursuant to section 25532 of the Corporations Code, CMB Capital Investments, LLC, and
12 Albert Daniel Pino are hereby ordered to desist and refrain from offering or selling any security in
13 the State of California, including, but not limited to, investment agreements in viatical settlements
14 by means of written or oral communication which includes an untrue statement of a material fact or
15 omits to state a material fact necessary in order to make the statements made, in light of the
16 circumstances under which they were made, not misleading.

17 Based on the foregoing findings, the California Commissioner of Business Oversight is of
18 the opinion that Karen J. DiValerio engaged in the business of effecting transactions in securities in
19 this state for the account of others and effected a transaction in, or induced or attempted to induce
20 the purchase or sale of, a security in this state without authorization of the commissioner, in
21 violation of section 25210 of the Corporations Code.

22 Pursuant to section 25532 of the Corporations Code, Karen J. DiValerio is hereby ordered to
23 desist and refrain from acting as a broker-dealer or engaging in broker-dealer activities in this state
24 without first obtaining the commissioner’s authorization.

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

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Dated: August 6, 2015
Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division