

1 WAYNE STRUMPFER  
Acting California Corporations Commissioner  
2 ALAN S. WEINGER  
Acting Deputy Commissioner  
3 Sharon A. Lueras ( State Bar No. 139801)  
Senior Corporations Counsel  
4 1515 K Street, Suite 200  
Sacramento, California 95814  
5 Telephone: (916) 445-5380

6 Attorneys for the Complainant

7 **BEFORE THE DEPARTMENT OF CORPORATIONS**  
8 **OF THE STATE OF CALIFORNIA**

9 THE CALIFORNIA CORPORATIONS  
10 COMMISSIONER,

11 Complainant

12 vs.

13 CALIFORNIA FINANCIAL NETWORK, INC.  
(ANTHONY HAROLD BARKATE, DBA);  
14 ANTHONY HAROLD BARKATE, as an  
individual,

15 Respondents.  
16

File No.: 7301

ORDER BARRING ANTHONY HAROLD  
BARKATE FROM ANY POSITION OF  
EMPLOYMENT, MANAGEMENT OR  
CONTROL OF ANY INVESTMENT  
ADVISER, BROKER-DEALER OR  
COMMODITY ADVISER PURSUANT TO  
CORPORATIONS CODE SECTION 25232.1

17  
18 TO: Anthony Harold Barkate  
19 4700 Stockdale Highway, Suite 108  
20 Bakersfield, California 93309

21 1. On December 15, 2005, the Department of Corporations for the State of California  
22 (“Department”) brought an action to bar Anthony Harold Barkate (“Barkate”) from any position of  
23 employment, management or control of any investment adviser, broker-dealer and commodity  
24 adviser pursuant to Corporations Code section 25232(d)(2). Barkate’s current business address is  
25 4700 Stockdale Highway, Suite 108, Bakersfield, California 93309.

26 2. Barkate is the owner, managing director and control person of California Financial  
27 Network, Inc. (Anthony Harold Barkate, DBA). In April of 1984, Respondent Barkate entered into  
28 the securities industry as a general securities representative. In May of 1991, Respondent Barkate

1 became registered as a general securities principal. In June of 1996, Barkate owned and operated  
2 California Financial Network, Inc., located in Bakersfield, California.

3 In September 4, 1997, Barkate executed a registered representative agreement with  
4 Securities Network, Inc. ("SSN"), providing he would operate California Financial Network, Inc.  
5 as an SSN Office of Supervisory Jurisdiction. The agreement expressly prohibited Barkate from  
6 offering or selling any security to any purchaser without prior written approval of SSN. The  
7 agreement also required Barkate to disclose in writing all sources of outside income.

8 On September 18, 1997, Barkate submitted his first outside business activity form to SSN,  
9 and he represented that he had outside income from advisory fees and insurance commissions.

10 In March, 1998, Barkate became involved with various TLC entities ("TLC instruments").  
11 The TLC instruments provided investors with a tax lien certificate that represented the right to  
12 collect delinquent taxes on real property.

13 In July, 1998, Barkate completed his first three sales of TLC instruments for a total of  
14 \$278,896.00, resulting in upfront commissions of \$13,388.00 and deferred commissions of  
15 \$3,693.00. From July, 1998 through March, 1999, Barkate, while associated with SSN, solicited  
16 and sold \$6.8 Million in TLC instruments. Barkate received a total of \$400,144.00 in  
17 commissions from TLC instruments. Barkate admits that he did not provide SSN with prior  
18 written notice of his intent to sell the TLC instruments.

19 3. On December 29, 2005, the Commissioner personally served Barkate with copies of the  
20 following documents: (1) Notice of Intention to enter Orders Revoking Any Investment Adviser  
21 Certificate of California Financial Network, Inc. (Anthony Harold Barkate, DBA) and Barring  
22 Anthony Harold Barkate from Any Position of Employment, Management or Control of Any  
23 Investment Adviser, Broker-Dealer or Commodity Adviser; (2) Accusation; (3) Statement to  
24 Respondent; (4) Notice of Defense (Re: Revocation); (5) Notice of Defense (re: Bar); and (6)  
25 Government Codes section 11507.5, 11507.6 and 11507.7.

26 4. Barkate has not requested a hearing on this matter within 30 days after the Personal  
27 Service of the documents referenced in paragraph 3 as required by California Corporations Code  
28 section 25233. The time period to request a hearing has expired.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Based upon the foregoing, the Commissioner finds it is in the public interest to bar Barkate from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser.

GOOD CAUSE APPEARING THEREFORE, IT IS ORDERED that Anthony Harold Barkate is barred in the State of California from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser pursuant to California Corporations Code section 23232.1 for acts committed as specified in California Corporations Code section 25232 subdivision (d)(2). This order is effective immediately.

Dated: February 6, 2006

WAYNE STRUMPFER  
Acting California Corporations Commissioner

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