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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: John Edward Daggett  
2528 Peet Lane  
Escondido, CA 92025

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

The California Corporations Commissioner finds that:

1. John Edward Daggett (“Daggett”) is an individual doing business at 2528 Peet Lane, Escondido, CA.
2. Beginning in or about 2003, Daggett has offered and sold securities in the form of promissory notes to investors. Although they are frequently described as “personal financial transactions,” Daggett represents to investors that he will use the money for business purposes to generate profits, e.g., to fund trading by Daggett on currency exchanges, or to fund real estate transactions by Daggett for profit. The notes are frequently due in a matter of several months, carry interest rates in the teens, and often promise “bonus” payments in addition to monthly payment obligations. Daggett “guarantees” complete repayment, and represents that there is no risk to the investor in the transaction.
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.
4. Daggett has failed to disclose to investors that he has failed to make interest and/or principal payments to earlier investors, and that matured notes have remained unpaid.

