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

**TO:** Larry Maximo Dela Cruz  
18 Riverstar Circle  
Sacramento, California 95831

**DESIST AND REFRAIN ORDER**  
**(For violations of section 25110 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all relevant times, Larry Maximo Dela Cruz (Larry Dela Cruz) is a licensed insurance agent and a resident of Sacramento, California, residing at 18 Riverstar Circle, Sacramento, California 95831.
2. Beginning in or about January 2003, Larry Dela Cruz offered or sold investments, in the State of California in the form of investment contracts in Capital Holdings, LLC.
3. Larry Dela Cruz claims to offer financial planning, estate planning and insurance services to elderly and retired Californians. Due to the representations made by Larry Dela Cruz, elderly California investors borrowed against the value of an annuity that Larry Dela Cruz had previously sold to them and invested approximately \$40,000 in Capital Holdings, LLC.
4. The purported purpose of the Capital Holdings, LLC securities offering was to sell interests in medium term notes that would be turned over to a trader to facilitate the trading of prime bank

1 instruments. The investors were told that their principal was safe and secure in an FDIC insured  
2 bank.

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

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8 Based upon the foregoing findings, the California Corporations Commissioner is of the  
9 opinion that the investment contracts in Capital Holdings, LLC are securities subject to qualification  
10 under the California Corporate Securities Law of 1968 and are being or have been offered or sold  
11 without being qualified in violation of Corporations Code section 25110. Pursuant to section 25532  
12 of the Corporate Securities Law of 1968, Larry Maximo Dela Cruz is hereby ordered to desist and  
13 refrain from the further offer or sale of securities in the State of California, including but not limited  
14 to investment contracts, unless and until qualification has been made under the law or unless exempt.

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16 This Order is necessary, in the public interest, for the protection of investors and consistent  
17 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This order shall  
18 remain in full force and effect until further order of the California Corporations Commissioner.

19 Dated: March 24, 2006  
20 Sacramento, California

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22 WAYNE STRUMPFER  
23 Acting California Corporations Commissioner

24 By: \_\_\_\_\_  
25 ALAN S. WEINGER  
26 Acting Deputy Commissioner  
27 Enforcement Division  
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