

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 MARY ANN SMITH (CA Bar No. 230943)
Senior Corporations Counsel
4 1515 K Street, Suite 200
5 Sacramento, CA 95814
6 Tel: (916) 322-6067
7 Fax: (916) 445-6985
Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10 THE CALIFORNIA CORPORATIONS	)	CASE NO. 2001010361
11 COMMISSIONER,)	
	)	FILE NO. 923-4786
12 Complainant,)	
)	
13 v.	)	ORDER BARRING DOUGLAS ELSWORTH
	)	WILSON FROM ANY POSITION OF
14 ELSWORTH BERG CAPITAL	)	EMPLOYMENT, MANAGEMENT OR
15 MANAGEMENT, LLC, WILLIAM BERG	)	CONTROL OF ANY INVESTMENT
16 SETTLES as an individual and DOUGLAS	)	ADVISER, BROKER-DEALER OR
17 ELSWORTH WILSON, as an individual,	)	COMMODITY ADVISER PURSUANT TO
	)	CORPORATIONS CODE SECTION 25232.1
Respondents.	)	AND ORDER IMPOSING ANCILLARY
	)	RELIEF

18
19 To: Douglas Elsworth Wilson
20 Elsworth Berg Capital Management, LLC

21 Preston DuFauchard, the California Corporations Commissioner (“Commissioner”) of the
22 Department of Corporations (“Department”), finds that:

23 1. Douglas Elsworth Wilson (“Wilson”) is the president of Elsworth Berg Capital Management,
24 LLC (referred to as “Elsworth”) (CRD #120003) which held an investment adviser certificate issued
25 by the California Corporations Commissioner in October 2003. On November 4, 2010, the
26 Commissioner entered an order summarily revoking the investment adviser certificate of Elsworth
27 pursuant to Corporations Code section 25242(c).

28 2. On November 4, 2010, the Commissioner brought an action to bar Douglas Elsworth Wilson
by issuing a Notice of Intention to Issue Orders Barring Douglas Elsworth Wilson From Any

1 Position Of Employment, Management Or Control Of Any Investment Adviser, Broker-Dealer Or
2 Commodity Adviser Pursuant To Corporations Code Section 25232.1 And Claim For Ancillary
3 Relief Pursuant to Corporations Code Section 25254; Accusation And Statement In Support of
4 Claim For Ancillary Relief Pursuant To Corporations Code Section 25252; and Statement to
5 Respondents.

6 3. Respondent Wilson and Elsworth issued a timely notice of defense and request for hearing,
7 and waiving the statutory time provision for the hearing. The hearing was set for July 25, 2011
8 before the Office of Administrative Hearings in San Diego. Wilson and Elsworth subsequently
9 entered into a Stipulation with the Commissioner to resolve this matter without the need for a
10 hearing. Pursuant to the terms of the Stipulation, Wilson and Elsworth stipulated to the entry of this
11 order barring Wilson and imposing an order of restitution in the amount of \$298,689.55 against
12 Wilson and Elsworth jointly and severally due and payable sixty (60) days from the date this order is
13 signed.

14 NOW THEREFORE, GOOD CAUSE SHOWING, IT IS ORDERED that Douglas Elsworth
15 Wilson is barred in the State of California from any position of employment, management or control
16 of any investment adviser, broker-dealer or commodity adviser pursuant to California Corporations
17 Code section 23232.1.

18 IT IS FURTHER ORDERED that Elsworth Berg Capital Management, LLC and Douglas
19 Elsworth Wilson are hereby ordered to pay the sum of \$298,689.55 to the eight clients of Velocity
20 Trading Group, LLC in the amounts listed on Exhibit A attached hereto, jointly and severally, due
21 and due and payable sixty (60) days from the date the date this order is signed.

22 Dated: July 22, 2011

23 PRESTON DuFAUCHARD
24 California Corporations Commissioner

25 By: _____
26 ALAN S. WEINGER
27 Deputy Commissioner
28 Enforcement Division