

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

**TO:** Grand Castle, Inc.  
667 Brea Canyon Road, #24  
Walnut, California 91789

**DESIST AND REFRAIN ORDER**

**(For Violations of Section 25245 of the Corporations Code)**

The Commissioner of Business Oversight (Commissioner) finds that:

1. Grand Castle, Inc. (Grand Castle) is an active California corporation, formed on or about September 25, 2007. Grand Castle’s principal place of business is 667 Brea Canyon Road, #24, Walnut, California.

2. The California Bureau of Real Estate (BRE) issued Grand Castle a real estate license on or about December 10, 2007, and that license remains active.

3. Chung Wei Wayne Yang (Yang) is Grand Castle’s owner and president.

4. Yang holds an active BRE broker’s license, license number 01338127, which the BRE first issued to Yang on or about May 7, 2002.

5. On or about June 1, 2016, the BRE issued citations to both Yang and Grand Castle for violations of the Business and Professions Code (Real Estate Law) concerning the activities of Grand Castle conducted under its BRE license. Yang’s citation included a fine in the amount of \$1,250.00. The BRE has not set the citations aside, and it appears Yang paid the fine.

6. On or about May 12, 2017, Grand Castle filed a Form U-7 disclosure document (Form U-7) with the Commissioner seeking to obtain a securities qualification offering permit under the Small Company Offering Registration (SCOR) set forth in section 25113, subdivision (b)(2), of the Corporations Code.

7. A review of the Form U-7 shows Grand Castle failed to disclose the BRE citation issued to Yang in June of 2016. Specifically, the applicant responded “No” to question 94 (a), which asks whether “[A]ny government agency, administrative agency, or administrative court imposed an administrative finding, order, decree, or sanction against any Officer, Director, or key person in the last five years as a result of his or her involvement in any type of business, securities, or banking

1 activity?” But the BRE issued a citation to Yang, a licensed real estate broker and designated officer  
2 of Grand Castle, on June 1, 2016 for violations of the Real Estate Law. The BRE citation notes that  
3 Grand Castle and its designated officer, Yang, “are jointly and severally responsible” for the citation  
4 and the fines assessed against Yang.

5 The Commissioner of Business Oversight is of the opinion that Grand Castle, Inc. violated  
6 section 25245 of the Corporations Code by willfully making an untrue statement of a material fact in  
7 any application, notice or report filed with the Commissioner, or willfully omitting to state in any  
8 such application, notice, or report any material fact which is required to be stated therein. Under  
9 subdivision (d) of section 25532 of the Corporations Code, Grand Castle, Inc. engaged in an act,  
10 practice, or course of business constituting a violation of this division or a rule adopted or order  
11 issued under this division.

12 This order is necessary, in the public interest, for the protection of the public and consistent  
13 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

14 Dated: September 12, 2017  
15 Los Angeles, California

16 JAN LYNN OWEN  
17 Commissioner of Business Oversight

18 By \_\_\_\_\_  
19 MARY ANN SMITH  
20 Deputy Commissioner  
21 Enforcement Division  
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