

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

TO: Oscar Anibal Cruz Guerra  
4280 Lime Avenue  
Long Beach, CA 90807-2813

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

The Commissioner of Business Oversight finds that:

1. At all relevant times herein, Oscar Anibal Cruz Guerra (“Guerra”) is an individual and a resident of Los Angeles, California.

2. Beginning in or about August 2006, through a cold-call, Guerra offered and sold unqualified, non-exempt securities in the form of investment contracts in real estate to at least one California resident raising at least \$95,000.

3. The purported purpose of the offering was to raise funds that would be used to construct buildings on two parcels of land purportedly owned by Guerra, which would later be sold for profit.

4. Guerra told the investor and led the investor to believe that the investor’s money would be used to purchase a 50% interest in each of two parcels of land owned by Guerra and thereafter, buildings would be constructed on the land and sold at market value. Guerra told the investor he would receive profits of between \$50,000 to \$60,000 after the development and sale of the properties.

5. The security was offered and sold in this state in an issuer transaction. The Department of Business Oversight has not issued a permit or other form of qualification authorizing any person to offer or sell this security in this state.

6. In connection with the offer and sale of this security, Guerra made material misrepresentations of facts and also omitted to state material facts necessary in order to make the

1 statements made, in the light of the circumstances under which they were made, not misleading.

2 These misrepresentations and omissions included, but are not limited to, the following:

3 a. Misrepresenting that Guerra would construct buildings on two parcels of land.

4 In actuality, no building was ever constructed on either parcel of land.

5 b. Misrepresenting that the investor's money would be used to buy out Guerra's  
6 50% interests in two plots of land owned by Guerra, when in fact, the investor's money was not used  
7 for that purpose.

8 c. Misrepresenting that the investor was purchasing Guerra's 50% interests in  
9 each of the two parcels of land when in fact, Guerra never transferred his interests in the parcels of  
10 land to the investor.

11 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion  
12 that the investment contract that has been offered or sold by Oscar Anibal Cruz Guerra is a security  
13 subject to qualification under the California Corporate Securities Law of 1968 and are being or have  
14 been offered or sold without being qualified in violation of Corporations Code section 25110.

15 Pursuant to Corporations Code section 25532, Oscar Anibal Cruz Guerra is hereby ordered to  
16 desist and refrain from the further offer or sale in the State of California of securities, including but  
17 not limited to investment contracts, unless and until qualification has been made under the law or  
18 unless exempt.

19 Furthermore, the Commissioner of Business Oversight is of the opinion that the security  
20 offered and sold by Oscar Anibal Cruz Guerra was offered and sold in this state by means of written  
21 or oral communications that included untrue statements of material fact or omitted to state material  
22 facts necessary in order to make the statements made, in the light of the circumstances under which  
23 they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of  
24 1968.

25 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Oscar Anibal Cruz  
26 Guerra is hereby ordered to desist and refrain from offering or selling or buying or offering to buy  
27 any security in the State of California, including, but not limited to, investment contracts in real estate  
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1 properties by means of any written or oral communication which includes an untrue statement of a  
2 material fact or omits to state a material fact necessary in order to make the statements made, in the  
3 light of the circumstances under which they were made, not misleading.

4 This Order is necessary, in the public interest, for the protection of investors and consistent  
5 with the purposes, policies, and provisions of the Corporate Securities Law of 1968 and the  
6 California Financial Code.

7 Dated: August 4, 2014  
8 Los Angeles, California

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division