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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SAN DIEGO**

11 THE PEOPLE OF THE STATE OF
12 CALIFORNIA, by and through the
13 CALIFORNIA COMMISSIONER OF
BUSINESS OVERSIGHT,

14 Petitioner,

15 vs.

16 IFW RECYCLING CORPORATION, a
Wyoming corporation,

17 Respondent.
18

Case No.: 37-2014-00037185-CU-MC-CTL

**PETITION FOR AN ORDER SETTING
AN ORDER TO SHOW CAUSE HEARING
RE: FAILURE AND REFUSAL TO
COMPLY WITH SUBPOENA DUCES
TECUM**

**(CAL. CORP. CODE § 25531; CAL. GOV.
CODE §§ 11187 and 11188)**

19 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

20 YOU ARE HEREBY NOTIFIED that the Petitioner, Jan Lynn Owen, California
21 Commissioner of Business Oversight (“Commissioner”), acting in the name of the People of the State
22 of California, will submit a Petition for an Order Setting an Order to Show Cause Hearing Re: Failure
23 and Refusal to Comply with Subpoena Duces Tecum. The petition will be based on a Memorandum
24 of Points and Authorities, declarations, and evidence in support thereof.

25 Petitioner, the Commissioner, by and through her attorney, alleges:

- 26 1. The Commissioner is head of the Department of Business Oversight (“Department”).
27 2. The Department is the state agency responsible for administering and enforcing the
28 Corporate Securities Law of 1968 (Corp. Code § 25000 et seq.) (“CSL”), which regulates the offer or

1 sale of securities in California.

2 3. For the purpose of discovering violations of the CSL, the Commissioner has broad
3 authority to investigate possible violations of said law. The Commissioner is authorized to issue
4 administrative subpoenas for the production of documents and information as part of an inquiry.
5 (Corp. Code, § 25531; Gov. Code, §§ 11180, 11181.)

6 4. The Department is informed and believes that IFW Recycling Corporation its
7 employees, representatives or agents (“RESPONDENT”) may be engaged in violations of the CSL.

8 5. On or about August 18, 2014, in the course of a lawful investigation into possible
9 violations of the CSL, the Department issued an administrative subpoena on RESPONDENT. The
10 subpoena required the production of certain documents and information related to RESPONDENT’s
11 business activities and relevant to the Department’s investigation, by September 19, 2014.

12 6. On August 20, 2014, the subpoena was served on RESPONDENT.

13 7. On or about September 19, 2014, an attorney, Mr. Thomas Gruenbeck, contacted the
14 Department on behalf of RESPONDENT. Mr. Gruenbeck indicated that RESPONDENT would not
15 be producing documents and information in response to the subpoena by the September 19, 2014
16 deadline.

17 8. On October 21, 2014, the Department sent a letter to Mr. Gruenbeck requesting that
18 RESPONDENT comply with the subpoena and produce responsive documents and information by
19 October 24, 2014. The Department’s letter also indicated that failure to produce all responsive
20 documents and information will be deemed a failure and refusal to comply with the subpoena duces
21 tecum and may result in the Department filing a petition with the court to compel compliance.

22 9. To date, RESPONDENT has not produced any documents in response to the subpoena
23 duces tecum. RESPONDENT have also failed to contact the Department to request more time to
24 respond to the subpoena or indicate documents are forthcoming.

25 WHEREFORE, Petitioner, the Commissioner, respectfully requests that this Court:

26 1. Set an Order to Show Cause hearing, pursuant to California Government Code section
27 11188, as to why RESPONDENT, IFW Recycling Corporation has not complied with the subpoena;
28 and

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2. At the Order to Show Cause hearing, order RESPONDENT, IFW Recycling to produce all the documents and information requested in the subpoena.

Dated: October 30, 2014

JAN LYNN OWEN
California Commissioner of Business Oversight

By: _____
ALEX M. CALERO
Attorney for the People of California