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

TO: Inversiones Monarcas, a.k.a. Inversiones Monarcas,
Monarch Investments, and
www.inversionesmonarca.com
Araceli Cabrera
Maria del Carmen Penaloza Melchor

3151 Senter Road, Suite 100
San Jose, California  95111

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, Inversiones Monarcas, a.k.a. Inversiones Monarcas, Monarch
Investments, and www.inversionesmonarca.com (“Monarch”) is a California business entity of
unknown formation with a principal place of business at 3151 Senter Road, Suite 100, San Jose,
California, 95111. Monarch conducts business by way of telephone number (408) 622-5856, and by
internet website address www.inversionesmonarca.com.

2. Araceli Cabrera (“Cabrera”) and Maria del Carmen Penaloza Melchor (“Penaloza”)
represented to California investors that they are/were representatives of Monarch also doing business
at 3151 Senter Road, Suite 100, San Jose, California 95111. Cabrera and Penaloza executed
documents and interacted closely with investors on behalf of Monarch throughout the investment
transaction referenced herein.

3. Beginning in or about 2013, Monarch, Cabrera, and Penaloza offered and sold
securities in the form of promissory notes. Pursuant to the terms of these promissory notes, a
California investor would pay to Monarch a minimum of $500.00 as a capital investment, for the
purpose of investing in the business growth of Monarch. At the end of the investment term,
California investors would receive at least seven (7) percent annual interest on their investment as
profit in addition to the return of their initial capital investment with Monarch. Investors would not have any other involvement in the company, other than providing investment capital for a profit.

4. These securities in the form of promissory notes were offered or sold in California in issuer transactions. The Department of Business Oversight has not issued a permit or other form of qualification authorizing any person, including but not limited to Monarch, Cabrera or Penaloza to offer and/or sell these securities in California. These securities are or have been offered or sold without being qualified or exempt, in violation of Corporations Code section 25110.

5. Beginning in or about 2013, Monarch, Cabrera and Penaloza represented to investors during the offer or sale of securities that investors would be able to access and secure a refund of their entire invested capital at any time, as well as receive the promised profit or return on the capital investment at the end of the investment. However, despite requests to Monarch, Cabrera and Penaloza, investors were not able to access and secure a refund of their entire invested capital. In addition, investors never received any promised profit or return on their capital investment. Therefore, Monarch, Cabrera and Penaloza made misrepresentations to investors during the offer or sale of securities.

Based on the foregoing findings, the Commissioner of Business Oversight finds that the promissory notes offered and/or sold by Inversiones Monarcas, a.k.a. Inverciones Monarcas, Monarch Investments, www.inversionesmonarca.com, Araceli Cabrera and Maria del Carmen Penaloza Melchor are securities subject to qualification under the Corporations Code. These promissory notes are or have been offered or sold without being qualified or exempt, in violation of Corporations Code section 25110.

Pursuant to Corporations Code section 25532, Inversiones Monarcas, a.k.a. Inverciones Monarcas, Monarch Investments, www.inversionesmonarca.com, Araceli Cabrera and Maria del Carmen Penaloza Melchor are hereby ordered to desist and refrain from the further offer or sale in California of securities, including, but not limited to promissory notes, unless and until qualification has been made under said law or unless exempt.

Further, the California Commissioner of Business Oversight is of the opinion that the securities in the form of promissory notes were offered or sold in this State by means of a written or
oral communication which included an untrue statement of material fact or omitted to state a material fact necessary to make the statement made, in light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

Pursuant to section 25532 of the Corporate Securities Law of 1968, Inversiones Monarcas, a.k.a. Inversiones Monarcas, Monarch Investments, www.inversionesmonarca.com, Araceli Cabrera and Maria del Carmen Penaloza Melchor are hereby ordered to desist and refrain from offering or selling or buying or offering to buy any security in the State of California, including but not limited to promissory notes, by means of any written or oral communication which includes an untrue statement of material fact or omits to state a material fact necessary in order to make the statements made, in light of circumstances under which they were made, not misleading.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporations Code.

Dated: October 27, 2015

JAN LYNN OWEN
California Commissioner of Business Oversight

By __________________________
MARY ANN SMITH
Deputy Commissioner
Enforcement Division