

1 profit in addition to the return of their initial capital investment with Monarch. Investors would not
2 have any other involvement in the company, other than providing investment capital for a profit.

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

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

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

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

27 Further, the California Commissioner of Business Oversight is of the opinion that the
28 securities in the form of promissory notes were offered or sold in this State by means of a written or

1 oral communication which included an untrue statement of material fact or omitted to state a material
2 fact necessary to make the statement made, in light of the circumstances under which they were
3 made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

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

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

13 Dated: October 27, 2015

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15 JAN LYNN OWEN
16 California Commissioner of Business Oversight

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