

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS

3 TO: Innoprize XV, LLC
4 Innoprize XXI, LLC
5 Richard Stromberg
6 12327 Santa Monica Boulevard, #202
7 Los Angeles, California 90025

8 DESIST AND REFRAIN ORDER
9 (For violations of 25401 of the Corporations Code)

10 The California Corporations Commissioner finds that:

11 1. At all relevant times, Innoprize XV, LLC and Innoprize XXI, LLC were limited liability
12 companies doing business at 12327 Santa Monica Boulevard, #202, Los Angeles, California 90025.

13 2. At all relevant times, Richard Stromberg (“Stromberg”) was an agent of Innoprize XV, LLC
14 and Innoprize XXI, LLC.

15 3. Beginning in or about November 2004, Stromberg and Innoprize XV, LLC offered and sold
16 securities in the form of membership units in Innoprize XV, LLC.

17 4. The purported purpose of the offering was to purchase property located at 13519 Yukon
18 Avenue, Hawthorne, California, 90250.

19 5. In connection with the offer and sale of these securities, Stromberg and Innoprize XV, LLC
20 misrepresented material facts. Investors who purchased membership units in Innoprize XV, LLC
21 were told they would receive a share of the net proceeds from the sale of the property located at
22 13519 Yukon Avenue, Hawthorne, California, 90250. At least one investor did not receive the
23 promised return.

24 6. Beginning in or about May 2005, Stromberg and Innoprize XXI, LLC offered and sold
25 securities in the form of membership units in Innoprize XXI, LLC.

26 7. The purported purpose of the offering was to purchase property located at 18360 Napa Street,
27 Northridge, California, 91325.
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1 8. In connection with the offer and sale of these securities, Stromberg and Innoprize XXI, LLC
2 misrepresented material facts. Investors who purchased membership units in Innoprize XXI, LLC
3 were told that they would receive a share of the net proceeds from the sale of the property located at
4 18360 Napa Street, Northridge, California, 91325. At least one investor did not receive the promised
5 return.

6 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
7 that the membership units offered and/or sold by Richard Stromberg, Innoprize XV, LLC and
8 Innoprize XXI, LLC are securities subject to qualification under the California Corporations Code
9 and were offered in this state by means of written or oral communications that included untrue
10 statements of material fact or omitted to state material facts necessary in order to make the statements
11 made, in the light of the circumstances under which they were made, not misleading, in violation of
12 section 25401 of the California Corporations Code.

13 Pursuant to Section 25532 of the California Corporations Code, Richard Stromberg, Innoprize
14 XV, LLC and Innoprize XXI, LLC are hereby ordered to desist and refrain from offering or selling
15 any security in the State of California, including, but not limited to membership units by means of
16 any written or oral communication which includes an untrue statement of a material fact or omits to
17 state a material fact necessary in order to make the statements made, in the light of the circumstances
18 under which they were made, not misleading.

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

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22 Dated: November 17, 2008
23 Sacramento, California

24 PRESTON DuFAUCHARD
25 California Corporations Commissioner

26 By _____
27 ALAN S. WEINGER
28 Lead Corporations Counsel
Enforcement Division