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OF ORIGINAL FILED**
Los Angeles Superior Court

JUN 02 2011

John A. Clarke, Executive Officer/Clerk
By Shaunya Wesley, Deputy

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF LOS ANGELES**

11 THE PEOPLE OF THE STATE OF
CALIFORNIA, by and through the
12 CALIFORNIA CORPORATIONS
COMMISSIONER,
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Plaintiff,
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v.
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16 JORGE ROMERO INVESTMENTS, INC., a
California corporation; MAXIMUM RETURN
17 INVESTMENTS, INC., a California
corporation; and JORGE ROMERO, an
18 individual,
19 Defendants.

Case No.: BC462695

**COMPLAINT FOR PERMANENT
INJUNCTION AND ANCILLARY RELIEF**
**(VIOLATION OF AN ORDER ISSUED BY
THE CALIFORNIA CORPORATIONS
COMMISSIONER)**

21 Preston DuFauchard, California Corporations Commissioner, acting to protect the public
22 from unlawful and fraudulent sale of securities, brings this action in the public interest, in the name
23 of the People of the State of California. The People of the State of California allege:

24 **VENUE AND JURISDICTION**

25 1. The California Corporations Commissioner (“Commissioner” or “Plaintiff”) brings
26 this action to enjoin defendants from violating an Order of the Commissioner issued under the
27 Corporate Securities Law of 1968 (California Corporations Code section 25000, et seq.) and to
28 enforce the defendants’ compliance with the terms of the Commissioner’s Order.

- 1 10. Defendants did not file a notice of defense or otherwise request a hearing.
- 2 11. On or about February 1, 2011 the Commissioner issued an Order Imposing Penalties
- 3 and Ancillary Relief against Defendants (“Order”).
- 4 11. The Order made findings of fact and conclusions of law. The Order found that
- 5 Plaintiff had proved the allegations set forth in the Statement in Support of Order Levying
- 6 Administrative Penalties Pursuant to Corporations Code Section 25252; Claim for Ancillary Relief
- 7 Pursuant to Corporations Code Section 25254; and Desist and Refrain Order against Defendants.
- 8 12. The Order required that Defendants, jointly and severally, shall:
- 9 (A) Pay to the Commissioner administrative penalties in the sum of \$422,000.00
- 10 for violations of Corporations Code section 25110 and 25401.
- 11 (B) Make payment of full restitution consisting of the investors’ investment
- 12 principal in an amount of at least \$1,945,000.00, plus the legal rate of interest accumulated on the
- 13 investment principal in the amount of \$473,867.00, for a total of amount of \$2,418,867.00
- 14 (C) Pay \$17,867.88 to the Commissioner for investigative expenses attorney’s
- 15 fees, and costs.
- 16 13. The Order was served on Defendants on March 31, 2011.
- 17 14. Defendants failed to seek reconsideration of the Order, file a writ of mandate or
- 18 otherwise appeal the Order. The Order is now final.
- 19 15. As of today’s date, over 30 days from the effective date of the Order, Defendants
- 20 have failed to make any of the payments ordered by the Commissioner. Defendants have not
- 21 contacted Plaintiff to request more time to comply with the Order. Defendants are in violation of the
- 22 Commissioner’s Order.

FIRST CAUSE OF ACTION
VIOLATION OF AN ORDER ISSUED BY
THE CALIFORNIA CORPORATIONS COMMISSIONER
(AGAINST DEFENDANTS JORGE ROMERO, JORGE ROMERO INVESTMENTS, INC.,
and MAXIMUM RETURN INVESTMENTS, INC.)

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28 16. Plaintiff incorporates by reference paragraphs 1 through 15 of this Complaint as though fully set forth herein.

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17. California Corporations Code section 25530, in pertinent part, provides:

(a) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this division or any rule or order hereunder, the commissioner may in the commissioner's discretion bring an action in the name of the people of the State of California in the superior court to enjoin the acts or practices or to enforce compliance with this law or any rule or order hereunder. Upon a proper showing, a permanent . . . injunction . . . shall be granted . . . or any other ancillary relief may be granted as appropriate.

(b) If the commissioner determines it is in the public interest, the commissioner may include in any action authorized by subdivision (a) a claim for ancillary relief, including but not limited to, a claim for restitution or disgorgement or damages on behalf of the persons injured by the act or practice constituting the subject matter of the action, and the court shall have jurisdiction to award additional relief.

(c) In any case in which a defendant is ordered by the court to pay restitution to a victim, the court may in its order require the payment as a money judgment, which shall be enforceable by a victim as if the restitution order were a separate civil judgment, and enforceable in the same manner as is provided for the enforcement of any other money judgment. Any order issued under this subdivision shall contain provisions that are designed to achieve a fair and orderly satisfaction of the judgment.

(California Corporations Code § 25530.)

18. Plaintiff filed a Statement in Support of Order Levying Administrative Penalties Pursuant to Corporations Code Section 25252; Claim for Ancillary Relief Pursuant to Corporations Code Section 25254; and Desist and Refrain Order against Defendants for alleged violations of the Corporate Securities Law of 1968 and the rules and regulations thereunder.

19. Defendants did not request a hearing on the Statement in Support of Order Levying Administrative Penalties Pursuant to Corporations Code Section 25252; Claim for Ancillary Relief Pursuant to Corporations Code Section 25254; and Desist and Refrain Order.

20. The Commissioner issued an Order Imposing Penalties and Ancillary Relief on February 1, 2011.

21. The Order required Defendants, jointly and severally, to pay penalties and restitution. The Order also required Defendants to pay to Plaintiff certain costs and fees.

1 22. To this date, Defendants have not made any such payments. As such,
2 Defendants are in violation of the Order issued by the Commissioner.

3 23. Section 25530(a) of the California Corporations Code provides that when it
4 appears that any person has engaged in a violation of any order issued under the Corporate
5 Securities Law of 1968, the Commissioner may bring an action in the name of the People, in
6 the Superior Court, to enjoin violation of and enforce compliance with the order.

7 24. The Commissioner seeks an injunction requiring Defendants to comply with
8 the Order. Unless enjoined by this Court, Defendants will continue to violate the Order.

9 25. Section 25530(b) of the California Corporations Code provides that the
10 Commissioner may include in an action authorized by subdivision (a) a claim for ancillary
11 relief, including but not limited to, a claim for restitution or disgorgement or damages and the
12 court shall have jurisdiction to award the additional relief.

13 26. The Commissioner seeks ancillary relief, in the form of restitution to investors and
14 reimbursement of investigative costs and attorneys' fees, to effect the terms of the Order. Ancillary
15 relief is necessary, in the public interest and is consistent with the purposes, policies and provisions
16 of the Corporate Securities Law of 1968.

17 **PRAYER**

18 WHEREFORE, Plaintiff prays for a final judgment against Defendants Jorge Romero, Jorge
19 Romero Investments, Inc., and Maximum Return Investments, Inc. as follows:

20 **I. INJUNCTIVE RELIEF**

21 For a Permanent Injunction, pursuant to California Corporations Code section 25530:

- 22 1. Enjoining and restraining Romero, Jorge Romero Investments, and Maximum Return
- 23 Investments from violating the Order Imposing Penalties and Ancillary Relief; and
- 24 2. Compelling Romero, Jorge Romero Investments, and Maximum Return Investments
- 25 to comply with the terms of the Order.

26 **II. ANCILLARY RELIEF**

27 For ancillary relief, pursuant to California Corporations Code section 25530, in accordance
28 with the terms of the Order Imposing Penalties and Ancillary Relief, requiring Romero, Jorge
Romero Investments, and Maximum Return Investments, jointly and severally, to:

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- 1. Pay \$422,000.00 in administrative penalties for Defendants' violations of Corporations Code 25110 and 25401;
- 2. Pay restitution totaling \$1,945,000.00 to investors, plus the legal rate of interest accumulated on the investment principal, in the amount of \$473,867.00, for a total of amount of \$2,418,867.00; and
- 3. Reimburse Plaintiff \$17,867.88 for investigative expenses, attorney's fees, and costs.

III. THIS COURT TO RETAIN JURISDICTION

For an order that this Court shall retain jurisdiction of this action in order to implement and carry out the terms of all orders and decrees that may be entered herein or to entertain any suitable application or motion by Plaintiff for additional relief within the jurisdiction of this Court.

IV. OTHER RELIEF

For such other and further relief as this Court may deem necessary and proper.

Dated: May 31, 2011

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____
JOYCE TSAI
Corporations Counsel
Attorney for the People of California