

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
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8 Attorneys for Complainant

9  
10 BEFORE THE DEPARTMENT OF CORPORATIONS  
OF THE STATE OF CALIFORNIA

11 In the Matter of	)	FILE NO. -----
	)	OAH NO. -----
12 THE CALIFORNIA CORPORATIONS	)	
13 COMMISSIONER,	)	ORDER
	)	
14 Complainant,	)	(1) BARRING RONALD STEIN FROM ANY
15 v.	)	POSITION OF EMPLOYMENT,
	)	MANAGEMENT, AND CONTROL OF ANY
16 MALORY INVESTMENTS, LLC, RONALD	)	INVESTMENT ADVISER OR BROKER-
17 STEIN, STEVEN STRAUS, KENNETH	)	DEALER PURSUANT TO CORPORATIONS
18 EUGENE ZELLMER and SEAN ZARINEGAR	)	CODE SECTION 25232.1; and, (2)
	)	REVOKING MALORY INVESTMENTS,
19 Respondents.	)	LLC'S BROKER DEALER CERTIFICATE
	)	PURSUANT TO CORPORATIONS CODE
	)	SECTION 25212

20  
21 TO: Ronald Stein, and  
22 Malory Investments, LLC  
23 10937 Wilkins Ave., #304  
Los Angeles, CA 90024

- 24 1. Ronald Stein ("Stein")(Central Registration Depository, or "CRD," #434761) is the reported  
25 "owner" (at least 75% ownership) of Malory Investments, LLC ("Malory")(CRD #110936). CRD  
26 records indicate that Stein holds series 1, 27, 40 and 63 designations. Stein's address is 10937  
27 Wilkins Avenue #304, Los Angeles, CA, which is also the listed business address for Malory.
- 28 2. On July 26, 2007, the Commissioner issued (1) a Notice of Intention to Issue an Order

1 Revoking Malory Investments, LLC's Broker-Dealer Certificate Pursuant to Corporations Code  
2 section 25212; (2) Notice of Intention to Issue an Order Barring Respondents, Ronald Stein, Steven  
3 Strauss, Kenneth Eugene Zellmer and Sean Zarinigar, from any position of employment,  
4 management or control of any broker-dealer or investment adviser; (3) Statement to Respondents;  
5 (4) Accusation; (5) Government Code Sections 11507.5, 11507.6 and 11507.7; and (6) a Notice of  
6 Defense form. (All attached as exhibit "A").

7 3. Respondents issued a timely request for an administrative hearing to contest the orders and  
8 the Notice of Intent to Issue Orders referred to above, and waived the right to a hearing within 15  
9 days. To date, no hearing has been set before the Office of Administrative Hearings.

10 4. Respondents Ronald Stein and Malory Investments, LLC, subsequently entered into a  
11 Settlement Agreement and Stipulation with the Commissioner to resolve this matter without the need  
12 for a hearing or other litigation. Pursuant to the terms of the Settlement Agreement and Stipulation,  
13 Stein and Malory stipulated to the entry of this order by the Commissioner barring Stein and revoking  
14 Malory's broker-dealer certificate.

15 Based on the foregoing the commissioner finds it is in the public interest to issue the following order:

16 GOOD CAUSE APPEARING THEREFORE, IT IS ORDERED THAT:

17 1. Ronald Stein is barred in the state of California from any position of employment,  
18 management, or control of any investment adviser or broker-dealer pursuant to Corporations Code  
19 section 25213.1.

20 2. The broker-dealer certificate of Malory Investments, LLC, issued by the California  
21 Corporations Commissioner is hereby revoked pursuant to Corporations Code Section 25212.

22 THIS ORDER IS EFFECTIVE IMMEDIATELY.

23 Dated: 2/29/08

24 PRESTON DuFAUCHARD  
California Corporations Commissioner

25  
26 By: \_\_\_\_\_  
27 ALAN S. WEINGER  
Lead Corporations Counsel  
28 Enforcement Division