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CENTRAL DIVISION
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CLERK OF THE COURT
SAN DIEGO COUNTY, CA

8 Attorneys for the People of the State of California

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

11 THE PEOPLE OF THE STATE OF
12 CALIFORNIA, by and through the
13 CALIFORNIA CORPORATIONS
COMMISSIONER,

14 Plaintiff,

15 vs.

16 PURSOL SOLAR SYSTEMS, INC., a
17 California Corporation;
18 VINCE AGUON, an individual; and
19 DOES 1-10, inclusive,

20 Defendants.
21

Case No.: 37-2011-00088643-CU-MC-CTL

**COMPLAINT FOR INJUNCTIVE RELIEF;
CIVIL PENALTIES; AND ANCILLARY
RELIEF
[CORPORATIONS CODE SECTIONS
25530 AND 25535]**

**UNQUALIFIED OFFER AND SALE OF
SECURITIES
[CORPORATIONS CODE SECTION 25110]**

**VIOLATION OF DESIST AND REFRAIN
ORDER ISSUED BY THE
COMMISSIONER**

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23 THE PEOPLE OF THE STATE OF CALIFORNIA, by and through Preston DuFauchard,
24 California Corporations Commissioner, acting to protect the public from unlawful and fraudulent
25 sales of securities, bring this action in the public interest. The People of the State of California
26 allege:
27

28 **VENUE AND JURISDICTION**

1 These securities include, but are not limited to, common stock. Pursol Solar and Aguon have also
2 sold securities to investors outside of California.

3 9. Pursol Solar offered and sold these securities by means of general solicitation,
4 including but not limited to telephone cold-calls.

5 10. On or about March 24, 2010, the Commissioner issued a Desist and Refrain Order
6 (“Order”) against Defendants Pursol and Aguon, ordering them to desist and refrain from the
7 further offer and sale of unqualified, non-exempt securities in violation of Corporations Code
8 section 25110.

9 11. The Order was served on Pursol and Aguon on or about March 23, 2010. Pursol
10 and Aguon stipulated to the order on or about March 23, 2010. Therefore, the Order is now final.

11 12. Notwithstanding the Order, Defendants continued to offer and sell unqualified,
12 non-exempt securities to residents of California and elsewhere.

13 13. Notwithstanding the Order, Defendants continued to use general solicitation in the
14 form of telephone “cold calls” to offer and sell securities to residents of California and elsewhere.

15 **FIRST CAUSE OF ACTION**

16 **OFFER AND SALE OF UNQUALIFIED, NON-EXEMPT SECURITIES**

17 **IN VIOLATION OF CORPORATIONS CODE SECTION 25110**

18 **(AGAINST ALL DEFENDANTS)**

19 14. Plaintiff incorporates by reference paragraphs 1 through 13 of this Complaint as
20 though fully set forth herein.

21 15. Corporations Code section 25110 provides, in pertinent part, as follows:

22 It is unlawful for any person to offer or sell in this state any security in an issuer
23 transaction ... whether or not by or through underwriters ... unless such sale has
24 been qualified under Section 25111, 25112 or 25113 ... or unless such security or
25 transaction is exempted or not subject to qualification under Chapter 1
26 [commencing with Section 25100] of this part.

26 16. Beginning in at least 2008 and continuing thereafter, Defendants, and each of them,
27 offered and sold securities to at least 85 California residents, raising at least \$605,201.00.

28 17. The investments offered and sold by Defendants are “securities” within the

1 meaning of Corporations Code section 25110. The securities include, but are not limited to,
2 common stock.

3 18. The securities were offered and sold in “issuer transactions” within the meaning of
4 Section 25110.

5 19. Defendants, and each of them, offered and sold the securities within the state of
6 California within the meaning of Corporations Code sections 25008 and 25017.

7 20. The Commissioner has not issued a permit or other form of qualification
8 authorizing the offer and sale of the securities by Defendants in the State of California.

9 21. The offer and sale of securities referred to herein were not exempt from the
10 requirement of qualification under Section 25110.

11 22. Unless enjoined by this Court, Defendants will continue to violate Corp. Code
12 section 25110.

13 **SECOND CAUSE OF ACTION**
14 **VIOLATION OF DESIST AND REFRAIN ORDER**
15 **ISSUED BY THE COMMISSIONER**
16 **(AGAINST ALL DEFENDANTS)**

17 23. Plaintiff incorporates by reference paragraphs 1 through 22 of this Complaint as
18 though fully set forth herein.

19 24. Corporations Code section 25532 provides, in pertinent part, as follows:

20 (a) If, in the opinion of the commissioner, (1) the sale of a security is subject to
21 qualification under this law and it is being or has been offered or sold without first
22 being qualified, the commissioner may order the issuer or offeror of the security to
23 desist and refrain from the further offer or sale of the security until qualification has
24 been made under this law or (2) the sale of a security is subject to the requirements
25 of Section ... 25102.1 and the security is being or has been offered or sold without
26 first meeting the requirements of those sections, the commissioner may order the
27 issuer or offeror of that security to desist and refrain....

28 25. On or about March 24, 2010, the Commissioner issued a Desist and Refrain Order
against Defendants Pursol Solar and Aguon. The Order was served on Defendants on or about
March 23, 2010.

26. Defendants stipulated to the Order on or about March 23, 2010. The Order is now

1 final.

2 27. Following the issuance of the Order, Defendants continued to offer and sell
3 securities by way of general solicitation in the form of telephone “cold calls.”

4 28. Unless enjoined, Defendants will continue to violate the Desist and Refrain Order
5 issued by the Commissioner on March 24, 2010.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiff prays for judgment against Defendants Pursol Solar and Aguon as
8 follows:

9 **I. INJUNCTIVE RELIEF FOR THE VIOLATIONS**

10 For an Order of Preliminary Injunction, and ultimately, a Permanent Injunction, pursuant
11 to California Corporations Code section 25530, restraining and enjoining Defendants from directly
12 or indirectly:

13 1. Violating California Corporations Code section 25110 by offering to sell, selling,
14 arranging for the sale of, issuing, engaging in the business of selling, or negotiating for the sale of
15 and security of any kind, unless such security or transaction is qualified;

16 2. Violating the Desist and Refrain Order issued by the California Corporations
17 Commissioner on March 24, 2010, by offering and selling unqualified, non-exempt securities in
18 violation of California Corporations Code section 25110;

19 2. Removing, destroying, mutilating, concealing, altering, transferring, or otherwise
20 disposing of, in any manner, any books, records, computer programs, computer files, computer
21 printouts, correspondence, brochures, manuals, or any other “writing” or “document” of any kind
22 as defined under California Evidence Code section 250, relating to the transactions and course of
23 conduct as alleged in the complaint of this action, unless authorized by this Court; and

24 3. Withdrawing from any bank account or disposing of any real or personal property
25 in their possession, custody, or control, without leave of the Court.

26 **II. RESCISSION AND RESTITUTION**

27 1. For a Final Judgment requiring Defendants to rescind each and all of the unlawful
28 transactions alleged in this Complaint, or according to proof, pursuant to California Corporations

1 Code section 25530, subdivision (b), and further requiring Defendants to pay full restitution to
2 each California resident determined to have been subject to Defendants' acts or practices which
3 constitute violations of the Corporate Securities Law of 1968, in an amount of at least
4 \$605,201.00, or according to proof. In addition, to pay either the contracted rate of interest or the
5 legal rate of interest on the amount invested by the investors from the date of their investments to
6 the date of judgment herein; and

7 2. For a Final Judgment requiring Defendants to disgorge, pursuant to California
8 Corporations Code section 25530, subdivision (b), all benefits received, including but not limited
9 to, salaries, commissions, fees, profits, and any other remuneration, derived directly or indirectly
10 from the actions or practices which constitute violations of the Corporate Securities Law of 1968.

11 **III. CIVIL PENALTIES**

12 For a Final Judgment requiring Defendants to pay to the Department of Corporations
13 \$25,000.00 as a civil penalty for each act in violation of the Corporate Securities Law of 1968,
14 pursuant to California Corporations Code section 25535, in an amount of at least \$2,300,000.00 or
15 according to proof.

16 **IV. OTHER RELIEF**

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

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19 Dated: March 30, 2011

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21 PRESTON DuFAUCHARD
California Corporations Commissioner

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