

1 WAYNE STRUMPFER
Acting California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Acting Deputy Commissioner
3 NICHOLAS LANZA (CA BAR NO. 124721)
Senior Corporations Counsel
4 DEPARTMENT OF CORPORATIONS
320 West 4th Street, Suite 750
5 Los Angeles, California 90013-2344
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6 Attorneys for Complainant

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

11 In the Matter of) FILE NO. 112566
12 THE CALIFORNIA CORPORATIONS) ORDER TO DISCONTINUE VIOLATIONS
13 COMMISSIONER,) PURSUANT TO CORPORATIONS CODE
14) SECTION 25249
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Complainant,
v.
Respondent.

To: Stephen J. Hoshimi, President
Palisades Investment Advisors, Inc.
11601 Wilshire Blvd., Suite 2460
Los Angeles, California 90025

Wayne Strumpfer, the Acting California Corporations Commissioner ("Commissioner") of the Department of Corporations ("Department") finds that:

Palisades Investment Advisors, Inc. ("Palisades") has violated the net capital and the books and records requirements of certain regulations promulgated pursuant to the Corporate Securities Law of 1968 (Corp. Code § 25000 et seq.). Palisades has violated California Code of Regulations,

1 title 10, section 260.237.1, subdivision (a), by failing to meet its net capital requirements, and
2 California Code of Regulations, title 10, section 260.241.3, subdivision (a)(2), by failing to make
3 and keep general and auxiliary ledgers.

4 NOW, BASED UPON THE FOREGOING, AND GOOD CAUSE APPEARING, it is hereby
5 ORDERED, under the provisions of Corporations Code section 25249, that Palisades Investment
6 Advisors, Inc. immediately discontinue violating California Code of Regulations, title 10, sections
7 260.237.1, subdivision (a) and 260.241.3, subdivision (a)(2).

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9 Dated: February 9, 2006

WAYNE STRUMPFER
Acting California Corporations Commissioner

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By: _____

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ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division

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