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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: IDC Panama, Inc.
Robert M. Scharringhausen, President
Alex Saenz, Managing Partner
10671 Roselle Street, Suite 101
San Diego, CA 92121
or
3830 Valley Center Drive, #444
San Diego, CA 92130
or
www.idcpanama.com

The Saenz Group, LLC
Alex Saenz, CEO
13553 Poway Road, Suite 185
Poway, CA 92064

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. IDC Panama, Inc. (hereinafter, "IDC Panama") is, and was at all relevant times herein, a California corporation located at 10671 Roselle Street, Suite 101, San Diego, California 92121. IDC Panama also has its business location at 3830 Valley Center Drive, #444, San Diego, California, 92130. IDC Panama also conducts its business on its website, www.idcpanama.com.
2. Robert M. "Buzz" Scharringhausen (hereinafter, "Scharringhausen") is, and was at all relevant times herein, the president of IDC Panama.
3. At all relevant times herein, Alex Saenz claims to be the managing partner of IDC Panama.
4. At all relevant times herein, The Saenz Group, LLC ("Saenz Group") is a business entity of unknown organization, purporting to be a limited liability company, doing business at its principal office located at 13553 Poway Road, Suite 185, Poway, California, 92064. The Saenz Group purports to be in the business of assisting companies in establishing and growing its potential.

1 5. At all relevant times herein, Alex Saenz claims to be the Chief Executive Officer of Saenz
2 Group.

3 6. Beginning at least as early as 2008, IDC Panama, Scharringhausen, Alex Saenz and the
4 Saenz Group offered securities in the form of notes.

5 7. The purported purpose of the offering was to invest in projects to build homes in Panama.
6 IDC Panama's website claims that "Security is shares in the underlying Panamanian Corporation
7 specifically formed to develop the specific lot or project". IDC Panama's investment packet claims
8 to have an annual return from 50% to 66%, which included profit participation of 40% of the net cash
9 out. IDC Panama's website further claims that some of its projects had gone full cycle with returns
10 ranging from 68% to 172%.

11 8. The notes are securities pursuant to California Corporations Code section 25019.

12 9. These securities were offered in this state in issuer transactions. The Department of
13 Corporations has not issued a permit or other form of qualification authorizing any person to offer
14 these securities in this state.

15 10. In connection with the offers of securities, IDC Panama, Scharringhausen, Alex Saenz and
16 the Saenz Group omitted to disclose that:

- 17 a. On March 3, 1986, the People of State of California permanently enjoined Robert M.
18 Scharringhausen from failing to disclose, and failing to truthfully, clearly and
19 conspicuously disclose at the time of any solicitation or offer with respect to transactions
20 involving real property, the status of any actual or proposed zoning changes, laws,
21 regulations, or other municipal ordinances.
- 22 b. On March 19, 1996, California Department of Corporations issued a Desist and Refrain
23 Order to Robert "Buzz" Scharringhausen in connection with the offer or sale of securities
24 in California.
- 25 c. On May 30, 1997, Robert M. Scharringhausen was convicted of three counts of
26 bankruptcy fraud.
- 27 d. On June 27, 2003, CRPM, Inc. and Patrick Mummy filed a complaint against Saenz
28 Group and Alex Saenz for breach of contract, fraud, negligent misrepresentation,

1 interference with prospective economic advantage, and misappropriation of trade secrets.
2 The parties agreed to a binding arbitration. In December 2005, plaintiffs were awarded
3 \$15,000.00 for breach of contract, misappropriation of trade secrets and fraud by negligent
4 misrepresentation.

- 5 e. The 2008 opinion of the United States Tax Court sustaining the filing of a notice of
6 federal tax lien (NFTL) by the IRS against Robert M. Scharringhausen for owing more
7 than \$30,000.00 for the tax years 2001-2003.

8 Based upon the foregoing findings, the California Corporations Commissioner is of the
9 opinion that the notes are securities subject to qualification under the California Corporate Securities
10 Law of 1968 and are being or were offered without being qualified in violation of Corporations Code
11 section 25110.

12 Pursuant to Section 25532 of the California Corporations Code, Robert M. "Buzz"
13 Scharringhausen, Alex Saenz, IDC Panama, Inc., and The Saenz Group, LLC are hereby ordered to
14 desist and refrain from the further offers of securities in the State of California, including, but not
15 limited to notes, unless and until qualification has been made under said law or unless exempt.

16 Further, based upon the foregoing, the California Corporations Commissioner is of the
17 opinion that the securities were offered in this state by means of oral and written communications
18 which omitted to state material facts necessary in order to make the statements made, in the light of
19 the circumstances under which they were made, not misleading, in violation of section 25401 of the
20 Corporate Securities Law of 1968.

21 Pursuant to section 25532 of the Corporate Securities Law of 1968, Robert M. "Buzz"
22 Scharringhausen, Alex Saenz, IDC Panama, Inc., and The Saenz Group, LLC are hereby ordered to
23 desist and refrain from offering or selling or buying or offering to buy any securities in the State of
24 California, including but not limited to, notes, by means of any written or oral communication which
25 omits to state a material fact necessary in order to make the statements made, in the light of the
26 circumstances under which they were made, not misleading.

27 This Order is necessary, in the public interest, for the protection of investors and consistent
28 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

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Dated: June 6, 2008
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division