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2 **STATE OF CALIFORNIA**
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Alexander G. Baraona, a.k.a. Alexander Gilbert Baraona
6 Brett Matheson
7 Salvador Holdings International Corporation
8 Salvador Holdings International (Hong Kong) Ltd.
9 15780 Almaden Expressway
10 San Jose, CA 95120

11 **DESIST AND REFRAIN ORDER**
12 **(For violations of sections 25110 and 25401 of the Corporations Code)**

13 The California Corporations Commissioner finds that:

14 1. At all relevant times, Salvador Holdings International Corporation and Salvador Holdings
15 International (Hong Kong) Ltd. (collectively “Salvador Holdings”) are alleged corporate business
16 entities doing business in California, with a principle place of business located at 15780 Almaden
17 Expressway, San Jose, California, 95120.

18 2. At all relevant times, Alexander G. Baraona, a.k.a. Alexander Gilbert Baraona (“Baraona”)
19 and Brett Matheson (“Matheson”) were individuals doing business in California at 15780 Almaden
20 Expressway, San Jose, California, 95120. Baraona and Matheson were representatives of Salvador
21 Holdings. Specifically, Baraona is or was the president of Salvador Holdings. Matheson is or was the
22 vice president and sales agent of Salvador Holdings.

23 3. Beginning in or about 2007, Baraona, Matheson, and Salvador Holdings offered and sold
24 securities in the form of investment contracts. Pursuant to the terms of these investment contracts, a
25 California investor would pay to Baraona, Matheson and Salvador Holdings a lump sum of capital of
26 at least \$100,000.00, for the purpose of investing in the purchase and development of various real
27 estate and “humanitarian development” projects. The exact location of these projects, which were
28 purportedly located in the United States, is unknown. These various unknown real estate and

1 “humanitarian development” projects were represented to California investors as “planned
2 developments in the U.S.” In exchange for a lump sum capital investment of at least \$100,000.00,
3 California investors would receive \$4 million in return within thirty (30) days of their capital
4 investment. Investors would be “passive” investors. Specifically, investors would not have any other
5 involvement in the investment, other than providing investment capital for a profit. Investors would
6 simply wire the initial capital investment of at least \$100,000.00 to a Bank of America account
7 belonging to either Baraona or Salvador Holdings.

8 4. These investment contracts were offered and sold in California in issuer transactions. The
9 Department of Corporations has not issued a permit or other form of qualification authorizing any
10 person to offer and sell these investment contracts in California.

11 5. Beginning in or about 2007, Baraona, Matheson and Salvador Holdings misrepresented to
12 investors during the offer or sale of securities that investors would be able to access and secure a
13 refund of their entire invested capital at any time, as well as receive a profitable return of \$4 million
14 on their investment.

15 Based on the foregoing findings, the California Corporations Commissioner finds that the
16 investment contracts sold by Alexander G. Baraona, a.k.a. Alexander Gilbert Baraona, Brett
17 Matheson, Salvador Holdings International Corporation, and Salvador Holdings International (Hong
18 Kong) Ltd., are securities subject to qualification under the California Corporations Code. These
19 securities are or were offered and sold without being qualified or exempt, in violation of Section
20 25110 of the California Corporations Code.

21 Pursuant to section 25532 of the California Corporations Code, Alexander G. Baraona, a.k.a.
22 Alexander Gilbert Baraona, Brett Matheson, Salvador Holdings International Corporation, and
23 Salvador Holdings International (Hong Kong) Ltd. are hereby ordered to desist and refrain from the
24 further offer or sale in the State of California of securities, including investment contracts, unless and
25 until qualification has been made under said law or unless exempt.

26 Further, the California Corporations Commissioner is of the opinion that the securities in the
27 form of investment contracts were offered or sold in this State by means of a written or oral
28 communication which included an untrue statement of material fact or omitted to a state material fact

1 necessary to make the statement made, in the light of the circumstances under which they were made,
2 not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

3 Pursuant to section 25532 of the Corporate Securities Law of 1968, Alexander G. Baraona,
4 a.k.a. Alexander Gilbert Baraona, Brett Matheson, Salvador Holdings International Corporation, and
5 Salvador Holdings International (Hong Kong) Ltd. are hereby ordered to desist and refrain from
6 offering or selling or buying or offering to buy any security in the State of California, including but
7 not limited to investment contracts, by means of any written or oral communication which includes
8 an untrue statement of material fact or omits to state a material fact necessary in order to make the
9 statements made, in the light of circumstances under which they were made, not misleading.

10 This Order is necessary, in the public interest, for the protection of investors and consistent
11 with the purposes, policies, and provisions of the California Corporations Code.

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13 Dated: July 21, 2009
14 Sacramento, California

15 PRESTON DUFAUCHARD
16 California Corporations Commissioner

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18
19 By _____
20 ALAN S. WEINGER
21 Deputy Commissioner
22 Enforcement Division
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