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

TO: Edward Lantz Ferguson
Strong's Capital Investments, Inc.

2566 Catamaran Way
Chula Vista, CA 91914

3404 Bonita Road
Chula Vista, CA 91910

www.strongscapital.com

1279 Silver Hawk Way
Chula Vista, CA 91915

DESIST AND REFRAIN ORDER

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

The California Corporations Commissioner finds that:

1. Strong's Capital Investments, Inc. (hereinafter, "Strong's Capital") is, and was at all relevant times herein, a California corporation with its places of business at 3404 Bonita Road, Chula Vista, CA 91910 and 1279 Silver Hawk Way, Chula Vista, CA 91915 and its registered address at 2566 Catamaran Way, Chula Vista, CA 91914. Strong's Capital also maintained a website at www.strongscapital.com, which is now inactive and a parked domain.
2. Diversity Capital Investments, Inc. (hereinafter, "Diversity Capital") is, and was at all relevant times herein, a California corporation with its registered address at 3404 Bonita Road, Chula Vista, CA 91910. Strong's Capital and Diversity Capital have the same business address.
3. Edward Lantz Ferguson, also known as Eddie Ferguson, (hereinafter, "Ferguson") has identified himself as the president of Strong's Capital. Ferguson also represented himself as the "President of Investment" for Strong's Capital.
4. Beginning in or about October 2007, Ferguson and Strong's Capital offered and sold securities, in the form of promissory notes and loan agreements.
5. The purported purpose of these offerings was to invest in a "combination of risk-controlled vehicles", which include the Foreign Currency Exchange, commercial paper, the stock market, real

1 estate, institutional lending and “other high-yield & short term avenues”. Ferguson and Strong’s
2 Capital further represented to some investors that 100% of their monies would be used for foreign
3 currency trading by Diversity Capital.

4 6. These promissory notes and loan agreements are securities pursuant to California
5 Corporations Code section 25019.

6 7. These securities were offered and sold in this state in issuer transactions. The California
7 Department of Corporations has not issued a permit or other form of qualification authorizing any
8 person to offer and sell these securities in this state.

9 8. Ferguson, through Strong’s Capital, collected approximately \$849,000.00 from investors from
10 November 2007 through March 2008. Of that amount, Ferguson loaned approximately \$370,000.00
11 to Diversity Capital.

12 9. In connection with the offer and sale of securities, Ferguson and Strong’s Capital made untrue
13 statements of material facts including the following:

- 14 a. Investors’ monies were not subject to risk of loss and were “100% secured by a Loan
15 Agreement and Promissory Note”, which protects the investors’ principal and interest.
16 In fact, the funds were subject to risk of loss and did experience a loss.
- 17 b. 100% of the investors’ monies would be sent to Diversity Capital, where the funds
18 would be used for foreign currency trading. Ferguson failed to send substantial
19 amounts of the investor funds on to Diversity Capital.
- 20 c. Investors could request to have their monies returned within thirty or sixty days of the
21 investor giving notice. At least one investor did request a return of his or her
22 investment and the investor did not recover his or her money upon demand and notice.

23 Based upon the foregoing findings, the California Corporations Commissioner is of the
24 opinion that the promissory notes and the loan agreements offered and sold by Edward Lantz
25 Ferguson and Strong’s Capital Investments, Inc. are securities subject to qualification under the
26 California Corporate Securities Law of 1968 and are or have been offered and sold without being
27 qualified, in violation of California Corporations Code section 25110. Pursuant to section 25532 of
28 the Corporations Code, Edward Lantz Ferguson and Strong’s Capital Investments, Inc., are hereby

1 ordered to desist and refrain from the offer and sale of securities in the State of California, including
2 but not limited to, promissory notes and loan agreements, unless and until qualification has been
3 made under said law or unless exempt.

4 Furthermore, the California Corporations Commissioner is of the opinion that the securities
5 offered and sold by Edward Lantz Ferguson and Strong's Capital Investments, Inc. were offered and
6 sold in this state by means of written or oral communications which included an untrue statement or
7 statements of a material fact or omitted to state a material fact or facts necessary in order to make the
8 statements made, in the light of the circumstances under which they were made, not misleading, in
9 violation of California Corporations Code section 25401. Pursuant to section 25532 of the
10 Corporations Code, Edward Lantz Ferguson and Strong's Capital Investments, Inc., are further
11 ordered to desist and refrain from the offer and sale of securities in the State of California, including
12 but not limited to, promissory notes and loan agreements, by means of any written or oral
13 communication which includes an untrue statement of a material fact or omits to state a material fact
14 necessary in order to make the statements made, in the light of the circumstances under which they
15 were made, not misleading.

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

19 Dated: August 5, 2009
20 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

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22
23 By _____
24 ALAN WEINGER
25 Deputy Commissioner
26 Enforcement Division
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