

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Deputy Commissioner
3 MICHELLE LIPTON (CA BAR NO. 178078)
Senior Corporations Counsel
4 Department of Corporations
320 West 4th Street, Suite 750
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7 BEFORE THE DEPARTMENT OF CORPORATIONS
8 OF THE STATE OF CALIFORNIA
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10	In the Matter of THE CALIFORNIA)	FILE NO. ALPHA
11	CORPORATIONS COMMISSIONER,)	
12	Complainant,)	STIPULATION TO DESIST AND REFRAIN
13	vs.)	ORDER THAT ANDRANIK
14)	MACRDECHIAN, AND SWANNSON
15	ANDRANIK MACRDECHIAN; AND)	INVESTMENT GROUP, INC., DESIST AND
16	SWANNSON INVESTMENT GROUP, INC.,)	REFRAIN FROM MISREPRESENTING OR
17	Respondents.)	OMITTING MATERIAL FACTS IN
18)	CONNECTION WITH THE OFFER AND
19)	SALE OF SECURITIES IN VIOLATION OF
20)	CORPORATIONS CODE SECTION 25401
21)	
22)	
23)	
24)	
25)	
26	///)	
27	///)	
28	///)	

1 IT IS HEREBY STIPULATED BY AND BETWEEN ANDRANIK MACRDECHIAN,
2 AND SWANNSON INVESTMENT GROUP, INC., (“RESPONDENTS”), AND PRESTON
3 DuFAUCHARD, THE CALIFORNIA CORPORATIONS COMMISSIONER (COMMISSIONER),
4 AS FOLLOWS:

5 WHEREAS, on December 14, 2010, the COMMISSIONER issued a Desist and Refrain
6 Order (“ORDER”) against RESPONDENTS for the misrepresentations and omissions of material
7 facts in connection with the offer and sale of securities that were in the opinion of the
8 COMMISSIONER in violation of Corporations Code section 25401. Attached hereto as **Exhibit A**
9 and incorporated by reference is a true and correct copy of the ORDER dated December 14, 2010.

10 WHEREAS, Respondents without admitting or denying charges in the ORDER seek to
11 resolve the concerns of the COMMISSIONER by entering into this Stipulation.

12 NOW, THEREFORE, the parties hereby stipulate and agree as follows:

13 1. RESPONDENTS hereby acknowledge that the COMMISSIONER is ready, willing
14 and able to grant a hearing in relation to the ORDER, which RESPONDENTS have a right to.
15 Respondents hereby voluntarily waive their right to a hearing in relation to the ORDER for
16 violations of Corporations Code section 25401, for misrepresenting and omitting material facts in
17 connection with the offer and sale of securities;

18 2. RESPONDENTS acknowledge that pursuant to Corporations Code section 25255,
19 remedies for violations of the California Corporate Securities Law of 1968 (Corporations Code
20 section 25000, et seq.) are not exclusive and may be sought and employed in any combination to
21 enforce that law. Therefore, it is further stipulated that this agreement does not preclude the
22 COMMISSIONER from seeking additional remedies against Respondents for violating the ORDER
23 or any law under the COMMISSIONER’S jurisdiction not related to this investigation. These
24 remedies include, but are not limited to, administrative actions, civil injunctive and ancillary relief
25 and making a criminal referral pursuant to California law;

26 3. RESPONDENTS acknowledge that nothing in this Stipulation shall preclude the
27 COMMISSIONER, or his agents or employees, to the extent authorized by law, from assisting or
28 cooperating in any investigation and/or action brought by any other federal, state or county agency.

1 RESPONDENTS further agree that this Stipulation shall not bind or otherwise prevent any other
2 federal, state or county agency from the performance of its duties;

3 4. RESPONDENTS enter into this Stipulation voluntarily and without coercion and
4 acknowledge that no promises, threats or assurances have been made by the COMMISSIONER or
5 any officer, or agent thereof, about this Stipulation; and

6 5. RESPONDENTS and the COMMISSIONER agree that this Stipulation may be
7 executed in one or more separate counterparts, each of which when so executed, shall be deemed an
8 original. Such counterparts shall together constitute and be one and the same instrument.

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10 Dated: 4/4/2011

PRESTON DUFAUCHARD
California Corporations Commissioner

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12 By _____
13 ALAN S. WEINGER
14 Deputy Commissioner

15 Dated: 4-4-11

By _____
ANDRANIK MACRDECHIAN, an individual

16
17 Dated: 4-4-11

By _____
ANDRANIK MACRDECHIAN, on behalf of
SWANNSON INVESTMENT GROUP, INC.

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

5 **TO: Andranik Macrdechian**
6 **Swannson Investment Group, Inc.**
7 **8306 Wilshire Blvd., Ste. 664**
8 **Beverly Hills, CA 90211**

9 **DESIST AND REFRAIN ORDER**

10 **(For violations of section 25401 of the Corporations Code)**

11 The California Corporations Commissioner finds that:

12 1. At all relevant times herein, Swannson Investment Group, Inc. (“SIG”), a
13 California corporation, which was incorporated in February 2009 was located at 8306 Wilshire Blvd.,
14 Ste. 664, Beverly Hills, California 90211.

15 2. At all relevant times herein, Andranik Macrdechian (“Macrdechian”) was the trading
16 agent and a Representative of SIG.

17 3. In July and August 2010, SIG and Macrdechian offered and sold securities in the form
18 of a small cap mutual fund and a pre-IPO offering for British Petroleum Chemicals to at least 18
19 investors totaling over \$400,000. SIG and Macrdechian told investors that they could earn up to 800%
20 return on their investments.

21 3. In connection with the offer and sale of these securities, SIG and Macrdechian made,
22 or caused to be made, misrepresentations of material fact or omitted to state material facts necessary
23 in order to make the statements made, in the light of the circumstances under which they were made,
24 not misleading. These misrepresentations and omissions included, but are not limited to the
25 following:

- 26 a. SIG and Macrdechian misrepresented to investors that the investment would
27 earn up to 800 % return on investment;
- 28 b. SIG and Macrdechian misrepresented Macrdechian’s educational background,
including that he attended and graduated from Harvard University;

- 1 c. SIG and Macrdechian misrepresented business ties to Larry Flynt and Donald
- 2 Trump; and
- 3 b. Investors were not told that Macrdechian used investor funds for his own
- 4 personal use, including buying fancy cars for himself and family members.

5 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
 6 that the securities offered and sold by SIG and Macrdechian were offered and sold in this state by
 7 means of written or oral communications that included untrue statements of material fact or omitted
 8 to state material facts necessary in order to make the statements made, in the light of the
 9 circumstances under which they were made, not misleading, in violation of section 25401 of the
 10 Corporate Securities Law of 1968.

11 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Swannson Investment
 12 Group, Inc. and Andranik Macrdechian are hereby ordered to desist and refrain from offering or
 13 selling or buying or offering to buy any security in the State of California, including, but not limited
 14 to, mutual funds and pre-IPO offerings by means of any written or oral communication which
 15 includes an untrue statement of a material fact or omits to state a material fact necessary in order to
 16 make the statements made, in the light of the circumstances under which they were made, not
 17 misleading.

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

20 Dated: December 14, 2010
 21 Los Angeles, California

22 PRESTON DuFAUCHARD
 23 California Corporations Commissioner

24 By _____
 25 ALAN S. WEINGER
 26 Deputy Commissioner
 27 Enforcement Division

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