

1 WAYNE STRUMPFER
Acting California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Acting Deputy Commissioner
3 ALEXANDER M. CALERO (CA BAR NO. 238389)
Corporations Counsel
4 DEPARTMENT OF CORPORATIONS
1515 K Street, Suite 200
5 Sacramento, California 95814
Telephone: (916) 324-5546
6 Attorneys for Complainant

7
8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10 In the Matter of) FILE NO. 7397
11)
12 THE CALIFORNIA CORPORATIONS) ORDER LEVYING ADMINISTRATIVE
COMMISSIONER,) PENALTIES PURSUANT TO
13) CORPORATIONS CODE SECTION 25252
14 Complainant,)
15 v.)
16 STOCK ADVISORS, INC.,)
17 Respondent.)

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19 TO: Robert E. Welch, President
20 Stock Advisors, Inc.
21 19252 Vista Grande Way
Northridge, CA 91326

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

24 1. Stock Advisors, Inc. holds a valid and unrevoked investment adviser certificate issued
25 by the Commissioner on August 26, 1999, pursuant to Corporations Code section 25230. Stock
26 Advisors, Inc. is an investment adviser business located at 19252 Vista Grande Way, Northridge, CA
27 91326. Stock Advisors, Inc. is a California corporation. Robert E. Welch ("Welch") is Stock
28 Advisors, Inc.'s president.

1 2. On or about February 22, 2005, the Commissioner commenced a regulatory
2 examination of Stock Advisors, Inc. The examination revealed violations of regulations
3 promulgated pursuant to the Corporate Securities Law of 1968 (Corp. Code § 25000 et seq.).

4 3. One of these violations consisted of Stock Advisors, Inc.'s failure to file annual
5 financial reports with the Commissioner within a specified number of days of the end of Stock
6 Advisors, Inc.'s fiscal year, for the years 2002, 2003, and 2004, in violation of California Code of
7 Regulations, title 10, section 260.241.2, subdivision (a).

8 4. On March 27, 2006, the Commissioner served Stock Advisors, Inc., via certified mail,
9 return receipt requested, with copies of the following: (1) Notice of Intention to Issue Order Levying
10 Administrative Penalties Pursuant to Corporations Code Section 25252 and Statement to
11 Respondent, (2) Statement in Support of Order Levying Administrative Penalties Pursuant to
12 Corporations Code Section 25252, (3) Notice of Defense, Section 25252, and (4) Government Code
13 Sections 11507.5, 11507.6 and 11507.7. Stock Advisors, Inc. received these documents on March
14 31, 2006.

15 5. As of May 3, 2006, the Commissioner has not received a written request for a hearing
16 on this matter. More than fifteen days have elapsed since service upon Stock Advisors, Inc. of the
17 documents referenced in paragraph 4, above.

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NOW THEREFORE, GOOD CAUSE SHOWING, and pursuant to Corporations Code section 25252, the California Corporations Commissioner finds that Respondent has willfully violated California Code of Regulations, title 10, section 260.241.2, subdivision (a) and hereby orders Respondent to pay the Commissioner administrative penalties in the amount of \$750, effective immediately the date of this Order. The penalty amount of \$750 shall be paid within ten days of the date of this Order, otherwise, Respondent will be deemed by the Commissioner to be in violation of this Order and may be subject to further action as provided for by law.

Dated: May 3, 2006

WAYNE STRUMPFER
California Corporations Commissioner

By: _____
ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division