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7

8 Attorneys for Complainant

9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of the Accusation of )  
12 THE CALIFORNIA CORPORATIONS )  
COMMISSIONER, ) FILE NO.: 100940  
13 )  
14 Complainant, )  
v. )  
15 STIPEK SECURITIES LLC and LESLIE )  
16 CLARK STIPEK, as an individual, ) ACCUSATION  
17 )  
18 Respondents. )  
19 )  
20 )  
21 )

22 Preston DuFauchard the California Corporations Commissioner ("Commissioner") of the  
23 Department of Corporations ("Department") alleges and charges as follows:

24 **I. JURISDICTION AND VENUE**

- 25 1. The Commissioner brings this action pursuant to the provisions of California  
26 Corporations Code sections 25212 and 25213 and the rules and regulations promulgated thereunder.  
27 2. The Commissioner is authorized to administer and enforce the provisions of the  
28 Corporate Securities Law of 1968, Corporations Code section 25000 et seq., and the regulations  
thereunder at California Code of Regulations, title 10, section 260.000 et seq.

## II. STATEMENT OF FACTS

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2 3. This action is brought in order to revoke a certificate of broker-dealer previously issued  
3 to respondent Stipek Securities, LLC (“Stipek Securities”) pursuant to Corporations Code section  
4 25212 and to bar respondent Leslie Clark Stipek (“Stipek”) from any position of employment,  
5 management or control of any investment adviser, broker-dealer or commodity adviser pursuant to  
6 Corporations Code section 25213. At all relevant times Stipek was the managing member of Stipek  
7 Securities, LLC. Stipek Securities, LLC is a California limited liability company, formed in October  
8 1999, and is located at 12551 Welbe Drive, Santa Ana, California 92705. On February 23, 2000,  
9 Stipek Securities, LLC was issued its broker-dealer certificate from the Commissioner.  
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11  
12 4. Stipek Securities, LLC submitted a form U4 requesting that Stipek be employed as an  
13 agent on November 15, 1999. Stipek became a registered agent for Stipek Securities, LLC on  
14 February 23, 2000.  
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16 5. From 1999 to February 2000 Stipek, and Stipek Securities represented to investors  
17 that he was licensed to sell securities when he was not. California investors relied on Stipek’s  
18 misrepresentations and omissions about his broker-dealer license when making the decision to use  
19 his services as a broker-dealer, and making investment decisions.  
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21 6. In or about November 1999 through February 2000, Stipek conducted business  
22 activity outside of his employment with A.CH. Securities, Inc. where he was employed as an agent,  
23 by selling unqualified securities to California investors through Stipek Securities without a license.  
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25 7. Stipek created a second company, Stipek Financial Services, LLC in March 2000  
26 where he conducts unlicensed broker-dealer activity.  
27

28 8. Stipek and Stipek Securities, LLC engaged in a pattern of collecting commissions  
while placing elderly investors in unsafe, unqualified investments that are subject to governmental  
enforcement actions.

### A. Violations of California Corporate Securities Law Section 25110

1           9.       On July 27, 2004 Stipek, as the general partner of A & N Twin Energy One, L.P.,  
2 filed a Notice of Transaction with the California Department of Corporations pursuant to California  
3 Securities Law of 1968 section 25102(n), claiming exemption status from the qualification  
4 requirements. From May 2004 until the date of filing the notice of transaction with the Department,  
5 Stipek and Stipek Securities raised approximately \$1,283,000 from unqualified California investors  
6 purchasing a limited partnership interest in A & N Twin Energy One, L.P. Also, the failure to file  
7 the notice concurrent with the offer of securities does not entitle Stipek and A&N Twin Energy One,  
8 LP. to claim the exemption.

9           10.       On November 23, 2004 Stipek acting as general partner of Bison Twin Energy, L.P.  
10 filed a Notice of Transaction with the California Department of Corporations pursuant to California  
11 Securities Law of 1968 section 25102(n), claiming exemption status from the qualification  
12 requirements. On February 12, 2005 Stipek took \$50,000 from an unqualified California investor  
13 purchasing a limited partnership interest in Bison Twin Energy, L.P.

14           11.       On February 12, 2006 Stipek acting as general partner of B&B Twin Energy L.P.  
15 filed a Notice of Transaction with the California Department of Corporations pursuant to California  
16 Securities Law of 1968 section 25102(n), claiming exemption status from the qualification  
17 requirements. On January 31, 2006 Stipek took \$74,000 from an unqualified California investor  
18 purchasing a limited a partnership interest in B&B Twin Energy, L.P. Also, the failure to file the  
19 notice concurrent with the offer of securities does not entitle Stipek and B&B Twin Energy, L.P. to  
20 claim the exemption.

21           12.       From June 2004 through the present, Stipek, acting as the general partner of A&N  
22 Twin Energy One, L.P., Bison Energy, L.P. and B&B Twin Energy, L.P. continues to take money  
23 from unqualified California investors for purchasing these limited partnership interests.

24           13.       From June 1999 to the present Stipek through his broker-dealer Stipek Securities,  
25 LLC offered or sold investments in the form of investment contracts and/or limited partnership  
26 interests and/or limited liability interests in the following:

27               a. Branson City Limits: The purported purpose of the Branson City Limits securities  
28 offering was to sell interests in specified resort or timeshare hotel rooms with a promise of a

1 specified annual rate of return for a certain number of years. The investors were given the option to  
2 use the rooms themselves, rent the rooms out themselves, or use a local leasing company, Ozark  
3 Ticket and Travel, Inc. (hereinafter "Ozark"), to rent the rooms out with a promised return of 9% -  
4 11% annually. Branson City Limits did not return 9-11% annually to investors. Final judgment was  
5 entered against Branson City Limits on March 30, 2004, after it was taken over by a court appointed  
6 receiver due to a civil action filed by the United States Securities and Exchange Commission on or  
7 about November 10, 2003 alleging the sale of unqualified securities and fraud.

8           b. Resort Hotels, Inc.: The purported purpose of the Resort Hotels, Inc. securities  
9 offering was structured with the same essential characteristics as the Branson City Limits  
10 investment, but involved different hotel facilities than the Branson City Limits investment. Final  
11 judgment was entered against Resort Hotels, Inc. on March 30, 2004, after it was taken over by a  
12 court appointed receiver due to a civil action filed by the United States Securities and Exchange  
13 Commission on or about November 10, 2003 alleging the sale of unqualified securities and fraud.

14           c. Yucatan Resorts, Inc. d/b/a Yucatan Resorts, S.A. (Yucatan): The purported  
15 purpose of the Yucatan securities offering was essentially similar to that of Branson City Limits, and  
16 was to sell interests in timeshare units termed a "Universal Lease" in one of various resort properties  
17 throughout Mexico and Central America. The investors were given the option to use the rooms  
18 themselves, rent the rooms out themselves, or use a local leasing company. If the investor used the  
19 leasing company, World Phantasy Tours, Inc. d/b/a Majesty Travel then they were promised a 9% -  
20 11% rate of return. Investors did not receive the promised return. The following states issued cease  
21 and desist orders against Yucatan Resorts S.A. and selling agents for selling unqualified securities:

22 1) The State of Arizona Corporation Commission on September 18, 2003; 2) the Securities  
23 Commissioner of Maryland issued a Final Order to Cease and Desist and Order of Bar against  
24 Martin Beeson for his involvement in selling investments in Yucatan Resorts, S.A. on November 1,  
25 2004; 3) the Securities Commissioner of Maryland entered into a Consent Order with Financial  
26 Resources, Inc. for selling Yucatan Resorts, S.A. on April 5, 2005; 4) the Securities Commissioner  
27 of Maryland issued a Final Order to Cease and Desist against Yucatan Resorts S.A., World Phantasy  
28 Tours, Inc. and Michael Kelly the principal of Yucatan Resorts S.A. on April 23, 2004; 5)

1 Wisconsin Department of Financial Institutions on April 2001; 6) New Mexico Securities Division  
2 on June 1999 against Michael Kelly; 7) South Carolina Securities Division on July 26, 1999 against  
3 Michael Kelly; and 8) Pennsylvania Securities Commission on October 22, 2002 .

4 d. Resort Holdings International, Inc. d/b/a Resort Holdings International, S.A.  
5 (Resort Holdings): The purported purpose of the Resort Holdings securities offering was essentially  
6 the same as Branson City Limits and Yucatan. Resort Holdings also termed the security interest a  
7 “Universal Lease,” promised the same rate of return for using the lease option and even used the  
8 same leasing company as Yucatan, World Phantasy Tours, Inc. d/b/a Majesty Travel. The State of  
9 Arizona Corporation Commission issued an order to cease and desist against Resort Holdings  
10 International, Inc. d/b/a Resort Holdings International, S.A. on September 18, 2003.

11 e. Sunshine Real Estate Development, Inc. (Sunshine Real Estate): The purported  
12 purpose of Sunshine Real Estate’s securities offering was selling interests in a “Joint Venture  
13 Agreement” for the development of certain residential real estate located in Greenwood County,  
14 South Carolina. Sunshine did not acquire or maintain the real property described in the agreements  
15 in the name of the joint venture. The Texas State Securities Board issued a cease and desist order  
16 against Jules Fleder and Sunshine Real Estate Development, Inc. on October 23, 2002, and agents  
17 including Leslie Stipek continued to offer and sell investments without disclosing the order to  
18 investors. Sunshine Real Estate was taken over by a court appointed receiver due to a civil action  
19 brought by the United States Securities and Exchange Commission alleging the sale of unqualified  
20 securities and actions amounting to a ponzi scheme on December 8, 2004. Fleder entered a guilty  
21 plea and is currently in federal prison on charges of mail fraud, which arose from this investment  
22 scam. The Department of Corporations issued a desist and refrain order in this case on November  
23 30, 2004.

24 f. Sunshine Ventures I, LLC (Sunshine Ventures): Stipek is the chief executive  
25 officer of both Sunshine Ventures and Concord Pacific, Inc. the managing company. The purported  
26 purpose of the Sunshine Ventures securities offering was to raise \$1 million by selling membership  
27 units in a “Joint Venture Agreement” for the development of certain residential real estate located in  
28 Greenwood County, South Carolina. Sunshine Ventures was to acquire parcels of real property in

1 the State of South Carolina through its joint venture agreement with Sunshine Real Estate  
2 Development, Inc. in which Jules Fleder was the president. Stipek as manager and sole owner of  
3 Sunshine Ventures would receive approximately 20% of the proceeds from the sale of the units.

4 g. Montana Estates, LLC (Montana Estates): Stipek is the chief executive officer of  
5 both Montana Estates and Pacifica Estates, Inc. the managing company. The purported purpose of  
6 the Montana Estates securities offering was to raise \$1 million by selling membership units in  
7 Montana Estates. Montana Estates was to acquire parcels of real property in the State of South  
8 Carolina through its joint venture agreement with Sunshine Real Estate Development, Inc. in which  
9 Jules Fleder was the president. Stipek as manager and sole owner of Montana Estates would receive  
10 approximately 20% of the proceeds from the sale of the units.

11 h. North Carolina Equities, LLC (North Carolina Equities): Stipek is the chief  
12 executive officer of both North Carolina Equities and Charlotte Models, Inc. the managing company.  
13 The purported purpose of the North Carolina Equities securities offering was to raise \$1 million by  
14 selling membership units in North Carolina Equities. The purpose of North Carolina Equities was to  
15 acquire parcels of real property in the State of North Carolina through its joint venture agreement  
16 with Model Investments, Inc. and Sunshine Real Estate Development, Inc. in which Jules Fleder was  
17 the president. Stipek as manager and sole owner of North Carolina Equities would receive  
18 approximately 20% of the proceeds from the sale of the units.

19 i. Roanoke Equities, LLC (Roanoke): Stipek was the sole owner of both Roanoke  
20 and Virginia Equities, Inc. the managing company. The purported purpose of the Roanoke securities  
21 offering was to raise \$1 million by selling membership units in Roanoke. Roanoke was to acquire  
22 parcels of real property in Roanoke, Virginia and improve and resell the property through its  
23 agreement with Model Properties, Inc.

24 j. Greensboro Financial Equities, LLC (Greensboro): Stipek was the sole chief  
25 operating director for both Greensboro and the managing company North Carolina Equities, Inc.  
26 The purported purpose of the Greensboro securities offering was to raise \$1 million by selling  
27 membership units in Greensboro. The purpose of Greensboro was to acquire a parcel of real  
28 property and construct a sales retail facility for selling model homes in the state of North Carolina,

1 by means of an agreement with Model Investments, Inc. in which Jules Fleder was the president.  
2 Stipek as manager and sole owner of Greensboro would receive approximately 20% of the proceeds  
3 from the sale of the units.

4 k. Nexstar Communications, LLC: The purported purpose of this investment was to  
5 sell investment opportunities in point of sale distribution terminals designed to process credit cards  
6 at merchant locations. Nexstar Communications, LLC (“Nexstar”) promised investors a fixed 12%  
7 rate of return if investors leased the point of sale terminals back to POSA, LLC. On February 14,  
8 2006 the United States District Court, Middle District of Florida, Orlando Division entered an  
9 Order Granting Permanent Injunction, Freezing Assets, and Appointing a Receiver as a result of the  
10 civil suit filed against Nexstar and affiliated companies and individuals. Additionally, Nexstar was  
11 issued summary cease and desist orders by both the Maryland Attorney General and the  
12 Pennsylvania Securities Commission on November 17, 2003.

13 l. Beneficial Assistance: The purported purpose of this investment was to invest in  
14 viatical life settlement contracts in which the investor completed a viatical settlement purchase  
15 authorization agreement. Under the terms of this agreement, Beneficial Assistance undertook to  
16 identify, qualify and purchase life insurance and related death benefits. In connection with the offer  
17 and sale of viatical settlement contracts Beneficial Assistance failed to provide material information  
18 relating to the financial condition, and history of the company and the risks of the investment.  
19 Beneficial Assistance was issued a summary order to cease and desist by the State of Washington  
20 Department of Financial Institutions on December 13, 2001.

21 m. Lifetime Capital, Inc.: The purported purpose of Lifetime Capital, Inc. was to  
22 invest in viatical life settlement contracts in which the investor completed a viatical settlement  
23 purchase authorization agreement. Under the terms of this agreement, Lifetime Capital, Inc.  
24 undertook to identify, qualify and purchase life insurance and related death benefits. The California  
25 Department of Corporations issued a desist and refrain order against Lifetime Capital, Inc. for  
26 selling unqualified securities on February 9, 1999. The principals of Lifetime Capital, Inc. were  
27 convicted of mail fraud and sentenced to federal prison in March 2005.  
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1 n. A&N Twin Energy One, L.P.: The purported purpose of the investment  
2 opportunity was to sell limited partnership interests in the amount of \$3 million to be invested in a  
3 second limited partnership that will then invest in the drilling of oil wells in Wyoming.

4 o. Bison Twin Energy L.P.: The purported purpose of the investment opportunity  
5 was to sell limited partnership interests in the amount of \$1.7 million to be invested in a second  
6 limited partnership that will then invest in the drilling of oil wells in Wyoming.

7 p. B&B Twin Energy L.P.: The purported purpose of this investment opportunity  
8 was to sell limited partnership interests to be invested in the drilling of oil wells in Wyoming.

9 14. Stipek and Stipek Securities offered or sold securities in the form of investment  
10 contracts and/or limited partnership interest in the above listed companies to California investors  
11 spanning from at least June 1999 through the present.

12 15. These securities were offered or sold in this state in issuer transactions. The  
13 Department of Corporations has not issued a permit or other form of qualification authorizing any  
14 person to offer or sell these securities in this state. Stipek filed exemption notices for A&N Twin  
15 Energy I, Bison Twin Energy and B&B Twin Energy, however, this exemption does not apply.  
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17 **B. Violations of California Corporate Securities Law Section 25210**

18 16. Stipek and Stipek Securities engaged in unlicensed broker-dealer activity from in or  
19 about October 1999 through February 2000, when Stipek and Stipek Securities effected transactions  
20 in unqualified securities in this state prior to the Department approving the broker-dealer application.  
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22 17. Stipek created Stipek Financial Services, LLC in March 2000 and continues to  
23 conduct his unlicensed broker-dealer activity through this company as well. Stipek Financial  
24 Services, LLC is not a registered broker-dealer in the state of California.

25 18. Stipek, individually, was approved by the NASD to sell limited partnership interests,  
26 but Stipek Securities was not. Stipek has engaged in the offer and sale of limited partnership  
27 interests as described above. Further, Stipek Financial is not a licensed broker-dealer.  
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**C. Violations of California Corporate Securities Law Section 25401**



1           19.     Stipek represents to potential investors in his offering materials that he is either a  
2 Certified Public Account or used to be a Certified Public Account, when in fact he has never held  
3 such a license. California investors rely on Stipek’s misrepresentations and omissions about this  
4 license when making the decision to use his services as a broker-dealer, taking his investment  
5 advice, and having him prepare their tax returns.

6           20.     Stipek represents to potential investors that he is a financial planner, when in fact he  
7 has never held such a license. California investors rely on Stipek’s misrepresentations and  
8 omissions about this when making the decision to use his services as a broker-dealer, taking his  
9 investment advice and having them prepare their tax returns.

10          21.     In connection with the offers and sales listed above, Stipek, and Stipek Securities  
11 represented to investors that:

12                 a.       The investments were safe and not risky. In fact, the investments were very  
13 risky and investors lost over three million dollars on their investments, some losing their entire life  
14 savings. While Stipek received millions in commission payments from these investments.

15                 b.       Investors could withdraw their principal investment amount after a specified  
16 minimum number of years. In fact, investors were unable to withdraw any of their principal  
17 investment.

18                 c.       Investors would receive a specified return on their investment for a specified  
19 number of years. In fact, only some investors received a few of the promised interest payments.  
20 Others received no payments at all. None of the investors received the full amount promised.

21          22.     On or about November 29, 1999, Stipek acting in his capacity as an agent through his  
22 broker-dealer Stipek Securities took \$57,000 from an unqualified California investor to invest in  
23 Lifetime Capital, Inc. Stipek took this investment ten months after Lifetime Capital, Inc. was taken  
24 over by the United States Securities and Exchange Commission, and nine months after the California  
25 Department of Corporations issued an administrative desist and refrain order against the company.  
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1           23.     In connection with the offer or sale of Lifetime Capital, Inc. Stipek and Stipek  
2 Securities failed to disclose that the company was the subject of a public administrative and civil  
3 action.

4           24.     In connection with the Branson City Limits investment, Stipek, and Stipek Securities  
5 failed to disclose to investors that:

6                   a.       In September of 1999, the Tennessee Commissioner of Commerce and  
7 Insurance issued a Cease-and-Desist Order (No: 99-013) enjoining Dennis R. Weaver (hereinafter  
8 “Weaver”), a co-owner, founder, and managing member of Branson City and Resort Hotels, from  
9 selling unqualified securities and acting as an agent of an unregistered broker-dealer and enjoining  
10 an entity controlled by Weaver from acting as an unregistered broker-dealer.

11                   b.       In October 1999, the Franklin Kentucky Circuit Court issued an Order of  
12 Permanent Injunction (Civil Action No. 99-CI-717) enjoining Weaver, and an entity he controlled,  
13 from violating an anti-fraud provision of the Kentucky securities laws and from offering and selling  
14 unqualified securities.

15                   c.       In February 1995, Lee E. Larscheid, the owner and President of Ozark who  
16 participated in the fraudulent scheme, by providing leasing services for investors where investors  
17 were promised 9% - 11% return, was convicted of bank fraud in violation of 18 U.S.C. § 1344, a  
18 felony, for his part in an unrelated fraudulent scheme.

19                   d.       The investors would never suffer any losses because any losses that may occur  
20 would be covered by the sale of Branson City Limits’ assets. In fact, no amount has been paid to  
21 compensate investors for their losses and now the Branson City Limits’ assets are currently under  
22 the control of a receiver.

23                   e.       Stipek, Stipek Financial and Stipek Securities would personally reimburse  
24 investors for their losses, even though there was no legal obligation to do so. In fact, no such  
25 reimbursements were ever made to any investors.  
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1           25.     In connection with the Yucatan investments, Stipek and Stipek Securities failed to  
2 disclose to investors that Michael Kelly, owner, operator and sole shareholder of Yucatan, and an  
3 affiliated company Yucatan Investment Corporation were the subjects of two administrative orders  
4 when he took investors money for the Yucatan investment. One order was issued by the New  
5 Mexico Securities Division on May 18, 1999 for the sale of unqualified, non-exempt securities, and  
6 a second order was issued by the South Carolina Division of Securities on July 26, 1999.

7           26.     In connection with the Sunshine Ventures, North Carolina Equities, Montana Estates  
8 and Greensboro investments, Stipek failed to disclose to investors that:

9                   a) Jules Fleder, president of the joint venture company Model Investments, Inc. was  
10 the subject of a cease and desist order by the state of Texas in October 2002. Stipek took over  
11 \$280,000 from a California investors following the issuance of the cease and desist order.

12                   b) Stipek was the sole owner of the managing companies and that he would receive  
13 approximately a 20% administration fees from their investment.

14                   c) Investors would not receive a 15% return on this investment as promised.

15                   **D.     Violations of California Securities Law Sections 25216 and 25218**

16           27.     As set forth above, Stipek and Stipek Securities, LLC engaged in a pattern of  
17 collecting commissions while placing elderly investors in unsafe, unqualified investments that are  
18 subject to governmental enforcement actions. In doing so, Stipek and Stipek Securities failed to  
19 observe high standards of commercial honor and just and equitable principles of trade in the conduct  
20 of its business as defined by California Code of Regulations title 10, section 260.218 and Stipek and  
21 Stipek Securities engaged in a manipulative, deceptive, or other fraudulent scheme, device, or  
22 contrivance as defined by California Code of Regulations title 10, section 260.216.

23                   **III.   RESPONDENT LESLIE CLARK STIPEK SHOULD BE BARRED  
24 FROM ANY POSITION OF EMPLOYMENT, MANAGEMENT OR CONTROL OF  
25 ANY BROKER-DEALER, INVESTMENT ADVISER OR COMMODITY ADVISER**

26           28.     Corporations Code section 25213 provides, in pertinent part:  
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“The commissioner may, after appropriate notice and opportunity for hearing, by order censure, or suspend for a period not exceeding 12 months or deny or bar from any position of employment, management or control of any broker-dealer or investment adviser, and officer, director, partner, agent, employee of . . . a broker-dealer, or any other person if the commissioner finds that the . . . denial or bar is in the public interest and the person committed any act or omission enumerated in subdivision (a), (e), (f) or (g) of Section 25212 . . .”

29. Leslie Clark Stipek is subject to being barred from any position of employment, management or control of any broker-dealer, investment adviser or commodity adviser pursuant to Corporations Code section 25213, for acts committed as specified in Corporations Code section 25212(e), specifically for selling unqualified securities, conducting unlicensed broker-dealer activity, and offering and selling securities by means of any written or oral communication which includes an untrue statement of material fact or omits to state a material fact. Leslie Clark Stipek is the founder, CEO and sole owner, manager and control person of Stipek Securities, LLC and Stipek Financial Services, LLC.

**IV. THE BROKER-DEALER CERTIFICATE PREVIOUSLY ISSUED TO RESPONDENT STIPEK SECURITIES, LLC SHOULD BE REVOKED**

30. Corporations Code section 25212 states that,

“The commissioner may, after appropriate notice and opportunity for hearing, by order censure, deny a certificate to, suspend for a period not exceeding 12 months or revoke the certificate of, any broker-dealer if the commissioner finds that the . . . revocation is in the public interest and that the broker-dealer, whether prior or subsequent to becoming a broker-dealer, or any partner, officer, director . . . has done any of the following . . . (e) Has willfully violated any provision of . . . Title 4 (commencing with Section 25000) . . . or any rule or regulation under any of those statutes . . .(i) . . . violated any provision of this division or the rules thereunder . . .”

31. Stipek Securities, LLC is subject to revocation of its broker-dealer certificate for acts committed as specified in Corporations Code section 25212(e) and (i), specifically for

- a) selling unqualified securities,
- b) conducting unlicensed broker-dealer activity,
- c) offering and selling securities by means of any written or oral communication

which includes an untrue statement of material fact or omits to state a material fact,

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d) violating section 25216 by effecting transactions by means of any manipulative deceptive or fraudulent scheme,

e) Violating section 25218 by inducing the purchase and sale of securities in contravention of the rules of the commissioner designed to promote just and equitable practices.

**V. RELIEF REQUESTED**

WHEREFORE, based upon the foregoing, the Commissioner finds it is in the public interest to revoke Stipek Securities, LLC's broker-dealer certificate, pursuant to Corporations Code section 25212 for acts committed as specified in Corporations Code section 25212, subdivisions (e) and (i), and to bar Leslie Clark Stipek from any position of employment, management or control of any broker-dealer, investment adviser or commodity adviser pursuant to Corporations Code section 25213 for acts committed as specified in Corporations Code section 25212, subdivision (e).

Dated June 27, 2006

Preston DuFauchard  
California Corporations Commissioner

By: \_\_\_\_\_  
MARY ANN CLARK  
Corporations Counsel  
Enforcement Division