

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

STATE OF CALIFORNIA  
BUSINESS TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF CORPORATIONS

TO: Penelope Jane Van Hulle  
Real Prosperity Inc.  
Tandem Investment Group LLC  
1255 Treat Blvd. Suite 300  
Walnut Creek, CA 94597  
  
Caroline Hegarty  
Regal Capital Holdings LLC  
2248 Meridian Blvd. Suite H  
Minden, NV 89423

**DESIST AND REFRAIN ORDER**  
**(For violation of sections 25110 and 25401 of the California Corporations Code)**

1. At all relevant times Penelope Jane Van Hulle (“Van Hulle”) was a licensed California real estate broker, license number 01340524, which was issued on June 22, 2006. Van Hulle operates Real Prosperity Inc. and is the managing member of Tandem Investment Group LLC, a California limited liability company, (“Tandem Group”), both of which have an office located at 1255 Treat Blvd. Suite 300, Walnut Creek, California, 94597. Van Hulle is the registered agent for service of process for Real Prosperity Inc. and for Tandem Group. Van Hulle has solicited investments in real property on behalf of and under the name Regal Capital Holdings LLC, (“Regal Capital”). Regal Capital is a Nevada limited liability company that is not registered to do business in California. The managing member of Regal Capital is Caroline Hegarty, who is a close business associate of Van Hulle, and who has a Nevada address at 2248 Meridian Blvd., Suite H, Minden, Nevada, 89423. Although not registered to do business in California, the address for Regal Capital in California is provided in a joint venture agreement as 303 Valencia Street, Vallejo, California 94591.
2. Van Hulle is a self-described “Certified Seminar Trainer” and “Wealth Coach” and has produced through her company Real Prosperity Inc. a series of “Prosperity Summit” seminars. The

1 mission statement of Real Prosperity Inc. notes that their goal is to “Elevate the Prosperity of the  
2 Planet by Providing Individuals with Education, Opportunities and Support.” The investors Van  
3 Hulle approached to invest in property in Solano County were all participants in her Prosperity  
4 Seminars. In 2007 Van Hulle solicited residents of California to enter into a joint venture agreement  
5 with Regal Capital in consideration of a payment to Van Hulle of \$12,000. The residents did not  
6 have a pre-existing personal or substantive business relationship with Van Hulle or Hegarty. In fact  
7 the investors had met Van Hulle at a “Real Prosperity Summit” seminar, organized and produced by  
8 Van Hulle’s company, Real Prosperity Inc.

9 3. The joint venture is a security in the form of an investment contract. By the terms of the  
10 agreement the investors’ sole responsibility was to deposit \$12,000 into the account of Regal Capital,  
11 and pay for any costs in the purchase and management of the property. All other required activities  
12 ranging from locating the property to arranging purchases, making repairs and managing the property  
13 would be the responsibility of Regal Capital as the Managing Partner of the joint venture. Van Hulle  
14 represented that the investors’ funds would be used to locate and purchase properties in Solano  
15 County, California. Any necessary improvement to the property would be done by Regal Capital as  
16 the manager of the joint venture. The property would later be sold and the investors were promised  
17 the return of all investment funds, and 50% of the profit to be made on the resale of the property.

18 4. The joint venture agreement provided to each of the investors listed the parties as the investor  
19 (named “co-buyer” in the agreement) and Regal Capital Holdings LLC of 303 Valencia St., Vallejo,  
20 California 94951. Notwithstanding the clause in the agreement providing for payment of the \$12,000  
21 deposit to Regal Capital, Van Hulle directed the investors to provide her with a check or wire the  
22 amount of \$12,000, payable to her company, the Tandem Group.

23 5. Van Hulle made identical proposals to other California residents. All the investors signed  
24 agreements with Regal Capital Holdings LLC and paid their investment funds to Van Hulle at the  
25 Tandem Group. One investor traveled to Van Hulle’s office in Walnut Creek to personally deliver  
26 the investment funds to Van Hulle.

27 6. Van Hulle accepted funds from at least three investors who signed joint venture agreements  
28 with Regal Capital Holdings LLC at her direction. Van Hulle never disclosed to the investors that

1 Caroline Hegarty, the managing member of Regal Capital, was not a licensed California real estate  
2 agent or broker, and that her company was not registered to do business in California.

3 7. Van Hulle and Hegarty never identified any properties to the investors that were being  
4 considered for purchase. Neither Van Hulle or Hegarty or Regal Capital or Tandem Group made any  
5 offer for any real property in Solano County in their own names, the names of their companies, or the  
6 names of the investors. Van Hulle's and Hegarty's representations about investing in real property in  
7 Solano County were false and untrue at the time they were made. Van Hulle in fact accepted the  
8 investor's funds and never provided an accounting of the funds or an explanation to the investors as  
9 to why no offers for property were ever made.

10  
11 Based on the foregoing findings, the California Corporations Commissioner is of the opinion  
12 that the joint venture agreement between the California investors and Regal Capital, which was  
13 solicited by Van Hulle, is a security subject to qualification under the California Corporate Securities  
14 Law of 1968 (California Corporations Code section 25000 et seq.), and that these securities are being  
15 or have been offered or sold without being qualified in violation of Corporations Code section 25110.  
16 Pursuant to section 25532 of the Corporate Securities Law of 1968, Penelope Jane Van Hulle,  
17 Caroline Hegarty, Tandem Investment Group LLC, and Regal Capital Holdings LLC are hereby  
18 ordered to desist and refrain from the further offer or sale in the State of California of securities,  
19 including but not limited to investment contracts in the form of interests in joint ventures for the  
20 purchase and rehabilitation of real property, unless and until qualification has been made under the  
21 law or unless exempt.

22 Further, the California Corporations Commissioner is of the opinion that the securities in the  
23 form of a joint venture agreement for the purchase of real property in this state solicited by Penelope  
24 Jane Van Hulle and Caroline Hegarty, Tandem Investment Group LLC and Regal Capital Holdings  
25 LLC were offered or sold in this state by means of written or oral communications which included an  
26 untrue statement of a material fact or omitted to state a material fact necessary in order to make the  
27 statements made, in light of the circumstances under which they were made, not misleading, in  
28 violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the

1 Corporate Securities Law, Penelope Jane Van Hulle, Caroline Hegarty, Tandem Investment Group  
2 LLC and Regal Capital Holdings LLC are hereby ordered to desist and refrain from offering or  
3 selling, or buying or offering to buy, any security in the State of California, including but not limited  
4 to any interests in joint ventures for the purpose of purchasing real property in this state, by means of  
5 any written or oral communication which includes an untrue statement of a material fact or omits to  
6 state a material fact necessary, in order to make the statements made, in light of the circumstances  
7 they were made, not misleading.

8 This Order is necessary, in the public interest, for the protection of investors and consistent  
9 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This Order shall  
10 remain in full force and effect until further order of the California Corporations Commissioner.

11 Dated: February 17, 2011  
12 San Francisco, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

13  
14 By \_\_\_\_\_  
15 ALAN S. WEINGER  
16 Deputy Commissioner  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28