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2 **STATE OF CALIFORNIA**
3 **BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**
4 **DEPARTMENT OF BUSINESS OVERSIGHT**

5 TO: Kenneth Crowder, Chairman of the Board and CEO
6 Chris Crowder, President and COO
7 David Wanzek, Director
8 Michael Bersch, Director
9 Concordia Financing Co., Ltd.
10 9302 Pittsburgh Ave #220
11 Rancho Cucamonga, CA 91730

12 **DESIST AND REFRAIN ORDER**
13 **(For violations of sections 25110 and 25401 of the Corporations Code)**

14 The Commissioner of Business Oversight finds that:

15 1. At all relevant times herein, Concordia Financing Co., Ltd. (“Concordia Financing”) was and is a corporation formed under the laws of California on April 18, 1994. It maintains an address at 9302 Pittsburgh Ave #220, Rancho Cucamonga, CA 91730.

16 2. At all relevant times herein, Kenneth Irwin Crowder (“Kenneth Crowder”), was Chairman of the Board and CEO of Concordia Financing.

17 3. At all relevant times herein, Christopher Kenneth Crowder (“Christopher Crowder”) was President and COO of Concordia Financing.

18 4. At all relevant times herein, David Wanzek was a Director of Concordia Financing.

19 5. At all relevant times herein, Michael Bersch, was a Director of Concordia Financing.

20 6. Beginning in or about 1998 and continuing through at least 2008, Kenneth Crowder, Christopher Crowder, David Wanzek, and Michael Bersch offered and sold to investors securities in the form of investment contracts, which were unqualified, non-exempt securities. These investment contracts were titled “Sale of Contracts and Servicing Agreement,” and were sold to approximately 178 investors totaling approximately \$18 million.

21 7. These securities were sold in order to purchase and service “Truck Conditional Sales Agreements” from commercial truck dealers. The “Truck Conditional Sales Agreements” were

1 allegedly factored, sold, and assigned to investors, and then serviced by Concordia Financing on
2 behalf of investors.

3 8. These securities were offered or sold in this state in issuer transactions. The
4 Department of Business Oversight has not issued a permit or other form of qualification authorizing
5 any person to offer and sell these securities in this state.

6 9. These securities are not exempt because they were sold to unaccredited and
7 unsophisticated investors.

8 10. In connection with the offer and sale of these securities, Concordia Financing,
9 Kenneth Crowder, Christopher Crowder, David Wanzek, and Michael Bersch made material
10 misrepresentations of facts and also omitted to state material facts necessary in order to make the
11 statements made, in the light of the circumstances under which they were made, not misleading.
12 These misrepresentations and omissions included, but are not limited to, the following:

13 a. Investors were told that their investments would be safe because they would be
14 individually secured by assigned vehicle titles to Class 8 “big rig” trucks, when in actuality the
15 investments were never secured and the titles were never assigned.

16 b. Investors were told that the commercial truck drivers whose loans were allegedly
17 securing investments were subject to credit checks. In actuality, these credit checks involved neither
18 background searches of the drivers nor a check of the financial credit of the drivers. In actuality,
19 credit checks involved a telephone call to the drivers’ former employers to determine whether the
20 drivers were punctual.

21 c. Investors were told that these conditional sales contracts were less risky than investing
22 on the stock market or maintaining a savings account or purchasing Certificates of Deposit, when in
23 actuality the conditional sales contracts were unsecured and uninsured.

24 d. Investors were told that their investments had 100% liquidity, when in actuality
25 investors attempted and were unable to withdraw their money.

26 e. Investors were told that Kansas City Life Insurance Company insured their
27 investments, when in actuality the investments were not insured.

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1 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion
2 that the securities in the form of investment contracts titled “Sales of Contract and Servicing
3 Agreement” that are being or have been offered or sold by Concordia Financing, Kenneth Crowder,
4 Christopher Crowder, David Wanzek, and Michael Bersch are securities subject to qualification
5 under the California Corporate Securities Law of 1968 and are being or have been offered or sold
6 without being qualified in violation of Corporations Code section 25110.

7 Pursuant to Corporations Code section 25532, Concordia Financing, Kenneth Crowder,
8 Christopher Crowder , David Wanzek, and Michael Bersch are hereby ordered to desist and refrain
9 from the further offer or sale in the State of California of securities, including but not limited to
10 investment contracts, unless and until qualification has been made under the law or unless exempt.

11 Furthermore, the Commissioner of Business Oversight is of the opinion that the securities
12 offered and sold by Concordia Financing, Kenneth Crowder, Christopher Crowder, David Wanzek,
13 and Michael Bersch were offered and sold in this state by means of written or oral communications
14 that included untrue statements of material fact or omitted to state material facts necessary in order to
15 make the statements made, in the light of the circumstances under which they were made, not
16 misleading, in violation of Corporations Code section 25401.

17 Pursuant to Corporations Code section 25532, Concordia Financing, Kenneth Crowder,
18 Christopher Crowder, David Wanzek, and Michael Bersch are hereby ordered to desist and refrain
19 from offering or selling or buying or offering to buy any security in the State of California, including,
20 but not limited to, investment contracts by means of any written or oral communication which
21 includes an untrue statement of a material fact or omits to state a material fact necessary in order to
22 make the statements made, in the light of the circumstances under which they were made, not
23 misleading.

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

Dated: October 7, 2013
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division