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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO:

Jerry Dorton
3157 N. Rainbow Blvd., Suite 413
Las Vegas, Nevada 89108

And

January Capital, Inc.
2020 Hurley Way, Suite 485
Sacramento, CA 95825

And

Lloyd's Insurance Syndicate
P.O. Box 8688
Fountain Valley, California 92728

And

Simon Watts
26 Hedgrow
Irvine, California 92603
Or
52 Victoria
Newport Beach, California 92660

And

Diversified Equity Group
600 Anton Blvd. #1100
Costa Mesa, California 92626
Or
52 Victoria
Newport Beach, California 92660

DESIST AND REFRAIN ORDER

(For violation of section 25401 of the Corporations Code)

1 The California Corporations Commissioner finds that:
2

3 1. At all relevant times, Jerry Dorton was the director, president, secretary and treasurer of
4 January Capital, Inc., a Nevada corporation doing business at 1832 Sherer Lane, Glendale California.
5

6 2. At all relevant times, Simon Watts was an officer and/or director with knowledge of the
7 operations of Diversified Equity Group, Inc. a Delaware corporation doing business at 600 Anton
8 Boulevard, suite 1100, Costa Mesa, California 92626.
9

10 3. On or about October 2006, Jerry Dorton offered a security in the State of California in the
11 form of a promissory note between January Capital Inc. (payor), and Access Associates, Inc. (payee),
12 in a non-issuer transaction. The purpose of the offering was to sell the promissory note to a
13 California investor.
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15 4. During the offer of the promissory note, Jerry Dorton included false documents indicating that
16 a \$2.216 million commercial performance bond issued by Lloyd's of London guaranteed the
17 promissory note. The fallacious bond documents represented that Simon Watts at Diversified Equity
18 Group is a Lloyd's of London agent, and lists "Lloyd's Insurance Syndicate" as the surety. In fact,
19 Lloyd's of London did not issue the commercial performance bond, and has no association with
20 Simon Watts, Diversified Equity Group, or Lloyd's Insurance Syndicate.
21

22 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that
23 the security representing a promissory note between January Capital Inc. (payor), and Access
24 Associates, Inc. (payee) was offered in this State by means of written or oral communications which
25 included an untrue statement of a material fact or omitted to state a material fact necessary in order to
26 make the statements made, in the light of the circumstances under which they were made, not
27 misleading, in violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to
28 section 25532 of the Corporate Securities Law of 1968, Jerry Dorton, January Capital, Inc., Lloyd's

1 Insurance Syndicate, Simon Watts, and Diversified Equity Group are hereby ordered to desist and
2 refrain from offering or selling or buying or offering to buy any security in the State of California,
3 including but not limited to promissory notes, by means of any written or oral communication which
4 includes an untrue statement of a material fact or omits to state a material fact necessary in order to
5 make the statements made, in the light of circumstances under which they were made, not
6 misleading.

7
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: April 25, 2007
12 Sacramento, California

13 PRESTON DuFAUCHARD
14 California Corporations Commissioner

15
16 By: _____
17 SHARON A. LUERAS
18 Lead Corporations Counsel
19 Enforcement Division
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