

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN M. ROONEY
Assistant Chief Counsel
3 UCHE L. ENENWALI (State Bar No. 235832)
Senior Counsel
4 Department of Business Oversight
320 West 4th Street, Suite 750
5 Los Angeles, California 90013
Telephone: (213) 576-7586
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

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9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

11 In the Matter of:)
12 THE COMMISSIONER OF BUSINESS) CONSENT ORDER
13 OVERSIGHT,)
14 Complainant,)
15 v.)
16 ALIMUR PARK HOME OWNERS)
17 ASSOCIATION INC., an entity,)
18 Respondent.)

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20 This Consent Order (Order) is entered into between the Commissioner of Business Oversight
21 (Commissioner) of the Department of Business Oversight and Alimur Park Home Owners
22 Association (Alimur) (collectively the Parties), and is made with respect to the following facts:

23 **I.**

24 **Recitals**

25 A. The Commissioner has jurisdiction over the administration and regulation of offers
26 and sales of securities in California under the Corporate Securities Law of 1968 (CSL), (Corp. Code
27 § 25100 et seq.).

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1 B. Alimur is a California corporation incorporated on February 20, 2014, with its
2 principal place of business at 4300 Soquel Drive, Suite 229, California 95073.

3 C. The CSL prohibits the offer or sale of any securities within, into, or from this state
4 unless a qualification or permit has been obtained from the Department or unless the security or
5 transaction is exempt from the qualification requirements.

6 D. On September 16, 2015, Alimur obtained a qualification from the Department
7 (qualification) to offer and sell securities in the form of membership in Alimur.

8 E. On September 8, 2016, Alimur renewed its qualification to sell securities in the form
9 of membership in Alimur to its members.

10 F. On September 8, 2017, Alimur's qualification to issue memberships in Alimur in
11 California expired.

12 G. Beginning on May 18, 2018 through October 1, 2018, Alimur offered and sold two
13 unqualified memberships in Alimur, raising \$70,000.00.

14 H. Since Alimur's qualification to issue memberships in Alimur expired on September 8,
15 2017, the two securities in the form of memberships Alimur offered and sold to its members from
16 May 18, 2018 to October 1, 2018, raising \$70,000.00, were not qualified or otherwise exempt and
17 were offered or sold in violation of CSL section 25110.

18 I. The Commissioner is of the opinion that the memberships in Alimur that Alimur
19 offered and sold during May 18, 2018 to October 1, 2018, are securities subject to qualification
20 under the CSL that have been offered or sold without first being qualified in violation of
21 Corporations Code section 25110.

22 J. The securities in the form of memberships in Alimur offered and sold described
23 herein have been offered or sold in California in issuer transactions.

24 K. CSL section 25110 prohibits the offer and/or sale of non-exempt securities in this
25 state that are subject to qualification. The Department has not issued a permit or other form of
26 qualification authorizing any person to offer and sell the described securities in this state.

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1 L. The Commissioner finds this Order is appropriate, in the public interest, for the
2 protection of investors, and consistent with the purposes fairly intended by the policy and provisions
3 of the CSL.

4 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
5 forth herein, the Parties agree as follows:

6 **II.**

7 **Terms and Conditions**

8 1. Purpose. This Consent Order resolves the issues before the Commissioner, including
9 findings of facts set forth in paragraphs A through I, above in a manner that avoids the expense of a
10 hearing and other possible court proceedings, protects consumers, is in the public interest, and is
11 consistent with the purposes and provisions of the CSL.

12 2. Finality of Consent Order. Alimur agrees to comply with this Consent Order and
13 stipulates this Consent Order is hereby deemed final.

14 3. Desist and Refrain Order. Alimur is hereby ordered to desist and refrain from the
15 further offer or sale of unqualified non-exempt securities, in the State of California, including but not
16 limited to memberships in Alimur offered and sold, in violation of Corporations Code section 25110
17 of the CSL unless and until qualification has been made under said law or unless the security is
18 exempt.

19 4. Administrative Penalty. Alimur shall pay a penalty to the Commissioner in the
20 amount of \$3,500.00, which shall be due and payable on the effective date of this Consent Order, as
21 such date is defined in Paragraph 21. The penalty must be made payable in the form of a cashier's
22 check or Automated Clearing House deposit to the Department of Business Oversight and
23 transmitted to the attention of Accounting – Litigation, at the Department of Business Oversight,
24 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment must be
25 concurrently sent to Uche Enenwali, Senior Counsel, Department of Business Oversight, 320 W.
26 Fourth Street, Suite 750, Los Angeles, California 90013

27 5. Waiver of Hearing Rights. Alimur acknowledges the Commissioner is ready, willing,
28 and able to proceed with the filing of an administrative enforcement action on the charges contained

1 in this Order and Desist and Refrain Order. Alimur hereby waives the right to any hearings, and to
2 any reconsideration, appeal, or other right to review which may be afforded pursuant to the law, the
3 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
4 provision of law. Alimur further expressly waives any requirement for the filing of an Accusation
5 pursuant to Government Code section 11415.60, subdivision (b). By waiving such rights, Alimur
6 effectively consents to this Order and Desist and Refrain Order becoming final.

7 6. Failure to Comply with Consent Order. Alimur agrees that if it fails to comply with
8 the terms of this Consent Order, the Commissioner may, in addition to all other available remedies it
9 may invoke under the CSL, summarily suspend/revoke the qualification of Alimur to issue
10 securities, including securities in the form of memberships in Alimur until Alimur is in compliance.
11 Alimur waives any notice and hearing rights to contest such summary suspensions which may be
12 afforded under the CSL, the California Administrative Procedure Act, the California Code of Civil
13 Procedure, or any other provision of law in connection therewith.

14 7. Information Willfully Withheld or Misrepresented. This Consent Order may be
15 revoked, and the Commissioner may pursue any and all remedies available under law against Alimur
16 if the Commissioner discovers that Alimur knowingly or willfully withheld or misrepresented
17 information used for and relied upon in this Consent Order.

18 8. Future Actions by Commissioner. If Alimur fails to comply with any terms of the
19 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise
20 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions
21 against Alimur, or any of its partners, owners, officers, shareholders, directors, employees or
22 successors for any and all unknown violations of the CSL.

23 9. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner's
24 ability to assist a government agency (whether city, county, state, or federal) with any
25 administrative, civil or criminal action brought by that agency against Alimur or any other person
26 based upon any of the activities alleged in this matter or otherwise.

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1 10. Headings. The headings to the paragraphs of this Consent Order are inserted for
2 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
3 the provisions hereof.

4 11. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
5 interest.

6 12. Reliance. Each of the parties represents, warrants, and agrees that in executing this
7 Consent Order it has relied solely on the statements set forth herein and the advice of its own
8 counsel. Each of the parties further represents, warrants, and agrees that in executing this Consent
9 Order it has placed no reliance on any statement, representation, or promise of any other party, or
10 any other person or entity not expressly set forth herein, or upon the failure of any party or any other
11 person or entity to make any statement, representation or disclosure of anything whatsoever. The
12 parties have included this clause: (1) to preclude any claim that any party was in any way
13 fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of parol
14 evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

15 13. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
16 this Consent Order will be valid or binding unless it is in writing and signed by each of the parties.
17 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
18 provision. No waiver by either party of any breach of, or of compliance with, any condition or
19 provision of this Consent Order by the other party will be considered a waiver of any other condition
20 or provision or of the same condition or provision at another time.

21 14. Full Integration. This Consent Order is the final written expression and the complete
22 and exclusive statement of all the agreements, conditions, promises, representations, and covenant
23 between the parties with respect to the subject matter hereof, and supersedes all prior or
24 contemporaneous agreements, negotiations, representations, understandings, and discussions
25 between and among the parties, their respective representatives, and any other person or entity, with
26 respect to the subject matter covered hereby.

27 15. Governing Law. This Consent Order will be governed by and construed in
28 accordance with California law. Each of the parties hereto consents to the jurisdiction of such court,

1 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
2 forum to the maintenance of such action or proceeding in such court.

3 16. Counterparts. This Consent Order may be executed in one or more separate
4 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
5 together constitute a single document.

6 17. Effect Upon Future Proceedings. If Alimur applies for any license, permit or
7 qualification under the Commissioner's current or future jurisdiction, or are the subject of any future
8 action by the Commissioner to enforce this Consent Order, then the subject matter hereof shall be
9 admitted for the purpose of such application(s) or enforcement proceedings(s).

10 18. Voluntary Agreement. Alimur enters into this Consent Order voluntarily and without
11 coercion and acknowledges that no promises, threats or assurances have been made by the
12 Commissioner or any officer, or agent thereof, about this Consent Order. The parties each represent
13 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and
14 without any duress or undue influence of any kind from any source.

15 19. Notice. Any notice required under this Consent Order be provided to each party at
16 the following addresses:

17 To Alimur: Clay David Butler
18 Chief Executive Officer
19 Alimur Park Homeowners Association, Inc.
20 4300 Soquel Drive, Soquel, Suite 299
21 California 95073
22 Tel: (831) 688-1293
23 Deloop1@sbcglobal.net

24 To the Commissioner: Uche L. Enenwali, Esq.
25 Senior Counsel
26 Department of Business Oversight
27 320 W. 4th Street, Suite 750
28 Los Angeles, California 90013-2344
Tel: 213-576-7586 | fax 213-576-7181
Uche.enenwali@dbo.ca.gov

20. Signatures. A fax or electronic mail signature shall be deemed the same as an
original signature.

1 20. Public Record. Alimur hereby acknowledges that this Consent Order is and will be a
2 matter of public record.

3 21. Effective Date. This Consent Order shall become final and effective when signed by
4 all parties and delivered by the Commissioner's agent via e-mail to Alimur's counsel at
5 Deloop1@sbcglobal.net.

6 22. Authority to Sign. Each signatory hereto covenants that he/she possesses all
7 necessary capacity and authority to sign and enter into this Consent Order and undertake the
8 obligations set forth herein.

9 23. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
10 has received independent advice from its attorney(s) and/or representatives with respect to the
11 advisability of executing this Consent Order.

12 24. Opportunity to Cure. In the event Alimur fails to comply with the terms of this
13 Consent Order, the Commissioner, in his sole discretion, may give Alimur written notice of such
14 breach (Notice) and the opportunity to cure the breach (Cure). The Cure must be completed to the
15 satisfaction of the Commissioner within five business days after the day the Notice has been sent via
16 email to Alimur at Deloop1@sbcglobal.net., unless another date for receipt of Cure is agreed to in
17 writing by the Commissioner's Enforcement Counsel.

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1 Proof of Cure, satisfactory to the Commissioner, shall be sent to Uche L. Enenwali, Department of
2 Business Oversight, at 320 W. Fourth Street, Suite 750, California 90013 and via email at
3 Uche.enenwali@dbo.ca.gov.

4 Dated: 2/18/20 MANUEL P. ALVAREZ
5 Commissioner of Business Oversight

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7 By _____
8 MARY ANN SMITH
9 Deputy Commissioner
10 Enforcement Division

11 Dated: 2/6/20 ALIMUR PARK HOMEOWNERS ASSOCIATION, INC.

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13 By _____
14 CLAY DAVID BUTLER
15 Chief Executive Officer
16 Alimur Park Homeowners Association, Inc.

17 APPROVED AS TO FORM

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19 _____
20 DAVID E. LOOP
21 Attorney -at-Law & Real Estate Broker
22 Attorney for Alimur Park Homeowners Association, Inc.
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