# STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

TO: Until Tomorrow Drivetrains, LLC 3705 Haven Ave., Suite 108
Menlo Park, California 94025

Dennis R. Di Ricco 3705 Haven Ave., Suite 108 Menlo Park, California 94025

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

The Commissioner of the Department of Financial Protection and Innovation (Commissioner) finds that:

- 1. The Department of Financial Protection and Innovation (Department) regulates the offer and sale of securities in California under the Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL).
- 2. At all relevant times, Until Tomorrow Drivetrains, LLC (UTD) was a California limited liability company formed by Dennis R. Di Ricco, with a last known principal place of business at 3705 Haven Ave, Suite 108, Menlo Park, California 94025.
- 3. At all relevant times, Dennis R. Di Ricco (Di Ricco) was managing member and chief executive officer (CEO) of UTD.

### I. Related Parties

4. At all relevant times, Retire Happy, LLC (Retire Happy) was a Nevada limited liability company, with its principal place of business at 4840 W University Ave, A-1, Las Vegas, Nevada 89103. It maintained a website at www.retirehappy.com.

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- 5. At all relevant times, Julie A. Minuskin (Minuskin) was the owner and managing member of Retire Happy. Minuskin was a co-signatory, along with Di Ricco, on UTD's bank account.
- 6. Provident Trust Group, LLC (Provident) is a Nevada limited liability company with a principal place of business located at 8880 W. Sunset Road, Suite 250, Las Vegas, Nevada 89148. Provident provides trust administration services, fund administration services, escrow services, asset custody and related services for self-directed individual retirement accounts (IRA), and administration of plans under Internal Revenue Code § 401(k) (26 U.S.C. § 401[k]).
- 7. Adomani, Inc. (Adomani) is a Delaware corporation, formed on December 19, 2016, with a last known principal place of business at 4740 Green River Road, Suite 106, Corona, California 92880.

#### II. FACTUAL BACKGROUND

8. On March 24, 2023, the Commissioner issued a Desist and Refrain Order (Order) against Retire Happy and Minuskin. The Desist and Refrain Order found that Retire Happy conducted business as a broker-dealer and investment adviser without having first obtained a certificate authorizing such activities, in violation of sections 25210 and 25230 of the California Corporations Code. The Commissioner found that Retire Happy engaged in nationwide solicitations by calling and emailing potential investors. Retire Happy would first solicit investors and then help them rollover their retirement accounts from the existing custodian to Provident Trust. Once the rollover of an investor's account to Provident Trust was completed, Retire Happy, as agent for the issuer, would then offer the issuer's promissory note to the investor. As agent for the issuer, Retire Happy not only identified prospective investors but also facilitated the execution of the promissory notes, on behalf of its issuer companies, interacting directly with the investors. Additionally, the Commissioner found that multiple small start-up companies used Retire Happy to promote investment opportunities, primarily in the form of promissory notes. UTD, was one of those small start-up companies Retire Happy helped to promote its promissory notes. UTD is identified in the March 24, 2023 Order.

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- 9. In November 2016, Di Ricco formed UTD to raise money to benefit another company called Adomani, Inc., that he co-founded with another individual in 2012. Di Ricco engaged Retire Happy to raise money by offering and selling UTD promissory notes (UTD Notes).
- 10. On or about December 31, 2008, the Department, then called the California Department of Corporations, issued a desist and refrain order against Di Ricco for securities fraud and registration violations. The order alleged, among other things, that Di Ricco offered and sold securities in California subject to qualification under the Corporate Securities Law, without such offers or sales first being qualified or exempt, in violation of Corporations Code section 25110. It further alleged that those offers and sales of securities were made by means of written or oral communications that included untrue statements of material fact or omitted to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of Corporations Code section 25401. Finally, the order also alleged that Di Ricco had conducted business as a broker-dealer or investment adviser without having first obtained a certificate authorizing such activities, in violation of sections 25210 and 25230 of the California Corporations Code. The desist and refrain order became final in 2009.
- 11. On or about April 8, 2022, the Securities and Exchange Commission (SEC) filed a federal complaint (Complaint) in the Southern District of California against Minuskin, Di Ricco, Thomas Casey (principal of a different promissory note issuer), and Golden Genesis, Inc. (another note issuer company) for multiple violations of the federal securities laws in Civil Case No. 3:22-cv-00483-JO(AGH). The SEC's Complaint alleged, among other things, that Di Ricco directly and indirectly participated in the offer and sale of unregistered UTD securities and defrauded UTD investors by misappropriating and misusing investor funds to pay the principal and interest obligations owed to other investors. Before the SEC filed its complaint, Di Ricco signed a consent to entry of judgment on or about February 22, 2022, in Civil Case No. 3:22-cv-00483-JO(AGH). Di Ricco agreed to be permanently enjoined from violating the fraud and registrations provisions of the Securities Act of 1933, and agreed that he is prohibited from serving as an officer or director of any issuer that is required to register or file reports with the SEC. On or about April 28, 2022, the Court entered final judgment against Di Ricco in Civil Case No. 3:22-cv-00483-JO(AGH).

12.

	ough the sale of unqualified promissory note securities (UTD Notes) to multiple California				
	investors.				
	13. The UTD Notes purchased by California investors contained the following terms:				
	a. A stated rate of 10% annual interest shall be paid monthly by UTD to the				
Provident Trust account of the purchaser of the UTD Note ("Holder");					
	b. An initial term to maturity shall be 6 months from the date of execution with				
an option to extend maturity for an additional 3 months;					
	c. A promise by UTD to repay the Holder the principal amount of the investment				
	at maturity;				
	d. If a scheduled payment is not paid by UTD within a five-day grace period, then				
the payment is deemed delinquent and a five percent (5%) late fee on the delinquent payment is					
assessed; and					
	e. The UTD Note is to be secured by certain assets.				
	14. The term "Borrower" is identified on the UTD Note as UTD and the term "Holder" is				
identified as each California investor's Provident Trust self-directed IRA.					
	15. The UTD Note also identified Di Ricco and Adomani as "Guarantors" of the UTD				
	Note.				
	16. Di Ricco's signature on behalf of UTD, as Managing Member, appears in the				
borrower signature block of the UTD Notes purchased by California investors.					
	17. Di Ricco's signature also appears in one of the signature blocks for the Guarantors.				
	18. The signature of Adomani's CEO, Jim Reynolds, appears in the other signature block				
for the Guarantors on the UTD Note.					
	19. The Commissioner finds that the UTD Notes offered and sold to California investors				
were investment contracts and therefore constituted securities pursuant to Corporations Code section					
	25019.				

Between December 2016 and February 2017, Retire Happy raised money for UTD

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20.	At no	time prior to or during the time California investors purchased the UTD Note		
did UTD or Di Ricco, disclose, either directly to investors or indirectly to investors through Retire				
Happy, the following:				
	a.	That the offer or sale of the UTD Note was not qualified in California.		
	b.	That Di Ricco had been the subject of prior disciplinary action, including the		
December 31, 2008, desist and refrain order issued by the California Department of Corporations				
issued against Di Ricco for securities fraud and registrations violations.				

#### III. DESIST AND REFRAIN ORDER

- 21. Corporations Code section 25110 prohibits the offer or sale of unqualified, nonexempt securities in issuer transactions in the State of California.
- 22. The UTD Notes offered through Retire Happy were securities that were neither qualified nor exempt from the qualification requirement under the CSL. The Department has not issued a permit or other form of qualification authorizing UTD to sell these securities in California.
- 23. Corporations Code section 25401 prohibits the offer or sale of a security in the State of California by means of any written or oral communication that includes an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which the statements were made, not misleading.
- 24. UTD offered and sold UTD Notes in California by means of untrue statements of material fact or omissions of material facts necessary to make the statements made, in the light of the circumstances under which the statements were made, not misleading.
- 25. Any person who with knowledge directly or indirectly controls and induces another person to violate any provision of the CSL, or knowingly provides substantial assistance to another person to violate the CSL, is deemed to be in violation of that provision to the same extent as the other person. (Corp. Code, § 25403, subds. (a), (b).)
- 26. Di Ricco, as managing member and CEO of UTD, is a person who with knowledge directly or indirectly controlled and induced UTD to violate Corporations Code sections 25110 and 25401.

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	27.	Di Ricco knowingly provided substantial assistance to UTD in its violations of
Corpor	rations (	Code sections 25110 and 25401 as a person who engaged Retire Happy in offering and
selling	unquali	fied UTD Notes.

Based on the foregoing findings, the Commissioner is of the opinion that the securities offered or sold by UTD were subject to qualification under the CSL and have been offered or sold without first being qualified in violation of Corporations Code section 25110.

In addition, the Commissioner is of the opinion that UTD offered or sold securities in California by means of oral or written communications which included untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of Corporations Code section 25401.

The Commissioner is further of the opinion that Di Ricco is a person who with knowledge directly or indirectly controlled and induced UTD, and/or is a person who knowingly provided substantial assistance to UTD to violate Corporations Code sections 25110 and 25401.

Under section 25532 of the Corporations Code, Until Tomorrow Drivetrains, LLC, and Dennis R. Di Ricco, are ordered to desist and refrain from the further offers and sale of securities in California, including but not limited to promissory note securities, unless and until the qualification requirements of the CSL have been met.

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Furthermore, Until Tomorrow Drivetrains, LLC, and Dennis R. Di Ricco, are ordered to desist and refrain from offering securities in this state by means of untrue statements of material fact or omissions of material facts necessary to make the statements made, in the light of the circumstances under which the statements were made, not misleading in violation of Corporations Code section 25401.

This Order is necessary, in the public interest, for the protection of investors, and consistent with the purposes, policies, and provisions of the CSL.

DATED: July 24, 2023 Sacramento, California



CLOTHILDE V. HEWLETT

Commissioner of Financial Protection and Innovation

By:

MARY ANN SMITH Deputy Commissioner **Enforcement Division**