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2 MARY ANN SMITH  
Deputy Commissioner  
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5  
6 Department of Financial Protection and Innovation  
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9  
10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
11 OF THE STATE OF CALIFORNIA

12 In the Matter of:

13 THE COMMISSIONER OF FINANCIAL  
PROTECTION AND INNOVATION,

14 Complainant,

15 v.

16 INTELA-PAC, INC., also known as IPAK; IV  
PLUS, INC.; THE NETHERLAND TEA  
17 COMPANY LTD.; AGRO AMERICA; LARRY  
YNFANTE, KELLI D. AUSTIN, and JESSE DE  
18 CASTRO,

19 Respondents.

FINAL ORDER LEVYING  
ADMINISTRATIVE PENALTIES,  
PURSUANT TO COPORATIONS CODE  
25252

(Corp. Code § 25252)

20  
21 The Commissioner of Financial Protection and Innovation (Commissioner) finds that:

22 I.

23 **STATEMENT OF FACTS**

24 1. At all relevant times, Larry Ynfante (Ynfante) is and was a California resident, using  
25 the address 4001 Mount Barnard Avenue, San Diego, California 92131.

26 2. At all relevant times, Kelli D. Austin (Austin) is and was a Texas resident, address  
27 unknown.

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1           3.       At all relevant times, Jesse De Castro (De Castro) is and was a California resident,  
2 using the address 3513 Sara Drive, Torrance, California 90503.

3           4.       Beginning sometime at least in 2011, Larry Ynfante, Kelli Austin, and Jesse De Castro  
4 (collectively referred to as Respondents) offered and sold securities in the form of convertible  
5 promissory notes – investment contracts – in California.

6           5.       The purported purpose of the securities offerings were to raise money from members  
7 of the public to operate various businesses Respondents claimed they owned and/or controlled,  
8 namely Intela-PAC, Inc., IV Plus, Inc., The Netherland Tea Company Ltd., and Agro America.  
9 Ynfante represented himself as the President, Austin identified herself as the Secretary and an officer,  
10 and De Castro held himself out as the Sales Manager and authorized agent of Intela-PAC, Inc. and IV  
11 Plus, Inc.. Respondents also represented that these entities operated out of 3540 W. Sahara Ave.,  
12 Suite 101 Las Vegas, Nevada 89102.

13           6.       The securities were offered or sold in this state in issuer transactions. The Department  
14 of Financial Protection and Innovation has not issued a permit or other form of qualification  
15 authorizing any person to offer or sell these securities in this state. The offer or sale of these securities  
16 is not exempt.

17           7.       Respondents and their agents sold securities to at least 12 investors, mainly senior  
18 citizens, many of them unaccredited, residing in California and elsewhere, in at least 123 separate  
19 transactions. Respondents raised at least \$233,339.00 from investors.

20           8.       Corporations Code section 25110 prohibits the offer or sale of unqualified, non-  
21 exempt securities in issuer transactions in the State of California. The securities offered and sold by  
22 the Respondents are subject to qualification under the CSL. These securities were offered or sold in  
23 this state in issuer transactions. The Department has not issued a permit or other form of qualification  
24 authorizing any person to offer or sell these securities in this state. The offer or sale of these securities  
25 is not exempt.

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1           9.       In connection with the offers and sales of securities, Respondents made, or caused to  
2 be made, misrepresentations of material fact to investors and potential investors, including that:

3           a.       Money invested in Intela-PAC, Inc., IV Plus, Inc., The Netherland Tea  
4 Company Ltd., and Agro America would be used by those companies to generate profits for their  
5 investors;

6           b.       The purported purpose of the securities offering in Intela-PAC, Inc. and IV  
7 Plus, Inc., were to raise money from members of the public to operate a business selling film-based,  
8 flexible pouch packaging that can be used to store and transport beverages;

9           c.       The purported purpose of the securities offering in The Netherland Tea  
10 Company Ltd. was to raise money from members of the public to operate a business selling tea;

11           d.       The purported purpose of the securities offering in Agro America was to raise  
12 money from members of the public to operate a business selling cannabis;

13           e.       Their convertible promissory notes could be converted into stock into the  
14 various business entities;

15           f.       Intela-PAC, Inc. and IV Plus, Inc. were going to become public companies,  
16 and they had in fact gone public and were listed on the New York Stock Exchange;

17           g.       Intela-PAC, Inc. and IV Plus, Inc. had more than 3,000 investors, and that  
18 Larry Ynfante had taken more than 10 companies public before;

19           h.       Intela-PAC, Inc. and IV Plus, Inc. had a business relationship with the  
20 California State Prison System; and

21           i.       A 2015 Desist and Refrain Order<sup>1</sup> against the company had been “lifted” by  
22 the California Department of Financial Protection and Innovation.

23       10.       In addition, in connection with the offers and sales of securities, Respondents made, or  
24 caused to be made, omissions of material fact to investors and potential investors, including that:

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26 <sup>1</sup> The Commissioner issued a Desist and Refrain order against Intela-PAC, Inc. and Larry Ynfante for violations of  
27 Corporations Code 25110 and 25401 on November 6, 2015 (“2015 Action”). Intela-PAC, Inc. and Larry Ynfante were  
28 served with the 2015 action on November 12, 2015. Respondents did not request an administrative hearing. The 2015  
Action become final on or about December 12, 2015. The Department has never rescinded or otherwise repealed this  
Order and it remains in effect.

1 a. Respondents failed to disclose the 2015 Action to various investors; and

2 b. Respondents failed to disclose that Intela-PAC, Inc., IV Plus, Inc., The  
3 Netherland Tea Company Ltd., and Agro America were never legally incorporated anywhere.

4 From 2016 through 2022, Respondents continued to lull, comfort, and deceive its investors.  
5 Respondents repeatedly told investors that they would issue stock certificates. However, they never  
6 delivered any certificates to investors; instead, Respondents blamed the delays on outside service  
7 providers, United States Postal Service, FedEx, government agencies, federal court hearings, special  
8 masters, gag orders, weather damages, theft, New York riots, COVID, or that east coast investors  
9 were required to receive their stock certificates first. Respondents also continued to misrepresent that  
10 these companies were public and listed on a stock exchange; but claimed they could not disclose the  
11 stock symbols for privacy concerns, or because they were under a “gag order.” In fact, these  
12 statements were designed to keep current investors from complaining while they solicited new  
13 investors.

14 11. Corporations Code section 25401 prohibits the offer or sale of securities in this state  
15 by means of written or oral communications that include untrue statements of material fact or omit  
16 materials facts necessary in order to make the statements made, in light of the circumstances under  
17 which they were made, not misleading. The omissions and misrepresentations of Respondents are  
18 material facts necessary in order to make the statements made, in the light of the circumstances under  
19 which they were made, not misleading.

20 **II.**

21 **FINAL ORDER LEVYING ADMINISTRATIVE PENALTIES**

22 **(For violations of Corporations Code sections 25110 and 25401)**

23 12. The Commissioner re-alleges and reincorporates by reference paragraphs 1-11 of this  
24 Final Order Levying Administrative Penalties as fully set forth herein.

25 13. On or about April 22, 2023, the Commissioner served Kelli Austin with the Notice of  
26 Intention to Issue Order Levying Administrative Penalties Pursuant to Corporations Code 25252,  
27 Statement in Support, and accompanying documents.

28 14. On or about July 12, 2023, the Commissioner served Larry Ynfante with the Notice of

1 Intention to Issue Order Levying Administrative Penalties Pursuant to Corporations Code 25252,  
2 Statement in Support, and accompanying documents.

3 15. On or about July 12, 2023, the Commissioner served Jesse De Castro with the Notice  
4 of Intention to Issue Order Levying Administrative Penalties Pursuant to Corporations Code 25252,  
5 Statement in Support, and accompanying documents.

6 16. The Commissioner has not received a request for hearing and the statutory time period  
7 to request a hearing has expired.

8 17. Corporations Code section 25252 authorizes the Commissioner to issue an order  
9 levying administrative penalties against any person for willful violations of any provision of the CSL  
10 and any rules promulgated thereunder. Specifically, Corporations Code section 25252 provides, in  
11 relevant part:

12 The commissioner may, after appropriate notice and opportunity for hearing,  
13 by orders, levy administrative penalties as follows: (a) Any person subject to  
14 this division, other than a broker-dealer or investment adviser, who willfully  
15 violates any provision of this division, or who willfully violates any rule or  
16 order adopted or issued pursuant to this division, is liable for administrative  
17 penalties of not more than one thousand dollars (\$1,000) for the first violation,  
18 and not more than two thousand five hundred dollars (\$2,500) for each  
19 subsequent violation.

18 18. Based on the foregoing findings of fact, as set forth fully above in paragraphs 1-11,  
19 Respondents willfully violated Corporations Code section 25110 by offering the above described  
20 securities in California in issuer transactions without a permit or other form of qualification from the  
21 Department authorizing any person to offer or see these securities in the form of promissory notes.

22 19. Also based on the foregoing findings of fact, as set forth fully above in paragraphs 1-  
23 11, Respondents willfully violated Corporations Code section 25401 by making untrue statements or  
24 omissions in association with the offer and sale of securities in the form of promissory notes in  
25 California and elsewhere, to at least 12 investors.

26 **NOW, GOOD CAUSE APPEARING, IT IS HEREBY ORDERED THAT:**

27 Administrative penalties totaling \$2,631,000.00 are levied against Kelli Austin, Larry  
28 Ynfante, and Jesse De Castro, individually, jointly and severally, as follows:

- 1 a) First Violation: \$1,000.00 for the first violation of Corporations Code 25110;
- 2 b) Additional violations:
  - 3 i. \$2,500 for each of the remaining 109 sales of securities;
  - 4 ii. \$2,500.00 for the misrepresentation in paragraph 9a, made in 123 transactions;
  - 5 iii. \$2,500.00 for the misrepresentation in paragraph 9b, made in 119 transactions;
  - 6 iv. \$2,500.00 for the misrepresentation in paragraph 9c, made in 2 transactions;
  - 7 v. \$2,500.00 for the misrepresentation in paragraph 9d, made in 2 transactions;
  - 8 vi. \$2,500.00 for the misrepresentation in paragraph 9e, made in 123 transactions;
  - 9 vii. \$2,500.00 for the misrepresentation in paragraph 9f, made in 110 transactions;
  - 10 viii. \$2,500.00 for the misrepresentation in paragraph 9g, made in 2 transactions;
  - 11 ix. \$2,500.00 for the misrepresentation in paragraph 9h, made in 119 transactions;
  - 12 x. \$2,500.00 for the misrepresentation in paragraph 9i, made in 110 transactions;
  - 13 xi. \$2,500.00 for the omission in paragraph 10a, made in 110 transactions; and
  - 14 xii. \$2,500.00 for the omission in paragraph 10b, made in the 123 transactions.

15 The administrative penalties levied in the amount of \$2,631,000.00 shall be due and payable  
 16 to the Department of Financial Protection and Innovation within 30 days of service of this Final  
 17 Order and sent to the attention of: Accounting, Department of Financial Protection and Innovation,  
 18 located at 2101 Arena Boulevard, Sacramento, California 95834. Notice of the payment shall  
 19 concurrently be sent to the attention of: Ryan M. Cassidy, Counsel, Enforcement Division, 2101  
 20 Arena Boulevard, Sacramento, California 95834.

21 This Final Order Levying Administrative Penalties is the final decision of the Commissioner  
 22 pursuant to Corporations Code 25252.

23 DATED: August 22, 2023  
 24 Sacramento, California

CLOTHILDE V. HEWLETT  
 Commissioner of Financial Protection and Innovation



25 By: \_\_\_\_\_  
 26 MARY ANN SMITH  
 27 Deputy Commissioner  
 28 Enforcement Division