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

TO: Lien H. Chaing, dba L.H. Chaing Investment Counsel
638 Lindero Canyon Road, #327
Oak Park, CA 91377-5457

DESIST AND REFRAIN ORDER
(For violations of section 25230 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Lien H. Chaing (“Chaing”) was the owner of L.H. Chaing Investment Counsel (“LHC”).
2. On or about May 4, 2004, LHC applied for an investment adviser certificate with the Department of Corporations (“Department”).
3. Since January 2000, neither LHC nor Chaing had a valid investment adviser certificate issued by the Department of Corporations or the U.S. Securities and Exchange Commission (“SEC”). During this time, however, LHC and Chaing received compensation for investment advisory services it provided to nine clients with assets under management of \$4.6 million, collecting fees in the amount of approximately \$234,659.
4. In 1993, Chang’s investment adviser certificate with the Department was revoked for non-payment of fees. From 1993 through 1999, Chaing was registered with the SEC as an investment adviser. In or around December 1999, Chaing withdrew her investment adviser license with the SEC. Therefore, LHC and Chang have been engaging in unlicensed investment adviser activity since January 2000.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that LHC and Chaing have conducted business as an investment adviser in this state without first applying for and securing from the commissioner a certificate, then in effect, authorizing them to do so, in violation of section 25230 of the California Corporate

1 Securities Laws ("CSL"). L.H. Chaing Investment Counsel and Lien H. Chaing are hereby
2 ordered to desist and refrain from acting as an investment adviser in the State of California
3 unless and until they have first applied for and secured from the Commissioner a certificate,
4 then in effect, authorizing them to act as an investment adviser.

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

7 Dated: January 24, 2005

8 Los Angeles, California

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WILLIAM P. WOOD
California Corporations Commissioner

By _____
ALAN WEINGER
Supervising Counsel
Enforcement and Legal Services