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

TO: Nada Maras KWM Investments 2222 Michelson #1300 Irvine, California 92612

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

The California Corporations Commissioner finds that:

- 1. At all relevant times, KWM Investments ("KWM") is or was an entity of unknown origin with offices purportedly located at 2222 Michelson #1300, Irvine, California 92612.
- 2. At all relevant times Nada Maras ("Maras") is or was a seller of securities in the form of promissory notes.
- 3. Beginning in or about March 2004, KWM and Maras offered and sold securities in the form of promissory notes supposedly secured by Maras' business and personal assets.
- 4. Beginning in March 2004 and continuing through the present, KWM and Maras have offered or sold securities in the State of California in the form of promissory notes to unaccredited investors. KWM and Maras sold at least \$750,000 worth of promissory notes to investors.
- 5. The purported purpose of the promissory notes was to use the money to purchase used computer components and other industrial materials in order to resell them to the United States Navy. KWM purportedly sold these parts pursuant to contracts with the U.S. Navy and would use the profits from these transactions to pay back the principal and interest on the promissory notes.
- 6. In connection with the offer and sale of these securities, KWM and Maras made, or caused to be made, misrepresentations of material fact 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. These misrepresentations and omissions included, but are not limited to the following:
 - a. Maras and KWM misrepresented the location of the business;
 - b. Maras and KWM failed to disclose that investor money would be used on gambling;
 - c. Maras and KWM failed to disclose that they were not licensed to sell securities; and

- Maras and KWM misrepresented that the investors would receive back all of their principal plus interest.
- 7. These securities were offered or sold in this state in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this state.

Based on the foregoing findings, the California Corporations Commissioner is of the opinion that the promissory notes sold by KWM Investments and Nada Maras are securities subject to qualification under the California Corporate Securities Law of 1968 ("CSL") and are being or have been offered or sold without being qualified or exempt, in violation of Section 25110 of the CSL.

Pursuant to Section 25532 of the CSL, KWM Investments and Nada Maras are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including, but not limited to promissory notes, unless and until qualification has been made under said law or unless exempt.

Further, the California Corporations Commissioner is of the opinion that the securities offered by KWM Investments and Nada Maras were offered in this state by means of written or oral communications that included untrue statements of material fact 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 section 25401 of the CSL.

Pursuant to Section 25532 of the CSL, KWM Investments and Nada Maras are hereby ordered to desist and refrain from offering or selling any security in the State of California, including, but not limited to promissory notes by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

26 | ///

27 | ///

1	This Order is necessary, in the public interest, for the protection of investors and consistent
2	with the purposes, policies, and provisions of the CSL.
3	Dated: July 13, 2007
4	Los Angeles, California
5	
6	PRESTON DUFAUCHARD
7	California Corporations Commissioner
8	
9	By
10	ALAN S. WEINGER Lead Corporations Counsel Enforcement Division
11	Enforcement Division
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

DESIST AND REFRAIN ORDER