

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS
4

5 TO: **Best Diamond Funding Corp.**
6 **Milton Retana**

7 6428 Pacific Blvd., Suite 301-305
8 Huntington Park, CA 90255

9 3005 E. Palmdale Blvd., Suite 12
10 Palmdale, CA 93550

11 <http://www.bestdiamondfunding.net/>

12 <http://bestdiamondfunding.net/index2.htm>

13 **DESIST AND REFRAIN ORDER**

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

15 The California Corporations Commissioner finds that:

16 1. At all relevant times herein, Best Diamond Funding Corp. (hereinafter, "Best Diamond") was
17 a California corporation located at 6428 Pacific Blvd., Suite 301-305, Huntington Park, CA 90255
18 and 3005 E. Palmdale Blvd., Suite 12, Palmdale, CA 93550. The corporate status of Best Diamond
19 has been suspended.

20 2. Best Diamond has an active website at <http://bestdiamondfunding.net/index2.htm>. Best
21 Diamond maintained a website at <http://www.bestdiamondfunding.net/>, which is now inoperative.

22 3. Milton Retana (hereinafter, "Retana") is, and was at all relevant times herein, the president of
23 Best Diamond.

24 4. As early as 2007, Best Diamond and Retana offered and sold securities in the form of
25 investment contracts.

26 5. Best Diamond and Retana solicited money through advertisements in Spanish-language
27 magazines, on the internet, and during weekly investment seminars.
28

1 6. On December 5, 2007, Best Diamond and Retana offered investment opportunities over the
2 internet by placing an advertisement on the website www.elclasficado.com. The advertisement on the
3 website promised \$700 per month for every \$10,000.00 invested.

4 7. In January 2010, Retana was convicted by a federal jury of six counts of mail fraud and one
5 count of making false statements to government agents who were investigating the case. Retana is
6 scheduled to be sentenced on April 26, 2010.

7 8. The purported purpose of the offerings was to purchase, renovate, and resell real estate for a
8 profit.

9 9. The investment contracts are securities pursuant to California Corporations Code, section
10 25019.

11 10. These securities were offered and sold in this state in issuer transactions. The California
12 Department of Corporations has not issued a permit or other form of qualification authorizing any
13 person to offer and sell these securities in this state.

14 11. In connection with the offer and sale of these securities, Best Diamond and Retana made
15 untrue statements of material fact. These misrepresentations included, but are not limited to the
16 following:

- 17 a. Investors were told that they would receive monthly returns as high as 7% of the principal or
18 \$700.00 per month for every \$10,000.00 invested. Investors did not receive the promised
19 returns.

20 Based upon the foregoing findings, the California Corporations Commissioner is of the
21 opinion that the investment contracts offered and sold by Best Diamond Funding Corp. and Milton
22 Retana are securities subject to qualification under the California Corporate Securities Law of 1968
23 and are or have been offered or sold without being qualified or exempt, in violation of California
24 Corporations Code section 25110.

25 Pursuant to section 25532 of the Corporations Code, Best Diamond Funding Corp. and Milton
26 Retana are hereby ordered to desist and refrain from the offer and sale of securities in the State of
27 California, including, but not limited to investment contracts, unless and until qualification has been
28 made under the law or unless exempt.

1 Further, based upon the foregoing findings, the California Corporations Commissioner is of
2 the opinion that the investment contracts were offered and sold in this state by means of oral and
3 written communications which included untrue statements of material fact necessary in order to make
4 the statements made, in the light of the circumstances under which they were made, not misleading,
5 in violation of section 25401 of the Corporate Securities Law of 1968.

6 Pursuant to section 25532 of the Corporate Securities Law of 1968, Best Diamond Funding
7 Corp. and Milton Retana are hereby ordered to desist and refrain from offering or selling or buying or
8 offering to buy any securities in the State of California, including, but not limited to investment
9 contracts, by means of any written or oral communication which includes an untrue statement of a
10 material fact or omits to state a material fact necessary in order to make the statements made, in the
11 light of the circumstances under which they were made, not misleading.

12 This Order is necessary, in the public interest, for the protection of investors and is consistent
13 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

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15 Dated: February 8, 2010
16 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

17
18 By _____
19 ALAN WEINGER
20 Deputy Commissioner
21 Enforcement Division
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