

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

4 TO: Classic Expo, LLC
5 Betty Warner
6 Eugene Foster
7 4590 MacArthur Boulevard, Suite 500
8 Newport Beach, California 92660

9 DESIST AND REFRAIN ORDER

10 (For violations of 25110 and 25401 of the Corporations Code)

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12 The California Corporations Commissioner finds that:

- 13 1. At all relevant times, Classic Expo, LLC (“Classic Expo”) was a New Mexico limited liability
- 14 company doing business at 4590 MacArthur Boulevard, Suite 500, Newport Beach, California 92660.
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- 16 2. At all relevant times, Betty Warner (“Warner”) was a manager of Classic Expo, LLC.
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- 18 3. At all relevant times, Eugene Foster (“Foster”) was a manager of Classic Expo, LLC.
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- 20 4. Beginning in or about October 2007, Classic Expo, Warner, and Foster offered and sold
- 21 securities in the form of investment contracts to California residents.
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- 23 5. Classic Expo, Warner, and Foster offered and sold securities to California investors.
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- 25 6. The purported purpose of the offering was to raise money for Classic Expo to invest in
- 26 various investment vehicles that would yield a return of 15% monthly.
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1 7. These securities were offered and sold in this state in issuer transactions. The Department of
2 Corporations has not issued a permit or other form of qualification authorizing any person to offer
3 and sell these securities in this state.

4 8. In connection with the offer and sale of these securities, Classic Expo, Warner, and Foster
5 misrepresented to investors that they would receive a return of 15% monthly on the investment, and
6 that Classic Expo would return the investor's entire principal investment in twelve months from the
7 date of investment. Investors did not receive the promised return. Investors did not receive the
8 principal investment after the twelve months term.

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10 9. In connection with the offer and sale of these securities, Classic Expo, Warner, and Foster
11 misrepresented to investors that there would never be a risk to the principal investment. The
12 principal investment was not returned.

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14 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
15 that the investment contracts offered and/or sold by Classic Expo, LLC, Betty Warner, and Eugene
16 Foster are securities subject to qualification under the California Corporations Code and that these
17 securities are being or have been offered or sold without being qualified in violation of Corporations
18 Code section 25110.

19 Pursuant to section 25532 of the California Corporations Code, Classic Expo, LLC, Betty
20 Warner, and Eugene Foster are hereby ordered to desist and refrain from the further offer or sale of
21 securities in the State of California, including but not limited to investment contracts unless and until
22 qualification has been made under the law or unless exempt.

23 Further, the California Corporations Commissioner is of the opinion that the securities in the
24 form of investment contracts offered and/or sold by Classic Expo, LLC, Betty Warner, and Eugene
25 Foster were offered in this state by means of written or oral communications that included untrue
26 statements of material fact, in violation of section 25401 of the California Corporations Code.

27 Pursuant to Section 25532 of the California Corporations Code, Classic Expo, LLC, Betty
28 Warner, and Eugene Foster are hereby ordered to desist and refrain from offering or selling any

1 security in the State of California, including, but not limited to investment contracts by means of any
2 written or oral communication which includes an untrue statement of a material fact or omits to state
3 a material fact necessary in order to make the statements made, in the light of the circumstances
4 under which they were made, not misleading.

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

7 Dated: March 14, 2011
8 Sacramento, California

9 PRESTON DuFAUCHARD
10 California Corporations Commissioner

11 By _____
12 ALAN S. WEINGER
13 Deputy Commissioner
14 Enforcement Division
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