

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

5 TO: Golden Nugget Invest
6 a.k.a.
7 GoldenNuggetInvest,
8 www.gniforum.com,
and
9 www.strictpay.com

10 DESIST AND REFRAIN ORDER

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

12 The California Corporations Commissioner finds that:

13 1. At all relevant times, Golden Nugget Invest, also known as, GoldenNuggetInvest,
14 www.gniforum.com, and www.strictpay.com (collectively, herein as “GNI”), is a business of
15 unknown formation located in the country of Panama. GNI transacts business world wide, and in
16 California, by way of the internet.

17 2. Since at least January, 2009, GNI offered and/or sold securities in the form of
18 investment contracts, or certificates of interest or participation in arbitrage pooling schemes
19 (“Investment Pools”) on GNI’s respective websites. GNI’s Investment Pools are typical high yield
20 investments, whereby investors were promised returns of as much as 7.5% of their original
21 investment per week, plus additional amounts from referrals of new investors to the Investment
22 Pools. The purported purpose of the offering was to increase the wealth of all those who invested in a
23 short amount of time.

24 3. These securities were offered or sold in the State of California in issuer transactions.
25 The Department of Corporations has not issued a permit or other form of qualification authorizing
26 any person to offer and sell these securities in the State of California.

27 4. In connection with the offers and/or sales of Investment Pools, GNI made untrue
28 statements of material fact or omitted to state material facts necessary in order to make the statements

1 made, in the light of the circumstances under which they were made, not misleading. These
2 misrepresentations and/or omissions included, but are not limited to, GNI assuring investors that
3 investors would receive their principal investment money back at any time they requested it while
4 investing in the Investment Pools and that such principal investment money would be preserved
5 while investing.

6 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
7 that the investment contracts, or certificates of interest or participation in arbitrage pooling schemes
8 offered by Golden Nugget Invest, also known as, GoldenNuggetInvest, www.gniforum.com, and
9 www.strictpay.com, are securities subject to qualification under the California Corporate Securities
10 Law of 1968 and are being or have been offered or sold without first being qualified. Pursuant to
11 Section 25532 of the Corporate Securities Law of 1968, Golden Nugget Invest, also known as,
12 GoldenNuggetInvest, www.gniforum.com, and www.strictpay.com is hereby ordered to desist and
13 refrain from the further offer or sale of securities, in the State of California, including but not limited
14 to investment contracts, or certificates of interest or participation in arbitrage pooling schemes, unless
15 and until qualification has been made under said law or unless exempt.

16 Further, the California Corporations Commissioner is of the opinion that the securities of
17 Golden Nugget Invest, also known as, GoldenNuggetInvest, www.gniforum.com, and
18 www.strictpay.com, were offered or sold in the State of California by means of written or oral
19 communications which included an untrue statement of a material fact or omitted to state a material
20 fact necessary in order to make the statements made, in the light of the circumstances under which
21 they were made, not misleading, in violation of Section 25401 of the Corporate Securities Law of
22 1968. Pursuant to Section 25532 of the Corporate Securities Law of 1968, Golden Nugget Invest,
23 also known as, GoldenNuggetInvest, www.gniforum.com, and www.strictpay.com is hereby ordered
24 to desist and refrain from offering or selling or buying or offering to buy any security in the State of
25 California, including but not limited to investment contracts, or certificates of interest or participation
26 in arbitrage pooling schemes, by means of any written or oral communication which includes an
27 untrue statement of a material fact or omits to state a material fact necessary in order to make the
28 statements made, in the light of the circumstances under which they were made, not misleading.

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

Dated: October 6, 2011
Sacramento, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division