

1 WAYNE STRUMPFER  
Acting California Corporations Commissioner  
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Acting Deputy Commissioner  
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6

7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS  
9 OF THE STATE OF CALIFORNIA

|    |                                  |   |                                 |
|----|----------------------------------|---|---------------------------------|
| 11 | In the Matter of                 | ) | CASE NO.                        |
| 12 | THE CALIFORNIA CORPORATIONS      | ) | FILE NO. 923-3308               |
| 13 | COMMISSIONER,                    | ) | FINAL ORDER TO DISCONTINUE      |
| 14 | Complainant,                     | ) | VIOLATIONS PURSUANT TO          |
| 15 | v.                               | ) | CORPORATIONS CODE SECTION 25249 |
| 16 | MELVIN DE LA MOTTE, JR., DBA     | ) |                                 |
| 17 | DE LA MOTTE INVESTMENT SERVICES, | ) |                                 |
| 18 | Respondent.                      | ) |                                 |
| 19 |                                  | ) |                                 |

20  
21 TO: Melvin A. De La Motte, Jr.  
1239 Higuera Street  
22 San Luis Obispo, CA 93401

23 1. Melvin A. De La Motte, Jr., dba De La Motte Investment Services ("De La Motte")  
24 holds a valid and unrevoked investment adviser certificate issued by the Commissioner pursuant to  
25 Corporations Code section 25230 on June 19, 1996. De La Motte's investment adviser business is  
26 located at 1239 Higuera Street, San Luis Obispo, California 93401. De La Motte is a sole  
27 proprietorship that is owned by Melvin A. De La Motte, Jr.  
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1           2.     On or about June 9, 2003, the Department commenced a regulatory examination of De  
2 La Motte’s investment adviser business. The examination revealed violations of the books and  
3 records provisions of the Corporate Securities Law of 1968, Corporations Code section 25000 et  
4 seq., and the regulations found at California Code of Regulations, title 10, section 260.000 et seq.

5           3.     These violations consisted of De La Motte’s failure to keep true, accurate and current  
6 books and records, including: 1) failing to maintain a general ledger accounting system in violation  
7 of California Code of Regulations, title 10, section 260.241.3, subdivision (a)(2); and 2) failing to  
8 file its annual financial reports in violation of California Code of Regulations, title 10, section  
9 260.241.2, subdivision (a).

10          4.     On May 10, 2005, a hearing was held at the Office of Administrative Hearings. On  
11 July 1, 2005, Judge Ralph B. Dash issued a Proposed Decision. On October 21, 2005, the  
12 Commissioner issued an Order Rejecting the Proposed Decision and pursuant to Government Code  
13 section 11517, subdivision (c)(2)(D), the matter was remanded to the judge to take further evidence.  
14 On November 18, 2005, the parties stipulated that, rather than taking additional evidence, Judge  
15 Dash could issue his Proposed Decision After Remand based on the transcript of the May 10, 2005  
16 hearing and all exhibits submitted. On January 9, 2006, Judge Dash issued a Proposed Decision  
17 After Remand ordering De La Motte to immediately discontinue those acts that were in violation of  
18 California Code of Regulations, title 10, sections 260.241.3, subdivision (a)(2) and 260.241.2,  
19 subdivision (a). On February 10, 2006, the Department adopted the Proposed Decision After  
20 Remand as its Decision, with a technical and minor change pursuant to Government Code Section  
21 11517, subdivision (c)(2)(C).

22           WHEREFORE, good cause showing, and pursuant to Corporations Code section 25251, the  
23 Commissioner finds that De La Motte has violated California Code of Regulations, title 10, sections  
24 260.241.3, subdivision (a)(2) and 260.241.2, subdivision (a) and hereby makes final the Order to

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Discontinue Violations Pursuant to Corporations Code Section 25249 issued by the Commissioner on February 14, 2005.

Dated: February 23, 2006

WAYNE STRUMPFER  
Acting California Corporations Commissioner

By: \_\_\_\_\_  
ALAN S. WEINGER  
Acting Deputy Commissioner  
Enforcement