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CIVIL BUSINESS OFFICES
CENTRAL DIVISION
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CLERK-SUPERIOR COURT
SAN DIEGO COUNTY, CA

7 Attorneys for the People of the State of California
8

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SAN DIEGO**

11 THE PEOPLE OF THE STATE OF
12 CALIFORNIA, by and through the
13 CALIFORNIA CORPORATIONS
COMMISSIONER,

14 Petitioner,

15 vs.

16 REAL EQUITY PURSUIT, L.L.C.

17 Respondent.

Case No.: 37-2010-00105817-CU-MC-CTL

**PETITION FOR AN ORDER SETTING
AN ORDER TO SHOW CAUSE HEARING
RE: FAILURE AND REFUSAL TO
COMPLY WITH SUBPOENA DUCES
TECUM**

**(CAL. CORP. CODE, § 25531; CAL. FIN.
CODE, §§ 22701 and 22705; CAL. GOV.
CODE, §§ 11187 and 11188)**

Hearing Date:
Hearing Time:
Dept:
Judge:

18
19
20 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

21 YOU ARE HEREBY NOTIFIED that on the date and time and in the Department set forth
22 above, Petitioner, Preston DuFauchard, California Corporations Commissioner (“Commissioner”),
23 acting in the name of the People of the State of California, will submit an Petition for an Order
24 Setting an Order to Show Cause Hearing Re: Failure and Refusal to Comply with Subpoena Ducus
25 Tecum. The petition is based on the accompanying Memorandum of Points and Authorities,
26 declarations, and evidence in support thereof.

27 Petitioner, the Commissioner, by and through his attorney, alleges:

28 1. The Commissioner is head of the Department of Corporations (“Department”).

1 2. The Department is the state agency responsible for administering and enforcing: the
2 Corporate Securities Law of 1968 (Cal. Corp. Code, § 25000 et seq.) (“CSL”), regulating the offer
3 and sale of “securities,” including promissory notes; and the California Finance Lenders Law (Cal.
4 Fin. Code, § 22000 et seq.) (“CFL”), regulating finance brokers and lenders, in California.

5 3. For the purpose of discovering violations of the CSL and CFL, the Commissioner has
6 authority to investigate possible violations of said laws. The Commissioner is authorized to issue
7 administrative subpoenas for the production of documents and information as part of an inquiry. (Cal.
8 Corp. Code, § 25531; Cal. Fin Code, §§ 22701, 22705; Gov. Code, §§ 11180, 11181.)

9 4. The Department is informed and believes that Real Equity Pursuit, L.L.C.
10 (“RESPONDENT”) may be engaged in violations of the CSL and the CFL.

11 5. On or about May 6, 2010, in the course of a lawful investigation into possible
12 violations of the CSL and the CFL, the Department issued an administrative subpoena on
13 RESPONDENT. The subpoena required the production of certain documents and information
14 relevant to the Department’s investigation, by June 15, 2010.

15 6. On or about May 12, 2010, the subpoena was served on RESPONDENT.

16 7. As of the date of this Petition, RESPONDENT has failed and refused to produce all
17 documents and information requested in the subpoena. RESPONDENT has also failed to contact the
18 Department to request more time to respond to the subpoena or indicate documents are forthcoming.

19 WHEREFORE, Petitioner, the Commissioner, respectfully requests that this Court:

20 1. Set an Order to Show Cause hearing, pursuant to California Government Code section
21 11188, as to why RESPONDENT, Real Equity Pursuit, L.L.C., has not complied with the subpoena;
22 and

23 2. At the Order to Show Cause hearing, order RESPONDENT, Real Equity Pursuit,
24 L.L.C., to produce all the documents and information requested in the subpoena.

25 Dated: December 10, 2010

PRESTON DuFAUCHARD
California Corporations Commissioner

27 By: _____
ALEX CALERO
Attorney for the People of California