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California Corporations Commissioner
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9
10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA

12 In the Matter of)	OAH FILE No. L2006120213
)	
13 THE CALIFORNIA CORPORATIONS)	AGENCY FILE NO. 41400
14 COMMISSIONER,)	
)	FINAL ORDER ISSUED PURSUANT TO
15 Complainant,)	CORPORATIONS CODE SECTION 25249
)	
16 v.)	(CORPORATIONS CODE SECTION 25251)
)	
17 CAPSTONE INVESTMENTS AND)	
18 ANTHONY CAPOZZA,)	
)	
19 Respondents.)	
)	
20)	
21)	

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23 1. THE CALIFORNIA CORPORATIONS COMMISSIONER (“Commissioner”) has
24 filed an Accusation and Statement in Support re Intent to Issue Orders captioned In the Matter of the
25 California Corporations Commissioner, Complainant v. Capstone Investments and Anthony
26 Capozza, Respondents, OAH No. L2006120213, Agency File No. 41400, before the Department of
27 Corporations of the State of California (hereinafter the “Action”) seeking among other things, certain
28 penalties against CAPSTONE INVESTMENTS (“Capstone”) and ANTHONY

1 CAPOZZA(“Capozza”). The Action alleges that Capstone and Capozza violated certain provisions
2 of the Corporate Securities Law of 1968.

3 2. On October 13, 2006, the Commissioner personally served Capozza, on behalf of
4 Capstone and as Chief Executive Officer of Capstone, with the following: Cover letter RE:
5 Administrative Orders; Notice of Defense, Respondent Anthony Capozza; Accusation and Statement
6 In Support Re Intent to Issue Orders; Order to Discontinue Violations Pursuant to Corporations Code
7 Section 25249; Notice of Intention to Issue Orders; Notice of Defense, Respondent Capstone
8 Investments; and Government Code sections 11507.5, 11507.6 and 11507.7. The Department
9 received the Notice of Defense for Capstone and Capozza, on November 13, 2006, acknowledging
10 receipt of copies of the Administrative Pleadings and Respondents’ request for a hearing in this
11 matter.

12 3. In lieu of a hearing, the Commissioner, Capstone, and Capozza entered into a
13 Settlement Agreement, whereby, Capstone and Capozza agreed, without admitting or denying the
14 allegations in the Action, to the Department’s issuance of a Final Order Issued Pursuant to
15 Corporations Code Section 25249.

16 NOW, BASED UPON THE FOREGOING, the California Corporations Commissioner
17 orders Capstone Investments and Anthony Capozza to discontinue the practices named in the order
18 issued on October 11, 2006, pursuant to Corporations Code section 25249.

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20 Dated: August 24, 2007

PRESTON DuFAUCHARD
California Corporations Commissioner

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22 By: _____
23 ALAN S. WEINGER
24 Lead Corporations Counsel
25 Enforcement Division
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