

1 **STATE OF CALIFORNIA**  
2 **BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**  
3 **DEPARTMENT OF BUSINESS OVERSIGHT**

4 TO: Inversiones Monarcas, a.k.a. Inverciones Monarcas,  
5 Monarch Investments, and  
6 www.inversionesmonarca.com  
7 Araceli Cabrera  
8 Maria del Carmen Penaloza Melchor  
9  
10 3151 Senter Road, Suite 100  
11 San Jose, California 95111

12 **DESIST AND REFRAIN ORDER**  
13 **(For violations of sections 25110 and 25401 of the Corporations Code)**

14 The Commissioner of Business Oversight finds that:

15 1. At all relevant times, Inversiones Monarcas, a.k.a. Inverciones Monarcas, Monarch  
16 Investments, and www.inversionesmonarca.com (“Monarch”) is a California business entity of  
17 unknown formation with a principal place of business at 3151 Senter Road, Suite 100, San Jose,  
18 California, 95111. Monarch conducts business by way of telephone number (408) 622-5856, and by  
19 internet website address www.inversionesmonarca.com.

20 2. Araceli Cabrera (“Cabrera”) and Maria del Carmen Penaloza Melchor (“Penaloza”)   
21 represented to California investors that they are/were representatives of Monarch also doing business  
22 at 3151 Senter Road, Suite 100, San Jose, California 95111. Cabrera and Penaloza executed  
23 documents and interacted closely with investors on behalf of Monarch throughout the investment  
24 transaction referenced herein.

25 3. Beginning in or about 2013, Monarch, Cabrera, and Penaloza offered and sold  
26 securities in the form of promissory notes. Pursuant to the terms of these promissory notes, a  
27 California investor would pay to Monarch a minimum of \$500.00 as a capital investment, for the  
28 purpose of investing in the business growth of Monarch. At the end of the investment term,  
California investors would receive at least seven (7) percent annual interest on their investment as

1 profit in addition to the return of their initial capital investment with Monarch. Investors would not  
2 have any other involvement in the company, other than providing investment capital for a profit.

3 4. These securities in the form of promissory notes were offered or sold in California in  
4 issuer transactions. The Department of Business Oversight has not issued a permit or other form of  
5 qualification authorizing any person, including but not limited to Monarch, Cabrera or Penaloza to  
6 offer and/or sell these securities in California. These securities are or have been offered or sold  
7 without being qualified or exempt, in violation of Corporations Code section 25110.

8 5. Beginning in or about 2013, Monarch, Cabrera and Penaloza represented to investors  
9 during the offer or sale of securities that investors would be able to access and secure a refund of their  
10 entire invested capital at any time, as well as receive the promised profit or return on the capital  
11 investment at the end of the investment. However, despite requests to Monarch, Cabrera and  
12 Penaloza, investors were not able to access and secure a refund of their entire invested capital. In  
13 addition, investors never received any promised profit or return on their capital investment.  
14 Therefore, Monarch, Cabrera and Penaloza made misrepresentations to investors during the offer or  
15 sale of securities.

16 Based on the foregoing findings, the Commissioner of Business Oversight finds that the  
17 promissory notes offered and/or sold by Inversiones Monarcas, a.k.a. Inverciones Monarcas,  
18 Monarch Investments, [www.inversionesmonarca.com](http://www.inversionesmonarca.com), Araceli Cabrera and Maria del Carmen  
19 Penaloza Melchor are securities subject to qualification under the Corporations Code. These  
20 promissory notes are or have been offered or sold without being qualified or exempt, in violation of  
21 Corporations Code section 25110.

22 Pursuant to Corporations Code section 25532, Inversiones Monarcas, a.k.a. Inverciones  
23 Monarcas, Monarch Investments, [www.inversionesmonarca.com](http://www.inversionesmonarca.com), Araceli Cabrera and Maria del  
24 Carmen Penaloza Melchor are hereby ordered to desist and refrain from the further offer or sale in  
25 California of securities, including, but not limited to promissory notes, unless and until qualification  
26 has been made under said law or unless exempt.

27 Further, the California Commissioner of Business Oversight is of the opinion that the  
28 securities in the form of promissory notes were offered or sold in this State by means of a written or

1 oral communication which included an untrue statement of material fact or omitted to state a material  
2 fact necessary to make the statement made, in light of the circumstances under which they were  
3 made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

4 Pursuant to section 25532 of the Corporate Securities Law of 1968, Inversiones Monarcas,  
5 a.k.a. Inverciones Monarcas, Monarch Investments, www.inversionesmonarca.com, Araceli Cabrera  
6 and Maria del Carmen Penaloza Melchor are hereby ordered to desist and refrain from offering or  
7 selling or buying or offering to buy any security in the State of California, including but not limited to  
8 promissory notes, by means of any written or oral communication which includes an untrue statement  
9 of material fact or omits to state a material fact necessary in order to make the statements made, in  
10 light of circumstances under which they were made, not misleading.

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

13 Dated: October 27, 2015

14  
15 JAN LYNN OWEN  
16 California Commissioner of Business Oversight

17  
18 By \_\_\_\_\_  
19 MARY ANN SMITH  
20 Deputy Commissioner  
21 Enforcement Division  
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