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

5 TO: David Kaup, President  
6 Lunden Investments, Inc.  
7 70 South Lake Avenue, 10th Floor  
8 Pasadena, CA 91101

9 **DESIST AND REFRAIN ORDER**  
10 **(For violation of section 22100 of the Financial Code)**

11 The California Corporations Commissioner finds that:

12 1. At all relevant times, Lunden Investments, Inc. (“Lunden Investments”) was a  
13 California corporation. It was incorporated on October 17, 2006. It maintains or maintained a  
14 principal place of business at 70 South Lake Avenue, 10th Floor, Pasadena, CA 91101. It also has or  
15 had an address at 879 W. 190th Street, Suite 400, Gardena, CA 90248.

16 2. At all relevant times, David Kaup (“Kaup”) was the president and control person of  
17 Lunden Investments.

18 3. Beginning in at least 2008, Kaup and Lunden Investments offered to make commercial  
19 loans to one or more borrowers residing in the state of California.

20 4. At least one borrower paid Kaup and Lunden Investments \$500,000.00 in order to  
21 obtain a non-recourse loan. However, Kaup and Lunden Investments never actually delivered any of  
22 the loan proceeds to the borrower.

23 5. The California Corporations Commissioner has not licensed Kaup or Lunden  
24 Investments to engage in the business of a finance lender or broker, as required by Section 22100 of  
25 the Financial Code.

26 Based upon the foregoing findings, the California Corporations Commissioner is of the  
27 opinion that David Kaup and Lunden Investments, Inc. have been engaged in the business of a  
28 finance lender or broker without a license from the California Corporations Commissioner.

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Pursuant to Financial Code section 22712, the California Corporations Commissioner hereby orders David Kaup and Lunden Investments, Inc. to desist and refrain from engaging in the business of a finance lender or broker unless and until they are licensed or exempt. This Order is necessary, in the public interest, and for the protection of consumers.

Dated: May 12, 2009  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

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