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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: James L. Saccheri
2528 Mitchell
Clovis, CA 93611

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

The California Corporations Commissioner finds that:

1. At all relevant times, James L. Saccheri (“Saccheri”) was the President, chief financial officer and control person of St. Lawrence Valley Dairy, Inc., a dairy farm business located in Chateaugay, New York.
2. Beginning in or about 2003, Saccheri solicited California investors regarding an investment opportunity with St. Lawrence Valley Dairy, Inc.
3. Beginning in or about October 2003, Saccheri offered and sold securities in the form of stock. Representations were made to the investors that the dairy farm business would be fully funded with \$1,000,000 and would operate debt-free. After the purchase price of \$600,000 for the dairy, remaining monies would be used for future construction and setup of a cheese plant. Ten thousand shares were to “be sold for \$100 per share, with cash as the sole consideration for shares.”
4. The shares of stock were offered or sold in this state without a permit or other form of qualification authorizing the offer or sale of these securities in this state.
5. In his solicitation of investors in St. Lawrence Valley Dairy, Inc., Saccheri made untrue statements of material fact, or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. These misrepresentations and omissions included, but are not limited to, Saccheri failing to advise the

1 shareholders that he listed the dairy property as collateral for a note with Yankee Farm Credit, and
2 that the loan was being paid with dairy business funds. Furthermore, stock certificates representing
3 3,500 shares were issued to various members of Saccheri’s family in exchange for personal loans
4 made to Saccheri as an individual, but said shares were never funded.

5 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
6 that the stock in St. Lawrence Valley Dairy, Inc. is a security subject to qualification under the
7 California Corporations Code and was offered or sold without being qualified or exempt, in violation
8 of Section 25110 of the California Corporations Code. Pursuant to Section 25532 of the California
9 Corporations Code, James L. Saccheri is hereby ordered to desist and refrain from the further offer or
10 sale of securities in the State of California, including but not limited to stock unless and until
11 qualification has been made under said law or unless exempt.

12 Further, the California Corporations Commissioner is of the opinion that these securities were
13 offered or sold by means of written or oral communications which included untrue statements of
14 material facts, or omitted to state material facts necessary in order to make the statements made, in
15 light of the circumstances under which they were made, not misleading in violation of section 25401
16 of the California Corporations Code. Pursuant to section 25532 of the California Corporations Code,
17 James L. Saccheri is hereby ordered to desist and refrain from offering or selling any security in the
18 State of California, including but not limited to stock, by means of any written or oral communication
19 which includes an untrue statement of a material fact, or omits to state a material fact necessary in
20 order to make the statements made, in light of the circumstances under which they were made, not
21 misleading.

