WAYNE STRUMPFER
Acting California Corporations Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, v. ROBERT L. CARVER, Respondent.	CASE NO. FILE NO. 923-5067 **ACCUSATION**

WAYNE STRUMPFER, the acting California Corporations Commissioner ("Commissioner") of the Department of Corporations ("Department") alleges and charges as follows:

I. JURISDICTION AND VENUE

1. The COMMISSIONER brings this action pursuant to the provisions of California Corporations Code ("CC") section 25232 and 25232.1 and the rules and regulations promulgated thereunder.

2. The Commissioner is authorized to administer and enforce the provisions of the

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Corporate Securities Law of 1968, Corporations Code sections 25000 et seq. ("CSL") and the regulations thereunder at Title 10, California Code of Regulations ("CCR").

II. STATEMENT OF FACTS

3. This action is brought in order to bar Respondent Robert L. Carver from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser, of and for an investment adviser, pursuant to Corporations Code section 25232.1. The current business address of Robert L. Carver is Brookstone Capital, Inc., 695 Town Center Drive, Ste. 850, Costa Mesa, CA 92626. Robert L. Carver is noted to be the founder, CEO and sole owner, manager and control person of Brookstone Capital, Inc.

4. On July 22, 1994 in the Los Angeles County Superior Court Robert L. Carver pled guilty to one felony count of making/passing fictitious checks, and on August 4, 1994 in the Riverside County Superior/Municipal Court Mr. Carver pled nolo contendere to two felony counts of grand theft. For the former conviction he was sentenced to 98 days in the county jail and five years probation and the for later conviction he was sentenced to 180 days in county jail and five years probation as well.

5. On October 20, 2004, Brookstone Capital filed an application for an investment adviser certificate with the Department and in its application Brookstone Capital stated that Robert L. Carver had never been found by any state agency to have violated any investment related regulation or statute, and yet on March 21, 1996 the State of California Department of Corporations issued a Desist and Refrain Order to Robert L. Carver, among others, regarding the offer and sale of unqualified securities.

III. RESPONDENT ROBERT CARVER SHOULD BE BARRED FROM ANY POSITION OF EMPLOYMENT, MANAGEMENT OR CONTROL OF ANY INVESTMENT ADVISER, BROKER-DEALER OR COMMODITY ADVISER

6. Corporations Code section 25232 provides, in pertinent part:

> "The commissioner may, after appropriate notice and opportunity for hearing, by order censure, deny a certificate to, or suspend for a period not exceeding 12 months or revoke the certificate of, an investment adviser, if the commissioner finds that the censure, denial, suspension, or revocation is in the public interest and that the

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investment adviser, whether prior or subsequent to becoming such, or any partner, officer or director thereof or any person performing similar functions or any person directly or indirectly controlling the investment adviser, whether prior or subsequent to becoming such, or any employee of the investment adviser while so employed has done any of the following:

(a) Has willfully made or caused to be made in any application for a certificate or any report filed with the commissioner under this division, or in any proceeding before the commissioner, any statement which was at the time and in light of the circumstances under which it was made false or misleading with respect to any material fact, or has willfully omitted to state in the application or report any material fact which is required to be stated therein;

(b) Has been either (1) convicted of or has pled nolo contendere to any felony or misdemeanor...."

7. Corporations Code Section 25232.1 provides, in pertinent part:

"The commissioner may, after appropriate notice and opportunity for hearing, by order censure, or suspend for a period not exceeding 12 months, or bar from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser, any officer, director, partner, employee of, or person performing similar functions for, an investment adviser, or any other person, if he or she finds that the censure, suspension or bar is in the public interest and that the person has committed any act or omission enumerated in subdivision (a) or Section 25232 or has been convicted of any offense or held liable in any civil action specified in subdivision (b) of Section 25232..."

8. Robert L. Carver is subject to being barred from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser pursuant to Corporations Code section 25232.1, for acts committed as specified in Corporations Code section 25232, subdivision (b), specifically past felony convictions, and subdivision (a), specifically for failure to disclose the issuance of a prior Desist and Refrain Order. Robert L. Carver is the founder, CEO and sole owner, manager and control person of Brookstone Capital.

IV. RELIEF REQUESTED

WHEREFORE, based upon the foregoing, the Commissioner finds it is in the public interest to bar Robert L. Carver from any position of employment, management or control of any investment adviser, broker-dealer or commodity adviser pursuant to Corporations Code section 25232.1.

WHEREFORE, IT IS PRAYED that Respondent Robert L. Carver be barred from any position of employment, management or control of any investment adviser, broker-dealer or

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commodity adviser pursuant to Corporations Code section 23232.1 for acts committed as specified in Corporations Code section 25232, subdivisions (a) and (b).

Dated: August 21, 2005

WAYNE STRUMPFER
Acting California Corporations Commissioner

By: _____
EDWARD KELLY SHINNICK
Corporations Counsel
Enforcement Division

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