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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

12 In the Matter of the Accusation of) CASE NO.
13 THE CALIFORNIA CORPORATIONS) FILE NO. 122599/130215
14 COMMISSIONER,)
15 Complainant,) **ORDER REVOKING INVESTMENT**
16 v.) **ADVISER CERTIFICATES OF**
17 INTERNATIONAL MANAGEMENT) **INTERNATIONAL MANAGEMENT**
ASSOCIATES, LLC, INTERNATIONAL) **ASSOCIATES, LLC, AND**
18 MANAGEMENT ASSOCIATES ADVISORY) **INTERNATIONAL MANAGEMENT**
GROUP, LLC, and KIRK S. WRIGHT, as an) **ASSOCIATES ADVISORY GROUP, LLC,**
19 individual,) **PURSUANT TO CORPORATIONS CODE**
20) **SECTION 25232**
21 Respondents.)

22 TO: Kirk S. Wright
23 International Management Associates, LLC
24 International Management Associates Advisory Group, LLC
25 1899 Powers Ferry Road, Ste. 160
Atlanta, GA, 30339

26 1. On May 9, 2007 the Department of Corporations for the State of California
27 (“Department”) brought an action in order to revoke the previously unrevoked investment adviser
28 certificates of International Management Associates, LLC, (“IMA”) and International Management

1 Associates Advisory Group, LLC, (“IMA Advisory”) pursuant to California Corporations Code
2 section 25232. A hearing was not requested on this matter within 30 days of service as required, and
3 the time period has expired to request a hearing.

4 2. IMA is a limited liability company formed in Virginia, with a principal place of
5 business in Atlanta, Georgia, and with an office at 6701 West Center Drive, Ste. 950, Los Angeles,
6 CA 90045. In June 2003 IMA was first certified with the California Department of Corporations as
7 an investment adviser. IMA is owned and controlled by Kirk S. Wright (“Wright”) and others.
8 According to its Form ADV, dated January 25, 2006, IMA had \$166.6 million in funds under
9 management in five hedge funds it manages and advises.

10 3. IMA Advisory is a limited liability company formed in Georgia with a principal place
11 of business in Atlanta, Georgia, and with an office at 6701 West Center Drive, Ste. 950, Los
12 Angeles, CA 90045. In December 2004 IMA Advisory was first certified with the California
13 Department of Corporations as an investment adviser. IMA Advisory is owned and controlled by
14 Wright and others. According to IMA Advisory’s Form ADV, dated January 25, 2006, it had \$18.3
15 million in funds under management.

16 4. On February 27, 2006 the Securities and Exchange Commission (“SEC”) filed a
17 Complaint, Civil Action No. 1 06-CV-0438, in the United States District Court for the Northern
18 District of Georgia, against Wright, IMA, IMA Advisory, and others, alleging that they had been
19 fraudulently providing investors with quarterly statements that misrepresented the amount of assets
20 in various accounts, misrepresented the rates of return obtained by the respective funds, and failed to
21 disclose to investors that virtually all funds had been dissipated. On March 6, 2006 the District
22 Court issued a temporary restraining order and order to show cause against all defendants. Wright,
23 IMA, IMA Advisory and others entered into a Consent Order and pursuant thereto on March 10,
24 2006 the District Court entered an Order granting a preliminary injunction, freezing assets, and
25 appointing a receiver. On February 9, 2007, following testimony by the receiver, the District Court
26 entered a default judgment as to Wright and ordered a permanent injunction and disgorgement of
27 \$17,019,510, representing profits gained as a result of the conduct alleged in the Complaint. On
28

1 March 2, 2007 the SEC issued an Order instituting administrative proceedings to determine other
2 appropriate remedial sanctions against Wright in light of the February 9, 2007 permanent injunction.

3 5. Since the filing of the Complaint referenced in the above paragraph, the securities
4 administrators of at least two States (including Maryland and Massachusetts) have suspended or
5 revoked the registration of IMA as an investment adviser or Wright as an investment adviser
6 Representative.

7 6. California Corporations Code section 25232 provides that a Commissioner may
8 revoke a investment adviser certificate if it is in the public interest and for actions of the investment
9 adviser, or one or more of its officers or controlling persons, as specified in Corporations Code
10 section 25232 subdivision (c), specifically for court ordered injunctions in connection with
11 investment adviser activity, and subdivision (d), specifically for orders of the SEC and other States
12 relating to the revocation of investment adviser and investment adviser representative registrations.

13 The Commissioner finds that each of the above enumerated matters provide an independent
14 basis under California Corporations Code section 25232, justifying the issuance of an Order
15 revoking the investment adviser certificates of International Management Associates, LLC, and
16 International Management Associates Advisory Group, LLC. Based upon the foregoing, the
17 Commissioner finds it is in the public interest to revoke the investment adviser certificates of
18 International Management Associates, LLC, and International Management Associates Advisory
19 Group, LLC.

20 NOW THEREFORE, GOOD CAUSE SHOWING, IT IS HEREBY ORDERED that the
21 investment adviser certificates of International Management Associates, LLC, and International
22 Management Associates Advisory Group, LLC. are revoked pursuant to Corporations Code sections
23 25232, subdivisions (c) and (d). This order is effective immediately.

24 Dated: August 13, 2007

PRESTON DuFAUCHARD
California Corporations Commissioner

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26 By: _____
ALAN S. WEINGER
27 Lead Corporations Counsel
28 Enforcement Division