

1 PRESTON DuFAUCHARD
California Corporations Commissioner
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8 Attorneys for Complainant

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

| | | | |
|----|-----------------------------------|---|-----------------------------------|
| 11 | In the Matter of |) | FILE NO. ----- |
| 12 | |) | OAH NO. ----- |
| 13 | THE CALIFORNIA CORPORATIONS |) | |
| 13 | COMMISSIONER, |) | ORDER |
| 14 | |) | |
| 14 | Complainant, |) | (1) BARRING RONALD STEIN FROM ANY |
| 15 | v. |) | POSITION OF EMPLOYMENT, |
| 16 | |) | MANAGEMENT, AND CONTROL OF ANY |
| 16 | MALORY INVESTMENTS, LLC, RONALD |) | INVESTMENT ADVISER OR BROKER- |
| 17 | STEIN, STEVEN STRAUS, KENNETH |) | DEALER PURSUANT TO CORPORATIONS |
| 17 | EUGENE ZELLMER and SEAN ZARINEGAR |) | CODE SECTION 25232.1; and, (2) |
| 18 | |) | REVOKING MALORY INVESTMENTS, |
| 18 | Respondents. |) | LLC'S BROKER DEALER CERTIFICATE |
| 19 | |) | PURSUANT TO CORPORATIONS CODE |
| 20 | |) | SECTION 25212 |

21 TO: Ronald Stein, and
22 Malory Investments, LLC
23 10937 Wilkins Ave., #304
Los Angeles, CA 90024

- 24 1. Ronald Stein ("Stein")(Central Registration Depository, or "CRD," #434761) is the reported
25 "owner" (at least 75% ownership) of Malory Investments, LLC ("Malory")(CRD #110936). CRD
26 records indicate that Stein holds series 1, 27, 40 and 63 designations. Stein's address is 10937
27 Wilkins Avenue #304, Los Angeles, CA, which is also the listed business address for Malory.
- 28 2. On July 26, 2007, the Commissioner issued (1) a Notice of Intention to Issue an Order

1 Revoking Malory Investments, LLC's Broker-Dealer Certificate Pursuant to Corporations Code
2 section 25212; (2) Notice of Intention to Issue an Order Barring Respondents, Ronald Stein, Steven
3 Strauss, Kenneth Eugene Zellmer and Sean Zarinigar, from any position of employment,
4 management or control of any broker-dealer or investment adviser; (3) Statement to Respondents;
5 (4) Accusation; (5) Government Code Sections 11507.5, 11507.6 and 11507.7; and (6) a Notice of
6 Defense form. (All attached as exhibit "A").

7 3. Respondents issued a timely request for an administrative hearing to contest the orders and
8 the Notice of Intent to Issue Orders referred to above, and waived the right to a hearing within 15
9 days. To date, no hearing has been set before the Office of Administrative Hearings.

10 4. Respondents Ronald Stein and Malory Investments, LLC, subsequently entered into a
11 Settlement Agreement and Stipulation with the Commissioner to resolve this matter without the need
12 for a hearing or other litigation. Pursuant to the terms of the Settlement Agreement and Stipulation,
13 Stein and Malory stipulated to the entry of this order by the Commissioner barring Stein and revoking
14 Malory's broker-dealer certificate.

15 Based on the foregoing the commissioner finds it is in the public interest to issue the following order:

16 GOOD CAUSE APPEARING THEREFORE, IT IS ORDERED THAT:

17 1. Ronald Stein is barred in the state of California from any position of employment,
18 management, or control of any investment adviser or broker-dealer pursuant to Corporations Code
19 section 25213.1.

20 2. The broker-dealer certificate of Malory Investments, LLC, issued by the California
21 Corporations Commissioner is hereby revoked pursuant to Corporations Code Section 25212.

22 THIS ORDER IS EFFECTIVE IMMEDIATELY.

23 Dated: 2/29/08

24 PRESTON DuFAUCHARD
California Corporations Commissioner

25
26 By: _____
27 ALAN S. WEINGER
28 Lead Corporations Counsel
Enforcement Division