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

TO: Sticking Together Athletes Retirement, LLC
Michael S. Gest
Joanna M. Gest
100 Brown Street, Suite 220
Sebastopol, CA 95472

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

The California Corporations Commissioner finds that:

1. Sticking Together Athletes Retirement, LLC, (“STAR, LLC”) is a California limited liability company formed on December 1, 2006, with a principal place of business at 100 Brown Street, Suite 220, Sebastopol, CA 95472. At all relevant times Michael S. Gest (“Michael Gest”) and Joanna M. Gest (“Joanna Gest”) were principals and managers of STAR, LLC.
2. Beginning around June 2007, STAR, LLC, Michael Gest and Joanna Gest have offered to sell securities in the form of membership interests in a limited liability company.
3. The purported purpose of the solicitation was to seek capital for a mortgage pool or fund that would invest in residential and commercial real estate and yield reasonable to high rates of return.
4. On June 7, 2007 STAR, LLC filed with the Department of Corporations a Form D Notice of Sale of Securities claiming an exemption from registration pursuant to Rule 506 of Regulation D of the federal Securities Act. However, STAR, LLC, Michael Gest and Joanna Gest have engaged in general solicitations to offer these securities for sale to the public by through the Internet on website www.starswm.com. As a result, the offers are not exempt under Regulation D as claimed and not exempt from California qualification requirements pursuant to Corporations Code section 25102.1.

1 5. These securities were offered in this state in issuer transactions. The Department of
2 Corporations has not issued a permit or other form of qualification authorizing any person or entity to
3 offer and sell these securities in this state.

4 6. In connection with these offers, STAR, LLC, Michael Gest and Joanna Gest omitted
5 to disclose material facts, specifically that on June 27, 2006, Terry Obee, a senior managing director
6 of STARS, LLC, pleaded guilty to a felony involving securities fraud in the United States District
7 Court for the Northern District of Illinois, case number 05-cr-00668, and on December 11, 2003,
8 Terry Obee was permanently barred by the National Association of Securities Dealers (“NASD”)
9 from associating with any NASD licensed person or entity, in case number C8A020092. NASD is
10 the national self-regulatory organization for the broker-dealer industry in the United States now
11 known as the Financial Industry Regulatory Authority.

12 Based on the forgoing findings, the California Corporations Commissioner is of the opinion
13 that the investments offered by STAR, LLC, Michael Gest and Joanna Gest constitute securities,
14 which are subject to qualification under the California Corporate Securities Law of 1968, and that
15 these securities have been and are being offered without being qualified, and are not exempt, in
16 violation of Corporations Code section 25110.

17 Pursuant to Corporations Code section 25532, Sticking Together Athletes Retirement, LLC,
18 Michael S. Gest, and Joanna M. Gest are hereby ordered to desist and refrain from the further offer or
19 sale in the State of California of securities, including but not limited to membership interests in a
20 limited liability company, unless and until qualification has been made under the law or unless
21 exempt.

22 Based on the forgoing findings, the California Corporations Commissioner is of the further
23 opinion that securities were offered by means of written or oral communications that failed to
24 disclose material facts in violation of 25401 of the Corporations Code.

25 Pursuant to Corporations Code section 25532, Sticking Together Athletes Retirement, LLC.,
26 Michael S. Gest and Joanna M. Gest are hereby ordered to desist and refrain from offering or selling
27 or buying or offering to buy securities in this state, including but not limited to membership interests
28 in a limited liability company, by means of any written or oral communication which includes an

1 untrue statement of a material fact or omits to state a material fact necessary in order to make the
2 statements made, in light of the circumstances under which they are made, not misleading.

3 This Order is necessary, in the public interest, for the protection of investors and consistent
4 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

5 Dated: June 25, 2009
6 Los Angeles, California

7 PRESTON DuFAUCHARD
8 California Corporations Commissioner

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10 By _____
11 ALAN S. WEINGER
12 Deputy Commissioner
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