

1 2. RESPONDENT without admitting or denying the charges alleged in the
2 ACCUSATION seeks to resolve the concerns of the COMMISSIONER by stipulating to the
3 issuance of a suspension order (“SUSPENSION ORDER”). Attached hereto as **Exhibit B** and
4 incorporated by reference is a true and correct copy of the SUSPENSION ORDER.

5 3. RESPONDENT hereby acknowledges that the COMMISSIONER is ready, willing,
6 and able to grant a hearing in relation to the ACCUSATION, which RESPONDENT has a right to.
7 RESPONDENT hereby voluntarily waives his right to a hearing in relation to the ACCUSATION
8 and agrees to the following: To be suspended for six months from September 16, 2013 to March 15,
9 2014, from any position of employment, management or control of any broker-dealer or investment
10 adviser pursuant to Corporations Code section 25213. Nothing herein shall prevent RESPONDENT
11 from applying for registration as a broker-dealer, broker-dealer agent or as an investment adviser,
12 investment adviser representative or associated person of an investment adviser in California after
13 the expiration of the 6-month suspension.

14 4. RESPONDENT acknowledges that pursuant to Corporations Code section 25255,
15 remedies for violations of the California Corporate Securities Law of 1968 (Corporations Code
16 section 25000, et seq.) are not exclusive and may be sought and employed in any combination to
17 enforce that law. Therefore, it is further stipulated that this agreement does not preclude the
18 COMMISSIONER from seeking additional remedies against RESPONDENT for any future
19 violations of this SUSPENSION ORDER or any law under the COMMISSIONER’S jurisdiction.
20 These remedies include, but are not limited to, administrative actions, civil injunctive and ancillary
21 relief and making a criminal referral pursuant to California law.

22 5. RESPONDENT acknowledges that nothing in this Stipulation shall preclude the
23 COMMISSIONER, or his agents or employees, to the extent authorized by law, from assisting or
24 cooperating in any investigation and/or action brought by any other federal, state or county agency.
25 RESPONDENT further agrees that this Stipulation shall not bind or otherwise prevent any other
26 federal, state or county agency from the performance of its duties.

27 6. Each signator hereto covenants that he possesses the necessary capacity and authority
28 to sign and enter into this Agreement.

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7. RESPONDENT enters into this Stipulation voluntarily and without coercion and acknowledges that no promises, threats or assurances have been made by the COMMISSIONER or any officer, or agent thereof, about this Stipulation.

8. RESPONDENT and the COMMISSIONER agree that this Stipulation may be executed in one or more separate counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall together constitute and be one and the same instrument.

Dated: 12/13/13

JAN LYNN OWEN
California Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner

Dated: 12/13/13

By _____
Richard H. Sullenger, an individual