MARY ANN SMITH
Deputy Commissioner
SEAN M. ROONEY
Assistant Chief Counsel
ALEX M. CALERO (SBN 238389)
Corporations Counsel
CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT
1350 Front Street, Room 2034
San Diego, California 92101
Telephone: (619) 525-4044
Facsimile: (619) 525-4045

Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT

OF THE STATE OF CALIFORNIA

In the Matter of THE COMMISSIONER OF BUSINESS OVERSIGHT OF THE STATE OF CALIFORNIA, Complainant, vs. CRAIG WILLIAMS, an individual; ERIC LOVY, also known as ERIC BELTRAN, an individual; MICHAEL VAN METER, an individual, Respondents.	Case No.: **STIPULATION AND SETTLEMENT AGREEMENT**

IT IS HEREBY STIPULATED AND AGREED between Eric Lovy, also known as Eric Beltran ("Respondent"), and the Commissioner of Business Oversight ("Commissioner") (collectively "the Parties") as follows:

1. This Stipulation and Settlement Agreement (hereinafter "Stipulation") is entered into for the purposes of judicial economy and expediency, and to avoid the time and expense of a hearing and possible further court proceedings.

State of California - Department of Business Oversight

2. Respondent stipulates and consents to the findings and terms set forth in the Commissioner's Consent Order, attached hereto as Exhibit 1, and incorporated by this reference. Further, Respondent stipulates and agrees to the following terms and conditions:

a. Pursuant to section 25532 of the Corporate Securities Law of 1968 (Cal. Corp. Code § 25000) (hereinafter "CSL"), Respondent is hereby ordered to desist and refrain from the further offer or sale, in the State of California, of securities, including, but not limited to, stock, unless and until qualification has been made under the law or unless exempt;

b. Further, pursuant to section 25532 of the CSL, Respondent is hereby ordered to desist and refrain from effecting any transaction in, or inducing or attempting to induce the purchase or sale of, any security, in this state, unless and until they have secured a certificate from the Commissioner or unless exempt;

c. The Commissioner having determined that this action is in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the CSL, Respondent is ordered to pay to the Commissioner ancillary relief, pursuant to section 25254 of the CSL, in the form of disgorgement of ill-gotten profits, in the amount of $15,250.00. Disgorgement shall be paid as follows:

i. Respondent shall make an initial payment to the Commissioner, in the amount of $3,250.00. The initial payment, in the amount of $3,250.00, must be received by the Commissioner within ten business days of execution of this Stipulation, by the Commissioner or her designee;

ii. Thereafter, with regard to the remaining $12,000.00 of disgorgement, Respondent shall make monthly payments to the Commissioner, in the amount of at least $1,000.00, for the next twelve months, beginning the month after this Stipulation is executed, by the Commissioner or her designee. The monthly payments, in the amount of at least $1,000.00, must be received by the Commissioner by the tenth day of each month;

iii. All payments made pursuant to this Stipulation shall be sent to the Commissioner by U.S. Mail, attention Alex M. Calero, at 1350 Front Street, Room 2034, San Diego, CA 92101;

State of California - Department of Business Oversight

iv. If Respondent misses a payment, as set forth in sections i., ii. and iii., above, Respondent shall be in default and the remaining balance of outstanding disgorgement shall be due immediately to the Commissioner; and

v. If Respondent is in default, Respondent stipulates and agrees that the Consent Order can be converted into and enforced as a civil judgment, pursuant to section 25532, subdivision (f), of the CSL, on an ex parte basis and without further notice to Respondent. In the event of a default, Respondent will receive a credit for payments already made pursuant to this Stipulation. Respondent stipulates and agrees that the Commissioner can establish Respondent's default by the filing of a declaration under oath, attesting that Respondent failed to timely make payments as set forth in the Stipulation and attesting to the remaining amount of disgorgement owed.

3. This Stipulation supersedes any and all prior or contemporaneous stipulations or agreements between the Parties hereto.

4. Notwithstanding any other provision contained herein, nothing in this Stipulation shall operate to limit the Commissioner's ability to investigate and prosecute violations of the law not addressed herein, or to assist any other agency (county, state, or federal) with any prosecution, administrative, civil or criminal, brought by such agency against Respondent.

5. Respondent acknowledges his right to an administrative hearing hereby stipulates and elects to permanently waive his right to a hearing, any reconsideration, appeal, or other rights which may be afforded pursuant to the CSL, the California Administrative Procedure Act (Cal. Gov. Code § 11370 et seq.), the California Code of Civil Procedure, or any other provision of law with respect to this matter.

6. The Parties represent and warrant that each party has received independent advice from its attorney(s) and/or other representatives prior to entering into this Stipulation, and in executing this Stipulation relied solely on the statements set forth herein and the advice of its own counsel and/or representative.

7. In that the Parties have had the opportunity to draft, review and edit the language of this Stipulation, no presumption for or against any party arising out of drafting all or part of this

Stipulation will be applied in any action relating to or arising out of this Stipulation. Accordingly, the Parties hereby waive the benefit of California Civil Code section 1654 and any successor statute.

8. The waiver of any provision of this Stipulation shall not operate to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms of this Stipulation must be in writing signed by the Parties.

9. Each signatory hereto represents and warrants that he/she possesses the necessary capacity and authority to execute this Stipulation and bind the Parties.

10. This Stipulation may be executed in one or more counterparts, each of which shall be an original but all of which, together, shall be deemed to constitute a single document. A fax signature shall be deemed the same as an original signature.

11. This Stipulation shall become effecting when executed by the Commissioner or her designee.

Dated: 5/20/14

_____
Eric Lovy, individually

Approved as to form and content:

Dated: 5/20/14

_____
Irving Einhorn
Attorney for Eric Lovy

Dated: 5/21/14

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
MARY ANN SMITH
Deputy Commissioner

State of California - Department of Business Oversight