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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO

8 Attorneys for the People of the State of California

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11 THE PEOPLE OF THE STATE OF)
12 CALIFORNIA, by and through the Commissioner)
of Business Oversight,)

13 Plaintiff,)

14 v.)

15)
16 PAUL R. MATA, an individual; RENAISSANCE)
MANAGEMENT, LLC, a Nevada limited liability)
17 company; SECURED CAPITAL INVESTMENTS,)
LLC, a Nevada limited liability company; LOGOS)
18 REAL ESTATE HOLDINGS, LLC, a California)
limited liability company; LOGOS LIFETIME)
19 ENTERPRISES, LLC, a California limited liability)
20 company; LOGOS MANAGEMENT GROUP,)
LLC, a California limited liability company;)
21 LOGOS WEALTH ADVISORS, INC., a California)
corporation, and DOES 1 through 50, inclusive,)
22 Defendants,)

23 And)

24 DAVID FRANCIS KAYATTA, an individual;)
25 MARIO PINCHEIRA, an individual; and WORLD)
GARDENS CAFÉ, LLC, a California limited)
26 liability company.)

27 Relief Defendants.)
28

) CASE NO. CIVDS1512999
)
) STIPULATION TO ENTRY OF
) FINAL JUDGMENT BETWEEN PLAINTIFF
) AND RELIEF DEFENDANT DAVID
) FRANCIS KAYATTA

) ASSIGNED FOR ALL PURPOSES TO:
) The Honorable David S. Cohn

) Dept: S26

1 IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff, the People of the
2 State of California, by and through the Commissioner of Business Oversight (“Commissioner” or
3 “Plaintiff”), on the one hand, and Relief Defendant David Francis Kayatta, on the other hand, with
4 reference to the following recitals:

5 RECITALS

6 A. WHEREAS, Relief Defendant David Francis Kayatta (“Kayatta”), an individual and
7 resident of Los Angeles County, at all relevant times served as the operations and fund manager of
8 Defendants Secured Capital Investments, LLC (“SCI”) and Logos Real Estate Holdings, LLC
9 (“LREH”).

10 B. WHEREAS, on September 9, 2015, the Commissioner filed a civil action in Superior
11 Court of the State of California, San Bernardino County, on behalf of the People of the State of
12 California against Paul R. Mata (“Mata”), SCI, LREH, Renaissance Management, LLC
13 (“Renaissance”), Logos Lifetime Enterprises, LLC (“LLE”), Logos Management Group, LLC
14 (“LMG”), and Logos Wealth Advisors, Inc. (“LWA”) (collectively, “Defendants”), as well as Relief
15 Defendants Kayatta, Mario Pincheira (“Pincheira”), and World Gardens Café, LLC (“WGC”)
16 (collectively, “Relief Defendants”), to request Injunctive Relief, Ancillary Relief, and Civil Penalties
17 for violations of the Corporate Securities Law of 1968, Corporations Code sections 25000 *et seq.*
18 (“CSL”).

19 C. WHEREAS, Plaintiff’s Complaint alleges that Defendants fraudulently offered and
20 sold securities, raising an estimated \$14,000,000.00 from approximately 100 investors in California
21 and other states, while engaging in a misuse of investors’ funds. Defendants made inflated
22 guarantees on investors’ rates of return while omitting material facts in the offer and sale of
23 securities, such as their past disciplinary history by multiple securities regulators and their lack of
24 licensure to engage in the business of an investment adviser. From at least June 20, 2007 through
25 September 2015, Mata managed and controlled Renaissance, SCI, LREH, LLE, LMG, LWA, and
26 WGC (collectively, “Entity Defendants”), while using investors’ funds to pay for his, Kayatta’s, and
27 Pincheira’s personal living expenses, fund start-up companies he owned and controlled, and expand
28 his unlicensed investment advisory business.

1 D. WHEREAS, Plaintiff further alleges that from at least January 2012 through June
2 2015, Kayatta held himself out as the fund and operations manager of Defendants SCI and LREH and
3 received \$320,342.56 that constitute specific funds and/or proceeds traceable to Mata’s, SCI’s, and
4 LREH’s fraudulent offers and sales of securities.

5 E. WHEREAS, on October 8, 2015, the court in the matter of *Securities and Exchange*
6 *Commission v. Paul Mata, et al., Case No. ED CV 15-01792 VAP*, entered a Preliminary Injunction
7 (“SEC Preliminary Injunction”) and asset freeze on all monies and assets that Kayatta held in certain
8 U.S. Bank accounts. Additionally, the court appointed Robert P. Mosier as Permanent Receiver
9 (“Receiver”) with full control over the property and assets of Entity Defendants and full authority to
10 make payments and disbursements therefrom in discharging his duties as Receiver.

11 F. WHEREAS, on December 15, 2015, this Court entered an Order Issuing Preliminary
12 Injunction enjoining Defendants and Relief Defendants from, among other things, violating the CSL
13 and transferring, changing, disbursing, selling, dissipating, converting, conveying, pledging,
14 assigning, encumbering, or foreclosing or otherwise disposing of any real or personal property or
15 other assets in their possession, which directly or indirectly derived or emanated from the sale and
16 issuance of securities as alleged in the Complaint, without leave of the Court.

17 G. WHEREAS, Relief Defendant David Francis Kayatta and Plaintiff intend to resolve
18 this matter without trial, hearing or further litigation.

19 NOW THEREFORE, in consideration of the foregoing, and the terms and conditions set forth
20 herein, the parties to this agreement hereby agree and stipulate as follows:

21 TERMS AND CONDITIONS

22 1. Plaintiff and Kayatta enter into this Stipulation to Entry of Final Judgment Between
23 Plaintiff and Relief Defendant David Francis Kayatta (“Stipulation”) for the purpose of judicial
24 economy and expediency, and to avoid the expense of a trial, and possible further court proceedings
25 between the parties hereto.

26 2. Kayatta admits jurisdiction of this Court over him and over the subject matter of this
27 action and also enters a general appearance in this action. Kayatta acknowledges that entry of a
28 general appearance equals personal service of the Summons on him pursuant to Code of Civil

1 Procedure section 410.50.

2 3. Kayatta agrees to the terms of this Stipulation and entry of the Final Judgment Against
3 Relief Defendant David Francis Kayatta (“Final Judgment”). Attached here as **Exhibit A** is the
4 proposed Final Judgment against Kayatta.

5 4. Kayatta admits that he received service of the Summons and Complaint filed in this
6 matter.

7 5. Kayatta voluntarily consents to this Court’s entry of the Final Judgment, and waives
8 any defense to the Complaint.

9 6. Kayatta voluntarily waives entry of Findings of Fact and Conclusions of Law under
10 Code of Civil Procedure section 632 and all rights to appeal the entry of the Final Judgment.

11 7. Kayatta and Plaintiff hereby waive any claims known and unknown to them against
12 each other, their agents, officers, or employees that are based on the facts underlying the present
13 action, specifically waiving any rights provided by Civil Code section 1542. Civil Code section 1542
14 provides: “A general release does not extend to claims which the creditor does not know or suspect to
15 exist in his or her favor at the time of executing the release, which if known by him or her must have
16 materially affected his or her settlement with the debtor.”

17 8. Kayatta agrees to the Court’s entry of judgment of disgorgement in a total amount of
18 \$320,342.56 in favor of Plaintiff for restitution to investors, subject to Paragraphs 10 and 11 below.¹

19 9. Kayatta further agrees that immediately upon execution of this Stipulation, Kayatta
20 shall forfeit and assign to the Receiver all right, title and interest in the monies and assets frozen
21 pursuant to the SEC Preliminary Injunction in U.S. Bank account numbers ending in 1392 and 9791
22 for use by the Receiver in the administration of the receivership estate and payment of restitution to
23 investors, and the full value of these frozen monies and assets shall offset, or partially satisfy, the
24 Final Judgment.

25 10. The parties agree that the following terms and conditions apply to the entry and
26 satisfaction of the Final Judgment against Kayatta:

27 _____

28 ¹ All references to full or partial satisfaction of the Final Judgment in the total amount of \$320,342.56 shall include interest thereon at the legal rate per annum until said amount is paid in full.

1 a. During the pendency of the receivership, the California Department of
2 Business Oversight (“Department”) shall make no efforts to levy on or seize any income or assets of
3 Kayatta to satisfy the Final Judgment against Kayatta, and Kayatta shall make any and all payments,
4 which offset or satisfy the Final Judgment, to the Receiver for the administration of the receivership
5 estate and for payment of restitution to investors.

6 b. After the court supervising the Receiver issues the Order closing the
7 receivership estate and discharging the Receiver, Kayatta shall make any and all payments, which
8 offset or satisfy the Final Judgment, to the Department for payment of restitution to investors.

9 11. The Court may enter the Final Judgment at any time without further notice to Kayatta
10 or a hearing.

11 12. The parties hereby acknowledge and agree that this Stipulation is intended to
12 constitute a full, final, and complete resolution of this matter as between the parties to this Stipulation
13 for the claims made in the Complaint relating to Kayatta. The parties further acknowledge and agree
14 that nothing contained in this Stipulation shall operate to limit the Commissioner’s ability to
15 investigate and prosecute violations of the CSL not addressed herein, or to assist any other agency
16 (county, state, or federal) with any prosecution, administrative, civil or criminal, brought by any such
17 agency against Kayatta concerning violations alleged herein or otherwise. Kayatta further agrees and
18 acknowledges that nothing in this Stipulation or in the Final Judgment in this matter shall bind or
19 otherwise prevent any other federal, state or county agency from the performance of its duties.

20 13. Each party represents, warrants, and agrees that it has received independent advice
21 from its attorney(s) and/or representatives with respect to the advisability of executing this
22 Stipulation.

23 14. Each party represents, warrants, and agrees that in executing this Stipulation it has
24 relied solely on the statements set forth herein and the advice of its own counsel and/or
25 representative. Each party further represents, warrants, and agrees that in executing this Stipulation it
26 has placed no reliance on any statement, representation, or promise of any other party, or any other
27 person or entity not expressly set forth herein, or upon the failure of any party or any other person or
28 entity to make any statement, representation or disclosure of anything whatsoever. The parties have

1 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to
2 execute this Stipulation; and (2) to preclude the introduction of parole evidence to vary, interpret,
3 supplement, or contradict the terms of this Stipulation.

4 15. In that the parties have had the opportunity to draft, review and edit the language of
5 this Stipulation, no presumption for or against any party arising out of drafting all or any part of this
6 Stipulation will be applied in any action relating to or arising out of this Stipulation. Accordingly, the
7 parties hereby waive the benefit of Civil Code section 1654 and any successor statute.

8 16. Kayatta enters into this Stipulation voluntarily and without coercion, and
9 acknowledges that no promises, threats or assurances were made by Plaintiff or any agents, officers,
10 or employees thereof to induce him to enter into this Stipulation.

11 17. Plaintiff and Kayatta stipulate and agree that if any paragraph, clause, or provision of
12 this Stipulation entered thereto, or the application thereof, is held invalid or unenforceable, such
13 decision shall affect only the paragraph, clause or provision so construed or interpreted, and the
14 invalidity shall not affect the provisions or the application of this Stipulation, or of the Final
15 Judgment entered thereto, which can be given effect without the invalid provisions or application. To
16 this end, the provisions of this Stipulation are declared by Plaintiff and by Kayatta to be severable.

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

20 19. The parties stipulate and agree that this Court shall retain jurisdiction of this action in
21 order to implement and enforce the terms of this Stipulation and entry of Final Judgment pursuant
22 thereto, and to entertain any suitable application or motion for additional relief or modification or any
23 order made herein within the jurisdiction of this Court.

24 20. This Stipulation shall be governed by and construed in accordance with the laws of the
25 State of California, without regard to its conflict of laws rules. Any dispute concerning this
26 Stipulation shall be heard by the Court, and all parties waive any right to trial by jury with respect to
27 any such action or matter concerning this Stipulation.

28 21. This Stipulation is the final written expression and the complete and exclusive

1 statement of all the agreements, conditions, promises, representations, and covenants between the
2 parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous
3 agreements, negotiations, representations, understandings, and discussions between and among the
4 parties, their respective representatives, and any other person or entity, with respect to the subject
5 matter covered hereby.

6 22. Each signor hereto covenants that he/she possesses all necessary capacity and
7 authority to sign and enter into this Stipulation.

8 23. The parties may execute this Stipulation in one or more counterparts, each of which
9 shall be an original but all of which, together, shall constitute a single document.

10 24. The parties may execute this Stipulation by facsimile or scanned signature, and any
11 such facsimile or scanned signature by any party hereto shall be deemed to be an original signature
12 and shall be binding on such party to the same extent as if such facsimile or scanned signature were
13 an original signature.

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Dated: 4/4/16

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: 4/4/16

By _____
DAVID FRANCIS KAYATTA, an Individual