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10 SUPERIOR COURT OF CALIFORNIA  
11 SACRAMENTO COUNTY, CALIFORNIA

13 JAMES MYERS ESLER, an individual,

14 Plaintiff,

15 vs.

16 CALIFORNIA DEPARTMENT OF  
17 FINANCIAL PROTECTION AND  
18 INNOVATION,

19 Defendant.  
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) Case No. 24CV021013

) **JOINT STIPULATION AND REQUEST  
FOR ENTRY OF ORDER OF  
EXPUNGEMENT AND DISMISSAL;  
[PROPOSED] ORDER THEREON**

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24 This Joint Stipulation and Request for Entry of Order (Stipulation) is made by and between  
25 Plaintiff, JAMES MYERS ESLER (ESLER) and Defendant, California Department of Financial  
26 Protection and Innovation (DFPI), (Parties), through their attorneys of record. The Parties stipulate  
27 as follows:

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1           1. On October 17, 2024, ESLER filed his Complaint for Expungement in Equitable Relief  
2 (Complaint). The Complaint was timely filed and served on DFPI on October 24, 2024.

3           2. The Complaint sought expungement of therein-described ESLER registration record  
4 Occurrence Number 2018807 (Record), which appears on nationwide databases maintained by the  
5 Financial Industry Regulatory Authority, Inc. (FINRA), specifically on the Central Registration  
6 Depository (CRD) and Investment Adviser Registration Depository (IARD).

7           3. The Record arose as a result of his voluntary resignation from Capital Management Group  
8 of Washington D.C. (CAPITAL MANAGEMENT). CAPITAL MANAGEMENT later submitted a  
9 Form U5, which is a form submitted by an employer of an investment adviser representative (IAR)  
10 explaining the basis for termination of the IAR. This filing by CAPITAL MANAGEMENT triggered  
11 a Form U5 termination event appearing on FINRA’s IARD/CRD websites, even though ESLER  
12 voluntarily resigned and was not terminated.

13           4. CAPITAL MANAGEMENT does not oppose Esler’s request for expungement of the  
14 Record.

15           5. FINRA, the custodian of the Record, has no regulatory authority over investment advisors  
16 or their representatives; they simply maintain the database.

17           6. FINRA requires a court order before they will expunge any record from the databases they  
18 maintain for investment advisors and their representatives.

19           7. The Record can be expunged upon entry of an Order by this honorable Court directing  
20 expungement pursuant to its inherent equitable authority.

21           8. As the Record was submitted pursuant to California reporting requirements, DFPI is the  
22 appropriate party to this action.

23           9. Based on the facts and circumstances known to DFPI at this time, DFPI does not oppose  
24 expungement relief.

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1 10. Accordingly, the Parties request that the Court issue an order in the form of the Proposed  
2 Order attached hereto directing that the Record be expunged and that this matter be dismissed with  
3 prejudice.

4 11. No Party will be prejudiced in any way by the entry of the requested Order.

5 12. The Parties understand and agree that DFPI enters this Stipulation solely based upon  
6 information provided by ESLER. DFPI may take further action, including withholding approval for  
7 FINRA’s expungement of the Record(s), if DFPI discovers that ESLER withheld or misrepresented  
8 information used for and relied on in this Stipulation.

9 13. The Parties hereby agree to bear their own respective attorneys’ fees, costs, and expenses  
10 incurred in connection with this action.

11 14. The Parties further agree to toll the deadline for DFPI to file a pleading responsive to the  
12 Complaint pending entry of the stipulated Order.

13 AGREED AND STIPULATED TO:

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15 Dated: November 22, 2024

By: \_\_\_\_\_  
Christie Gaumer, Esq.  
Attorney for Plaintiff  
JAMES MYERS ESLER

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20 Dated: November 24, 2024

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Mary Ann Smith, Esq.  
Attorney for Defendant  
Department of Financial Protection and Innovation

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