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Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 BLAINE A. NOBLETT (State Bar No. 235612)
4 Senior Counsel
5 Department of Business Oversight
320 West 4th Street, Suite 750
6 Los Angeles, California 90013-2344
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7 Attorneys for Complainant

8
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

11 In the Matter of the Order Levying) OAH Case No. 2017080438
12 Administrative Penalties of:)
13 THE COMMISSIONER OF BUSINESS) Agency Case No. 165694
14 OVERSIGHT,) SPECIAL STIPULATION/SETTLEMENT
15 Complainant,) AGREEMENT
16 v.) Hearing Date: December 13, 2017
17 CONTINUUM FINANCIAL PARTNERS,) Hearing Time: 9:00 a.m.
18 LLC,) Hearing Location: OAH, Sacramento
2349 Gateway Oaks Drive
19 Respondent.) Suite 200
Sacramento, California 95833
Judge: Erin R. Koch-Goodman

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21 In the Matter of the Order to Discontinue)
22 Violations of: THE COMMISSIONER OF)
23 BUSINESS OVERSIGHT,)
24 Complainant,)
25 v.)
26 CONTINUUM FINANCIAL PARTNERS,)
27 LLC,)
28 Respondent.)

1 This Special Stipulation/Settlement Agreement (Agreement) is entered into by and between
2 the Complainant, the Commissioner of Business Oversight (Commissioner), and Respondent,
3 Continuum Financial Partners, LLC (Continuum) (hereinafter collectively the Parties), and is made
4 with respect to the following facts.

5 **RECITALS**

6 A. The Commissioner, as head of the Department of Business Oversight (Department), is
7 authorized to administer and enforce the provisions of the Corporate Securities Law of 1968 (CSL)
8 (Corp. Code, § 25000 et seq.) and the regulations promulgated under title 10 of the California Code
9 of Regulations (Cal. Code Reg., tit.10, § 260.000 et seq.).

10 B. At all relevant times herein, Continuum is a California-licensed investment adviser.

11 C. Christopher M. Torchiana is Continuum’s president.

12 D. On June 20, 2017, the Commissioner issued Continuum an Order to Discontinue
13 Violations under Corporations Code section 25249 (Order to Discontinue Violations).

14 E. On June 23, 2017, the Commissioner issued against Continuum a Statement in
15 Support of Order Levying Administrative Penalties and Order Levying Administrative Penalties
16 under Corporations Code section 25252 (Statement in Support).

17 F. Continuum timely requested an administrative hearing to contest the Order to
18 Discontinue Violations and Statement in Support and has waived its right to an administrative
19 hearing within 15 business days. Both matters have been consolidated and a consolidated hearing is
20 now set for December 13, 2017, before the Office of Administrative Hearings.

21 G. The Commissioner finds that this action is appropriate, in the public interest, and
22 consistent with the purposes fairly intended by the policy and provisions of this law.

23 THEREFORE, in consideration of the foregoing and the terms and conditions set forth herein,
24 the Parties agree and stipulate as follows:

25 **TERMS AND CONDITIONS**

26 1. Purpose. It is the intention and desire of the Parties to resolve these matters without
27 the necessity of a hearing or other litigation for the purpose of judicial economy and expediency and
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1 to avoid the expense of a hearing and possible further court proceedings.

2 2. Finality of Agreement. Continuum hereby agrees to comply with this Agreement and,
3 further, agrees that this Agreement is final.

4 3. Material and Substantial Compliance. Continuum made a good faith effort to
5 materially and substantially comply with (and cure) any and all alleged deficiencies related to the
6 examination of the licensee on or about March 10, 2014; the regulatory letter dated June 27, 2014; the
7 special examination on or about May 12, 2015; and subsequent related correspondence, including,
8 but not limited to any alleged failure to maintain complete books and records, and/or violations of
9 Corporations Code section 25241 and 10 California Code of Regulations section 260.241.3 (the
10 March 10, 2014 exam and the May 12, 2015 special examination are hereinafter collectively referred
11 to as the Exams).

12 4. Duty to Continue Rules of Compliance. Continuum shall cooperate fully with the
13 Commissioner regarding any and all future exams, and Continuum shall maintain full compliance
14 with regard to any and all record keeping rules, including, but not limited to Corporations Code
15 section 25241 and 10 California Code of Regulations section 260.241.3.

16 5. Administrative Cost. Continuum agrees to pay \$5,000.00 (the Administrative Cost),
17 all of which shall be paid to the Department of Business Oversight to reimburse it for the expenses
18 associated with the Exams and investigation of Continuum, and as necessary and reasonably incurred
19 by the Department to ensure compliance. The Administrative Cost shall be due within 30 days of the
20 effective date of this Agreement and made payable in the form of a cashier's check or Automated
21 Clearing House deposit to the "Department of Business Oversight," and transmitted to the attention
22 of Accounting – Enforcement Division, Department of Business Oversight, 1515 K Street, Suite 200,
23 Sacramento, California, 95814. Notice of all payments shall be sent to Blaine A. Noblett, Senior
24 Counsel, Department of Business Oversight, 320 West 4th Street, Suite 750, Los Angeles, California
25 90013.

26 6. Waiver of Hearing Rights. Continuum acknowledges and agrees that this Agreement
27 shall have the effect of withdrawing its request for an administrative hearing in this consolidated
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1 matter. Continuum further acknowledges its right to an administrative hearing under the CSL in
2 connection with the Order to Discontinue Violations and Statement in Support, and hereby waives its
3 right to a hearing and to any reconsideration, appeal, or other rights which may be afforded it under
4 the CSL, the Administrative Procedure Act (Gov. Code, § 11370 et seq.), or any other provision of
5 law in connection with this consolidated matter.

6 7. Full and Final Resolution. The Parties hereby acknowledge and agree that this
7 Agreement is intended to constitute a full, final, and complete resolution of the Commissioner's
8 investigation of the matters set forth herein and that no further proceedings or actions will be brought
9 by the Commissioner in connection with these matters under the CSL or any other provision of law,
10 excepting therefrom any proceeding or action if such proceeding or action is based upon facts not
11 presently known to the Commissioner or which were knowingly concealed from the Commissioner
12 by Continuum.

13 8. Binding. This Agreement is binding on all heirs, assigns, and successors in interest.

14 9. Commissioner's Duties. The Parties further acknowledge and agree that nothing
15 contained in this Agreement shall operate to limit the Commissioner's ability to assist any other
16 agency (city, county, state, or federal) with any prosecution, administrative, civil or criminal, brought
17 by any such agency against Continuum or any other person based upon any of the activities alleged in
18 these matters or otherwise.

19 10. Third-Party Actions. It is the intent and understanding between the Parties that this
20 Agreement does not create any private rights or remedies against Continuum, create any liability for
21 Continuum or limit defenses of Continuum for any person or entity not a party to this Agreement.

22 11. Future Actions by Commissioner. This Agreement may be revoked, and the
23 Commissioner may pursue any and all remedies available under law against Continuum if the
24 Commissioner later discovers that Continuum knowingly or willfully withheld information used for
25 and relied upon in this Agreement. Further, Continuum agrees that this Agreement does not resolve
26 any penalties that may be assessed by the Commissioner upon discovery of new and further
27 violations of the CSL.
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1 12. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
2 has received independent advice from its attorney(s) or representatives with respect to the advisability
3 of executing this Agreement.

4 13. Waiver, Modification, and Qualified Integration. The waiver of any provision of this
5 Agreement shall not operate to waive any other provision set forth herein. No waiver, amendment, or
6 modification of this Agreement shall be valid or binding to any extent unless it is in writing and
7 signed by all of the parties affected by it.

8 14. Headings. The headings in this Agreement are for convenience only and do not affect
9 its meaning.

10 15. Governing Law. This Agreement will be governed by and construed and enforced in
11 accordance with the laws of the State of California.

12 16. Counterparts. The Parties agree that this Agreement may be executed in one or more
13 separate counterparts, each of which when so executed, shall be deemed an original. Such
14 counterparts shall together constitute and be one and the same instrument.

15 17. Full Integration. Each of the parties represents, warrants, and agrees that in executing
16 this Agreement it has placed no reliance on any statement, representation, or promise of any other
17 party, or any other person or entity not expressly set forth herein, or upon the failure of any party or
18 any other person or entity to make any statement, representation or disclosure of anything
19 whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in any
20 way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol
21 evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

22 18. No Presumption Against Drafting Party. In that the Parties have had the opportunity to
23 draft, review and edit the language of this Agreement, no presumption for or against any party arising
24 out of drafting all or any part of this Agreement will be applied in any action relating to, connected
25 to, or involving this Agreement. Accordingly, the Parties waive the benefit of Civil Code section
26 1654 and any successor or amended statute, providing that in cases of uncertainty, language of a
27 contract should be interpreted most strongly against the party who caused the uncertainty to exist.
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1 19. Voluntary Agreement. Continuum enters into this Agreement voluntarily and without
2 coercion and acknowledges that no promises, threats, or assurances have been made by the
3 Commissioner or any officer, or agent thereof, about this Agreement.

4 20. Effective Date. This Agreement shall not become effective until signed by all parties
5 and delivered by the Commissioner’s counsel by e-mail to Continuum’s Counsel at:

 Lisanne M. Butterfield
 Carr Butterfield, LLC
 5285 Meadows Road, Suite 199
 Lake Oswego, Oregon 97035
 e-mail: lbutterfield@carrbutterfield.com

6 21. Notice. Any notices required under this Agreement shall be provided to each party at
7 the following addresses:
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9 If to Continuum: Lisanne M. Butterfield
10 Carr Butterfield, LLC
11 5285 Meadows Road, Suite 199
12 Lake Oswego, Oregon 97035
13 e-mail: lbutterfield@carrbutterfield.com
14

15 If to the Commissioner: Blaine A. Noblett, Senior Counsel
16 Department of Business Oversight
17 320 West 4th Street, Suite 750
18 Los Angeles, California 90013
19 e-mail: blaine.noblett@dbo.ca.gov

20 22. Public Record. Continuum acknowledges that this Agreement is a public record.

21 23. Authority to Execute. Each signatory hereto covenants that he or she possesses all
22 necessary capacity and authority to sign and enter into this Agreement.

23 24. Office of Administrative Hearings. The Commissioner shall file an executed copy of
24 this Agreement with the Office of Administrative Hearings, Sacramento.
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1 IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on
2 the dates set forth opposite their respective signatures.

3 Dated: 12/12/17 JAN LYNN OWEN
4 Commissioner of Business Oversight

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6 By _____
7 MARY ANN SMITH
8 Deputy Commissioner
9 Enforcement Division

10 Dated: 12/12/17 CONTINUUM FINANCIAL PARTNERS, LLC

11
12 By _____
13 CHRISTOPHER M. TORCHIANA, President, Continuum
14 Financial Partners, LLC

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17 Approved as to Form and Content

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20 By _____
21 Lisanne M. Butterfield, Esq.
22 Carr Butterfield, LLC
23 Counsel for Continuum Financial Partners, LLC
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