BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of the Order Levying Administrative Penalties of:

THE COMMISSIONER OF BUSINESS OVERSIGHT,

Complainant,

v.

CONTINUUM FINANCIAL PARTNERS, LLC,

Respondent.

In the Matter of the Order to Discontinue Violations of:

THE COMMISSIONER OF BUSINESS OVERSIGHT,

Complainant,

v.

CONTINUUM FINANCIAL PARTNERS, LLC,

Respondent.

OAH Case No. 2017080438
Agency Case No. 165694
SPECIAL STIPULATION/SETTLEMENT AGREEMENT
Hearing Date: December 13, 2017
Hearing Time: 9:00 a.m.
Hearing Location: OAH, Sacramento
2349 Gateway Oaks Drive
Suite 200
Sacramento, California 95833
Judge: Erin R. Koch-Goodman

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

RECITALS

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

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

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

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

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

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

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

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

TERMS AND CONDITIONS

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

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

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

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

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

6. **Waiver of Hearing Rights.** Continuum acknowledges and agrees that this Agreement shall have the effect of withdrawing its request for an administrative hearing in this consolidated

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SPECIAL STIPULATION/SETTLEMENT AGREEMENT
matter. Continuum further acknowledges its right to an administrative hearing under the CSL in connection with the Order to Discontinue Violations and Statement in Support, and hereby waives its right to a hearing and to any reconsideration, appeal, or other rights which may be afforded it under the CSL, the Administrative Procedure Act (Gov. Code, § 11370 et seq.), or any other provision of law in connection with this consolidated matter.

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

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

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

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

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

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

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

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

16. **Counterparts.** The Parties agree that this Agreement 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.

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

18. **No Presumption Against Drafting Party.** In that the Parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected to, or involving this Agreement. Accordingly, the Parties waive the benefit of Civil Code section 1654 and any successor or amended statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.
19. **Voluntary Agreement.** Continuum enters into this Agreement 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 Agreement.

20. **Effective Date.** This Agreement shall not become effective until signed by all parties 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

21. **Notice.** Any notices required under this Agreement shall be provided to each party at the following addresses:

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

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

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

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

24. **Office of Administrative Hearings.** The Commissioner shall file an executed copy of this Agreement with the Office of Administrative Hearings, Sacramento.

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SPECIAL STIPULATION/SETTLEMENT AGREEMENT
IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on  
the dates set forth opposite their respective signatures.

Dated: 12/12/17

JAN LYNN OWEN
Commissioner of Business Oversight

By ________________________________

MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: 12/12/17

CONTINUUM FINANCIAL PARTNERS, LLC

By ________________________________

CHRISTOPHER M. TORCHIANA, President, Continuum 
Financial Partners, LLC

Approved as to Form and Content

By ________________________________

Lisanne M. Butterfield, Esq.
Carr Butterfield, LLC
Counsel for Continuum Financial Partners, LLC