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9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA

<p>11 In the Matter of the Desist &amp; Refrain Order issued by the CALIFORNIA CORPORATIONS 12 COMMISSIONER,</p> <p>13 Complainant</p> <p>14</p> <p>15 v.</p> <p>16 GOLDEN BRIDGE COFFEE, INC., and JAINN H. WANG,</p> <p>17</p> <p>18 Respondents.</p>	<p>) OAH No.: L-2006110415</p> <p>)</p> <p>) SETTLEMENT AGREEMENT</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>
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21 This Settlement Agreement is made and entered into by and between the following parties:  
22 Golden Bridge Coffee, Inc., and Jainn H. Wang (Hereinafter referred to as "Respondents"); and the  
23 California Corporations Commissioner (Hereinafter referred to as "Complainant" or  
24 "Commissioner"), and is made with respect to the following facts:

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1 **RECITALS**

2 A. Golden Bridge Coffee, Inc., is a California Corporation with its principal office  
3 located at 600 West 9th Street, Unit #613, Los Angeles, California 90015.

4 B. Jainn H. Wang is the president and sole shareholder of Golden Bridge Coffee, Inc.,  
5 and is authorized to enter into this Settlement Agreement on behalf of Golden Bridge Coffee, Inc.

6 C. The Commissioner acting to protect the public from unlawful practices in the offer and  
7 sale of franchises in violation of Corporations Code section 31110 issued a Desist and Refrain Order  
8 dated July 5, 2006 to Respondents. The Order was issued pursuant to section 31402 of the  
9 Corporations Code, and was served on Golden Bridge Coffee, Inc., and Jainn H. Wang on July 11,  
10 2006 and August 3, 2006, respectively.

11 D. Respondents timely filed a written request for an administrative hearing with waivers  
12 to the right to a hearing within fifteen days pursuant to Corporations Code section 31402.

13 E. On November 1, 2006, the Commissioner issued an Amended Desist and Refrain  
14 Order to Respondents. ("Order") Respondents were served the Order on November 6, 2006. The  
15 matter came on regularly for hearing by the court on March 23, 2007. Complainant appeared by  
16 counsel Uche L. Enenwali, Corporations Counsel; Respondents appeared by counsel David L. Prince,  
17 Esq. Prior to commencement of the hearing, the parties called for a recess to negotiate a resolution of  
18 the matter.

19 F. It is the intention and desire of the parties to resolve these matters without the  
20 necessity of a hearing and/or other litigation.

21 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set forth  
22 herein, the parties agree as follows:

23 **TERMS AND CONDITIONS**

24 1. This Settlement Agreement is entered into for the purpose of judicial economy and  
25 expediency, and to avoid the expense of a hearing, and possible further court proceedings.

26 2. Respondents hereby admit the allegations contained in the amended desist and refrain  
27 order dated November 3, 2007. Respondents' admissions herein are solely for the limited purposes  
28 of this proceeding and any future proceedings that may be initiated by or brought before the

1 Commissioner against Respondents. It is the intent and understanding between the parties that this  
2 Settlement Agreement and particularly Respondents' admissions herein, shall not be binding or  
3 admissible against Respondents in any pending or future action(s) brought against Respondents by  
4 third parties.

5 3. Complainant shall prepare and mail this Settlement Agreement to Respondents within  
6 seven days from March 23, 2007. Provided no material changes to this Settlement Agreement are  
7 made, Respondents shall execute and return the executed Settlement Agreement to the Complainant  
8 within fifteen days from the date of its delivery to Respondents.

9 4. Complainant shall cause this Settlement Agreement to be filed with the Office of  
10 Administrative Hearings within twenty days of its execution by all parties hereto.

11 5. The parties hereby acknowledge and agree that this Settlement Agreement is intended  
12 to constitute a full, final and complete resolution of the amended Desist and Refrain Order. The  
13 parties further acknowledge and agree that nothing contained in this Settlement Agreement shall  
14 operate to limit Complainant's ability to assist any other agency, (county, state or federal) with any  
15 prosecution, administrative, civil or criminal, brought by any such agency against Respondents based  
16 upon any of the activities alleged in these matters or otherwise.

17 6. Each of the parties represents, warrants, and agrees that it has received independent  
18 legal advice from its attorney(s) with respect to the advisability of executing this Settlement  
19 Agreement.

20 7. Each of the parties represents, warrants, and agrees that in executing this Settlement  
21 Agreement it has relied solely on the statements set forth herein and the advice of its own counsel.  
22 Each of the parties further represents, warrants, and agrees that in executing this Settlement  
23 Agreement it has placed no reliance on any statement, representation, or promise of any other party,  
24 or any other person or entity not expressly set forth herein, or upon the failure of any party or any  
25 other person or entity to make any statement, representation or disclosure of anything whatsoever.  
26 The parties have included this clause: (1) to preclude any claim that any party was in any way  
27 fraudulently induced to execute this Settlement Agreement; and (2) to preclude the introduction of  
28 parol evidence to vary, interpret, supplement, or contradict the terms of this Settlement Agreement.

1 8. Respondents acknowledge their right to an administrative hearing under California  
2 Corporations Code section 31402 in connection with the Desist and Refrain Order and Amended  
3 Desist and Refrain Order issued by the Complainant, and hereby waive their right to a hearing, and to  
4 any reconsideration, appeal, or other rights which may be afforded pursuant to the Corporations  
5 Code, the California Administrative Procedure Act, the California Code of Civil Procedure, or any  
6 other provision of law in connection with this matter

7 9. This Settlement Agreement is the final written expression and the complete and  
8 exclusive statement of all the agreements, conditions, promises, representations, and covenants  
9 between the Parties with respect to the subject matter hereof, and supercedes all prior or  
10 contemporaneous agreements, negotiations, representations, understandings, and discussions between  
11 and among the Parties, their respective representatives, and any other person or entity, with respect to  
12 the subject matter covered hereby.

13 10. In that the parties have had the opportunity to draft, review and edit the language of  
14 this Settlement Agreement, no presumption for or against any party arising out of drafting all or any  
15 part of this Settlement Agreement will be applied in any action relating to, connected, to, or involving  
16 this Settlement Agreement. Accordingly, the parties waive the benefit of California Civil Code  
17 section 1654 and any successor or amended statute, providing that in cases of uncertainty, language  
18 of a contract should be interpreted most strongly against the party who caused the uncertainty to  
19 exist.

20 11. This Settlement Agreement may be executed in one or more counterparts, each of  
21 which shall be an original but all of which, together, shall be deemed to constitute a single document.

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1           12. Each signator hereto covenants that he/she possesses all necessary capacity and  
2 authority to sign and enter into this Settlement Agreement.

3 Dated: March 26, 2007  
4 Los Angeles, California

PRESTON DUFAUCHARD  
California Corporations Commissioner

5  
6 By: \_\_\_\_\_  
ALAN S. WEINGER  
7 Lead Corporations Counsel

8 Dated: 4-2-07  
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GOLDEN BRIDGE COFEE, INC.

10 By: \_\_\_\_\_  
11 JAINN H. WANG, President, Golden Bridge Coffee,  
Inc.

12 Dated: 4-2-07  
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14 By: \_\_\_\_\_  
JAINN H. WANG, an ipdividual

15 Dated: 4-2-07  
16

17 By: \_\_\_\_\_  
David L. Prince, Attorneys for JAINN H. WANG  
and GOLDEN BRIDGE COFFEE, INC.

18 PRESTON DuFAUCHARD  
19 California Corporations Commissioner

20 By: \_\_\_\_\_  
Uche Enenwali  
21 Corporations Counsel  
22 Attorneys for Complainant  
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