

1 ALAN S. WEINGER  
Deputy Commissioner  
2 JENNIFER A. GRANAT (CA BAR NO. 199868)  
3 Senior Corporations Counsel  
Department of Corporations  
4 320 West 4<sup>th</sup> Street, Ste. 750  
Los Angeles, California 90013-2344  
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6 Attorneys for Complainant  
7

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

10 In the Matter of the Order of THE ) SETTLEMENT AGREEMENT  
11 CALIFORNIA CORPORATIONS )  
12 COMMISSIONER, )  
13 Complainant, )  
14 v. )  
15 PRINTING PRODUCTION MANAGEMENT, )  
16 INC. dba THE KOFFLER INVESTOR GROUP )  
17 and STEVEN C. KOFFLER )  
18 Respondents. )

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1 This Settlement Agreement (“Agreement”) is entered into by and between Printing  
2 Production Management, Inc. dba The Koffler Investor Group (“Koffler Group”) and Steven C.  
3 Koffler (“Koffler”) (collectively, “Respondents”), on the one hand, and the California Corporations  
4 Commissioner, Jan Lynn Owen (“Commissioner”), on the other hand, with respect to the following  
5 facts:

6 **RECITALS**

7 A. At all times relevant hereto, Koffler Group was a California Corporation located at  
8 38250 Plumosa Circle, Palm Desert, California 92211.

9 B. At all times relevant hereto, Koffler was an individual with a business address of  
10 38250 Plumosa Circle, Palm Desert, California 92211. Koffler is president and a control person of  
11 Koffler Group.

12 C. On January 31, 2012, the Commissioner issued a Desist and Refrain Order (“Order”),  
13 finding that Respondents offered and sold unqualified, non-exempt securities in violation of section  
14 25110 of the Corporate Securities Law of 1968, California Corporations Code section § 25000 *et*  
15 *seq.* (“CSL”), and engaged in the business of a finance lender and/or broker without a license, in  
16 violation of California Financial Code section 22100. A true and correct copy of the Order is  
17 attached hereto as Exhibit A and incorporated herein by reference.

18 D. It is the intention and desire of the parties to resolve this matter without the necessity  
19 of a hearing and/or other litigation.

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

22 **TERMS AND CONDITIONS**

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

26 2. Without admitting or denying the allegations contained in the Order, Respondents  
27 hereby stipulate to issuance of the Order attached hereto as Exhibit A. In the event that any future  
28 proceeding(s) are initiated by or brought before the Commissioner against Respondents,

1 Respondents shall not dispute the allegations contained in the Order or this Agreement, including the  
2 Recitals.

3           3.       Respondents hereby waive their right to a hearing on the allegations set forth in the  
4 Order. Respondents acknowledge their right to an administrative hearing under CSL section 25532  
5 and Financial Code section 22712 in connection with the Order, and hereby waive that right to a  
6 hearing, and to any reconsideration, appeal, or other right which may be afforded pursuant to the  
7 CSL, the California Financial Code, the California Administrative Procedure Act, the California  
8 Code of Civil Procedure or any other provision of law in connection with this matter.

9           4.       The parties hereby acknowledge and agree that this Agreement is intended to and  
10 shall constitute a final and complete resolution of the Order, and constitutes the entire Agreement  
11 between the parties with respect thereto. This Agreement supercedes any and all prior or  
12 contemporaneous agreements between the parties hereto.

13           5.       Notwithstanding any other provision contained herein, nothing in this Agreement  
14 shall operate to limit the Commissioner’s ability to investigate and prosecute violations of the CSL  
15 and/or the California Financial Code, or to assist any other agency (county, state or federal) with any  
16 investigation and/or action brought by such agency concerning violations alleged herein or  
17 otherwise.

18           6.       Each party hereto represents and warrants that it has received independent advice  
19 from its attorney(s) and/or other representatives prior to entering into this Agreement, and in  
20 executing this Agreement relied solely on the statements set forth herein and the advice of its own  
21 counsel and/or representative.

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

26           8.       The waiver of any provision of this Agreement shall not operate to waive any other  
27 provision set forth herein, and any waiver, amendment and/or change to the terms of this Agreement  
28 must be in writing signed by the parties hereto.

1           9.       Each signatory hereto represents and warrants that he/she possesses the necessary  
2 capacity and authority to execute this Agreement and bind the parties hereto.

3           10.       This Agreement may be executed in one or more counterparts, each of which shall be  
4 an original but all of which, together, shall be deemed to constitute a single document. A fax  
5 signature shall be deemed the same as an original signature.

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7 Dated: 3/26/12                           JAN LYNN OWEN  
  California Corporations Commissioner

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10   By \_\_\_\_\_  
  Alan S. Weinger  
  Deputy Commissioner

11  
12 Dated: 3/14/12                           PRINTING PRODUCTION MANAGEMENT, INC. dba THE  
13 KOFFLER INVESTOR GROUP

14  
15   By \_\_\_\_\_  
16   Steven C. Koffler, President and CEO

17  
18 Dated: 3/14/12                           STEVEN C. KOFFLER

19  
20   By \_\_\_\_\_  
21   Steven C. Koffler

22 APPROVED AS TO FORM:

23 Dated: 3/23/12                           WEINTRAUB GENSHLEA CHEDIAK TOBIN & TOBIN  
24 LAW CORPORATION

25  
26   By \_\_\_\_\_  
27   W. Stephen Wilson  
28   Counsel for Respondents

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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: Printing Production Management, Inc. dba The Koffler Investor Group  
Steven C. Koffler  
38250 Plumosa Circle  
Palm Desert, CA 92211

**DESIST AND REFRAIN ORDER**

**(For violations of Corporations Code section 25110 and Financial Code section 22100)**

The California Corporations Commissioner (“Commissioner”) finds that:

1. At all times relevant hereto, Printing Production Management, Inc. doing business as The Koffler Investor Group (“Koffler Group”) was a California Corporation located at 38250 Plumosa Circle, Palm Desert, California 92211.

2. At all times relevant hereto, Steven C. Koffler (“Koffler”) was an individual with a business address of 38250 Plumosa Circle, Palm Desert, California 92211. Koffler is president and a control person of Koffler Group.

3. Koffler Group and Koffler maintain a website at [www.thekofflerinvestorgroup.com](http://www.thekofflerinvestorgroup.com) (“Website”). The Website asks investors, “Are you happy with what your money market, T-bills & CDs are paying you? No? Give us a call to discuss KIG’s 6%-8% annual return promissory notes.” The Website describes the “KIG Promissory Notes” as “a ‘pool’ or ‘mutual fund’ of manufactured home mortgage loans” and states that the investment is “**Easy to Purchase!** A simple promissory note form and your signature, is all it takes.”

4. Beginning at least in or about August 2011, Respondents offered or sold securities in the State of California in the form of promissory notes. These securities were offered through general solicitations, including through the Website.

5. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and/or sell the foregoing promissory notes in this state.

1           6.       On July 10, 2008, the Commissioner issued a finance lender’s license, No. 603-G374,  
2 to Koffler Group under the California Finance Lenders Law (“CFL”), California Financial Code  
3 section §22000 *et. seq.*

4           7.       On March 16, 2009, the Commissioner issued an order revoking Koffler Group’s CFL  
5 license for failure to maintain a surety bond in accordance with CFL section 22112. The license  
6 remains revoked.

7           8.       According to the Website, Koffler Group “is a full service company specializing in the  
8 buying and selling of manufactured home loans” that has “originated over \$50,000,000.00 of loans and  
9 have sold over \$100,000,000.00 of loans – from individual notes to large multi-million dollar portfolio  
10 transactions.” The Website contains a list of current loans available for purchase, including the loan  
11 number, city location, maturity date, balance, rate of return and monthly payment.

12           9.       Since the Commissioner revoked Koffler Group’s CFL license in 2009, neither  
13 Koffler Group nor Koffler have been licensed by the Commissioner to engage in the business of a  
14 finance lender or broker as required by CFL section 22100.

15           Based on the foregoing findings, the Commissioner is of the opinion that Koffler Group and  
16 Koffler have engaged in the offer and sale of securities in the form of promissory notes. These  
17 securities have not been qualified under the Corporate Securities Law of 1968, California Corporations  
18 Code section 25000 *et. seq.*, in violation of section 25110 of the Corporations Code. Pursuant to  
19 section 25532 of the Corporations Code, Printing Production Management, Inc. dba The Koffler  
20 Investor Group and Steven C. Koffler are hereby ordered to desist and refrain from the further offer or  
21 sale in the State of California of securities, including but not limited to promissory notes, unless and  
22 until qualification has been made under said law or unless exempt.

23           Further, the Commissioner is of the opinion that Koffler Group and Koffler have engaged in  
24 the business of a finance lender and/or broker in violation of California Financial Code section 22100.  
25 Pursuant to California Financial Code section 22712, Printing Production Management, Inc. dba The  
26 Koffler Investor Group and Steven C. Koffler are hereby ordered to desist and refrain from engaging  
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1 in the business of a finance lender or broker in the State of California without first obtaining a license  
2 from the Commissioner, or otherwise being exempt.

3 This Order is necessary, in the public interest, for the protection of investors and consistent  
4 with the purposes, policies, and provisions of the Corporate Securities Law of 1968 and the California  
5 Finance Lenders Law.

6 Dated: January 31, 2012  
7 Los Angeles, California

JAN LYNN OWEN  
California Corporations Commissioner

8  
9 By \_\_\_\_\_  
10 ALAN S. WEINGER  
11 Deputy Commissioner  
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