

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
3 ALAN S. WEINGER  
Lead Corporations Counsel  
4 ALEX CALERO (SBN 238389)  
Corporations Counsel  
5 DEPARTMENT OF CORPORATIONS  
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6 San Diego, California 92101  
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RECEIVED  
JUL 19 2007  
Office of Administrative Hearings  
LOS ANGELES

8 Attorneys for Complainant

9  
10 BEFORE THE STATE OF CALIFORNIA  
11 BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
12 DEPARTMENT OF CORPORATIONS

13 In the Matter of

OAH NO. J.2006090112

14 THE CALIFORNIA CORPORATIONS  
15 COMMISSIONER,

16 Complainant,

DECISION BY SETTLEMENT

17 v.

18 BENCHMARK FINANCIAL SERVICES, INC.,  
a California corporation and STEVEN ARTHUR  
19 SCOTT, an individual, and doing business as  
BENCHMARK FINANCIAL SERVICES,

Date: August 29 and 30, 2007  
Time: 9:00 a.m.  
Place: 320 West 4<sup>th</sup> Street, Suite 630  
Los Angeles, CA 90013

20 Respondents.  
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STIPULATION AND AGREEMENT

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2 Respondents, BENCHMARK FINANCIAL SERVICES, INC., a California corporation and  
3 STEVEN ARTHUR SCOTT ("Scott"), an individual, and doing business as BENCHMARK  
4 FINANCIAL SERVICES (collectively "Respondents"), and Complainant, the California  
5 Corporations Commissioner ("Commissioner"), enter into this Stipulation and Agreement in lieu of  
6 the adoption, rejection, modification or reconsideration of the Proposed Decision. The  
7 Commissioner hereby agrees to withdraw the Order of Rejection of Proposed Decision and Referral  
8 to Administrative Law Judge for Reconsideration and adopts this Stipulation and Agreement as the  
9 Commissioner's Decision by Settlement.

10 IT IS HEREBY STIPULATED by and between the parties as follows:

11 1. The Respondents acknowledge the jurisdiction of the California Department of  
12 Corporations through the Commissioner to settle this matter. The Decision by Settlement is made  
13 pursuant to California Government Code sections 11415.50 and 11415.60.

14 2. The Commissioner stipulates and agrees to withdraw the Order of Rejection of  
15 Proposed Decision and Referral to Administrative Law Judge for Reconsideration.

16 3. The parties stipulate and agree that this Stipulation and Agreement shall be in lieu of  
17 any decision based upon the hearing in this matter held on November 20 and 21, 2006.

18 4. The parties have read and reviewed the findings in the Proposed Decision in this  
19 matter. The parties voluntarily choose to enter into this Stipulation and Agreement as a means of  
20 achieving a full and final resolution of the matter.

21 5. The parties stipulate and agree to the denial of Respondents Benchmark Financial  
22 Services, Inc.'s application for an investment adviser certificate filed with the Commissioner on July  
23 28, 2006. Further, Respondent Scott, on behalf of Respondents Benchmark Financial Services and  
24 Benchmark Financial Services, Inc., waives their right of judicial review, reinstatement or reduction  
25 of penalties relating to said denial.

26 6. The parties, and in particular Respondent Scott, stipulate and agree to an indefinite  
27 bar from holding any position of employment, management or control of any investment adviser,  
28 broker-dealer or commodity adviser. Further, Respondent Scott waives his right to appeal this

State of California - Department of Corporations

1 portion of the Stipulation and Agreement.

2 7. The parties stipulate and agree to dismissal of the action.

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4 Dated: 7/12/07

BENCHMARK FINANCIAL SERVICES, INC., a California corporation and STEVEN ARTHUR SCOTT, an individual, and doing business as BENCHMARK FINANCIAL SERVICES

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By STEVEN ARTHUR SCOTT

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11 Dated: 7/16/07

PRESTON DuFAUCHARD  
California Corporations Commissioner

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By ALAN S. WEINGER  
Lead Corporations Counsel  
Enforcement Division

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19 APPROVED AS TO FORM AND CONTENT:

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22 Dated: 7/17/07

By EUGENE V. ZECH  
Attorney for Respondents

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25  
26  
27 Dated: 7/13/07

By ALEX CALERO  
Attorney for Plaintiff

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