

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Lead Corporations Counsel
4 JENNIFER A. GRANAT (CA BAR NO. 199868)
Corporations Counsel
5 DEPARTMENT OF CORPORATIONS
320 West 4th Street, Suite 750
6 Los Angeles, California 90013-1105
Telephone: (213) 576-7591
7 Facsimile: (213) 576-7181

8 Attorneys for the People of the State of California

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

12 In the Matter of) File No.: 927-0594
13)
14 THE CALIFORNIA CORPORATIONS) SETTLEMENT AGREEMENT AND
COMMISSIONER,) STIPULATION TO FINAL ORDER 1)
15) SUSPENDING INVESTMENT ADVISER
Complainant,) CERTIFICATE FROM NEW BUSINESS
16) PURSUANT TO CORPORATIONS CODE
v.) SECTION 25232 AND 2) IMPOSING
17) ADMINISTRATIVE PENALTIES
18 SENIOR BENEFIT ADVISORS, INC., a) PURSUANT TO CORPORATIONS CODE
California Corporation, and NICHOLAS C.) SECTION 25252
19 PAISSIOS, an individual,)
20 Respondents.)

21 This Settlement Agreement (“Agreement”) is entered into as of April 1, 2008 between Senior
22 Benefit Advisors, Inc. and Nicholas C. Paissios, on the one hand, and the California Corporations
23 Commissioner (“Commissioner”), on the other hand, with respect to the following facts:

24 **RECITALS**

25 A. Nicholas C. Paissios (“Paissios”) is the president of Senior Benefit Advisors, Inc.
26 (“Senior Benefit Advisors”) a California corporation which holds a valid and unrevoked investment
27
28

1 adviser certificate issued by the California Corporations Commissioner (“Commissioner”) pursuant
2 to Corporations Code section 25230 (CRD#125194).

3 B. On or about May 11, 2005, the Commissioner commenced a regulatory examination
4 of the business conducted under the investment adviser certificate of Senior Benefit Advisors
5 pursuant to California Corporations Code section 25241.

6 C. On or about January 12, 2007, the commissioner provided Senior Benefit Advisors
7 with the results of the examination. The results included a number of violations, as set forth in the
8 Order attached hereto as Exhibit A.

9 D. It is the intention and the desire of the parties at this time to resolve this matter
10 without the need for a hearing or other litigation.

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

13 **TERMS AND CONDITIONS**

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

16 2. Senior Benefit Advisors and Paissios (collectively, “Respondents”) admit to the
17 jurisdiction of the Department of Corporations over them and over the subject matter hereof.
18 Further, Respondents hereby stipulate to the issuance by the Commissioner of a final order
19 suspending Respondents from any new business for a period of thirty (30) days and imposing an
20 administrative penalty (the “Order”), such suspension to commence on April 1, 2008. A copy of the
21 Order is attached hereto as Exhibit A.

22 3. Respondents admit to the allegations contained in the Order. The admissions of
23 Respondents are solely for the limited purposes of these proceedings and any future proceeding(s)
24 that may be initiated by or brought before the Commissioner against Respondents. It is the intent
25 and understanding of the parties that this Agreement, and the admissions of Respondents contained
26 herein, shall not be binding or admissible against Respondents in any action(s) brought against
27 Respondents by third parties.
28

1 4. Respondents hereby waive their right to a hearing on the allegations set forth in the
2 Order. Respondents acknowledge their right to an administrative hearing under Corporations Code
3 section 25232 in connection with the Order, and hereby waive that right to a hearing, and to any
4 reconsideration, appeal, or other right which may be afforded pursuant to the Corporate Securities
5 Law of 1968, the California Administrative Procedure Act, the California Code of Civil Procedure or
6 any other provision of law in connection with this matter.

7 5. Pursuant to the Order, Respondents shall pay a penalty in the amount of fifteen
8 thousand dollars U.S. (\$15,000) to the Commissioner on or before April 30, 2008. If Respondents
9 fail to make such payment, then the investment adviser certificate of Respondents shall be
10 immediately and summarily revoked, and any right to a hearing regarding such revocation and to any
11 reconsideration, appeal, or other right which may be afforded pursuant to the Corporate Securities
12 Law of 1968, the California Administrative Procedure Act, the California Code of Civil Procedure or
13 any other provision of law is hereby waived.

14 6. The parties hereby acknowledge and agree that this Agreement is intended to
15 constitute a final and complete resolution of the matters set forth herein, including the results of the
16 regulatory examination and the allegations set forth in the Order, and constitutes the entire
17 Agreement between the parties with respect thereto. This Agreement supercedes any and all prior or
18 contemporaneous agreements between the parties hereto.

19 7. Notwithstanding any other provision contained herein, nothing in this Agreement
20 shall operate to limit the Commissioner's ability to investigate and prosecute violations of the
21 Corporate Securities Law of 1968 not addressed herein, or to assist any other agency (county, state
22 or federal) with any prosecution, administrative, civil or criminal, brought by such agency against
23 Respondents.

24 8. Each party hereto represents and warrants that it has received independent advice
25 from its attorney(s) and/or other representatives prior to entering into this Agreement, and in
26 executing this Agreement relied solely on this statements set forth herein and the advice of its own
27 counsel and/or representative.
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

9. 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 or arising out of this Agreement. Accordingly, the parties hereby waive the benefit of California Civil Code section 1654 and any successor statute.

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

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

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

Dated: _____

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____

ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division

Dated: _____

SENIOR BENEFIT ADVISORS, INC.

By _____

NICHOLAS C. PAISSIOS, President

Dated: _____

By _____
NICHOLAS C. PAISSIOS, an individual