

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN M. ROONEY  
Assistant Chief Counsel  
3 ALEX M. CALERO (SBN 238389)  
4 Corporations Counsel  
5 CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT  
1350 Front Street, Room 2034  
6 San Diego, California 92101  
Telephone: (619) 525-4044  
7 Facsimile: (619) 525-4045

8 Attorneys for Complainant

9  
10 **BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT**  
11 **OF THE STATE OF CALIFORNIA**

12 In the Matter of

Case No.:

13 THE COMMISSIONER OF BUSINESS  
14 OVERSIGHT OF THE STATE OF  
15 CALIFORNIA,

**CONSENT ORDER**

16 Complainant,

17 vs.

18 CRAIG WILLIAMS, an individual; ERIC  
19 LOVY, also known as ERIC BELTRAN, an  
20 individual,  
21

Respondents.

22  
23  
24 To: Mr. Eric Lovy  
17191 Sims Lane  
25 Huntington Beach, CA 92649  
26

27 Jan Lynn Owen, the California Commissioner of Business Oversight (“Commissioner”) of  
28 the Department of Business Oversight (“Department”), finds that:

1           1.       On February 10, 2014, the Commissioner issued her Notice of Intention to Issue  
2 Order Levying Administrative Penalties Pursuant Section 25252 and Claim for Ancillary Relief  
3 Pursuant to Corporations Code Section 25254; and Statement in Support of Order Levying  
4 Administrative Penalties Pursuant to Corporations Code Section 25252; Claim for Ancillary Relief  
5 Pursuant to Corporations Code Section 25254; and Desist and Refrain Order, in part, against Eric  
6 Lovy, also known as Eric Beltran (“Respondent”).

7           2.       Respondent was personally served on February 25, 2014.

8           3.       Respondent, having advised the Department that he desires to settle and resolve this  
9 matter, stipulates and consents to the Commissioner making findings and entering this Consent  
10 Order.

11          4.       Respondent stipulates and elects to permanently waive any right to a hearing, any  
12 reconsideration, appeal, or other rights which may be afforded pursuant to the Corporate Securities  
13 Law of 1968 (Cal. Corp. Code § 25000 et seq.) (hereinafter “CSL”) sections 25532 and 25609, the  
14 California Administrative Procedure Act (Cal. Gov. Code § 11370 et seq.), the California Code of  
15 Civil Procedure, or any other provision of law with respect to this matter.

16          5.       Respondent stipulates and agrees that this Consent Order becomes final when  
17 executed and can be converted into and enforced as a civil judgment pursuant to section 25532,  
18 subdivision (f), of the CSL, on an ex parte basis and without further notice to Respondent.

19           NOW, THEREFORE, the Commissioner hereby enters this Order:

20          1.       Pursuant to section 25532 of the CSL, Respondent is hereby ordered to desist and  
21 refrain from the further offer or sale, in the State of California, of securities, including, but not  
22 limited to, stock, unless and until qualification has been made under the law or unless exempt;

23          2.       Further, pursuant to section 25532 of the CSL, Respondent is hereby ordered to desist  
24 and refrain from effecting any transaction in, or inducing or attempting to induce the purchase or  
25 sale of, any security, in this state, unless and until they have secured a certificate from the  
26 Commissioner or unless exempt;

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3. The Commissioner having determined that this action is in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the CSL, Respondent is ordered to pay ancillary relief, pursuant to section 25254 of the CSL, in the form of disgorgement of ill-gotten profits, in the amount of \$15,250.00; and

4. This Consent Order shall become effective when executed by the Commissioner or her designee.

Dated: 5/21/14 JAN LYNN OWEN  
Commissioner of Business Oversight

By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner

Dated: 5/20/14 \_\_\_\_\_  
Eric Lovy, individually

Approved as to form and content:

Dated: 5/20/14 \_\_\_\_\_  
Irving Einhorn  
Attorney for Eric Lovy

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN M. ROONEY  
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11 **OF THE STATE OF CALIFORNIA**

12 In the Matter of

Case No.:

13 THE COMMISSIONER OF BUSINESS  
OVERSIGHT OF THE STATE OF  
14 CALIFORNIA,

**ORDER**

15 Complainant,

16 vs.

17 CRAIG WILLIAMS, an individual; ERIC  
LOVY, also known as ERIC BELTRAN, an  
18 individual,

19 Respondents.

20 To: Mr. Craig Williams and  
Mr. Michael Van Meter

21  
22 Jan Lynn Owen, the California Commissioner of Business Oversight (“Commissioner”) of  
23 the Department of Business Oversight (“Department”), finds that:

24 1. On February 10, 2014, the Commissioner issued her Notice of Intention to Issue  
25 Order Levying Administrative Penalties Pursuant Section 25252 and Claim for Ancillary Relief  
26 Pursuant to Corporations Code Section 25254; and Statement in Support of Order Levying  
27 Administrative Penalties Pursuant to Corporations Code Section 25252; Claim for Ancillary Relief  
28 Pursuant to Corporations Code Section 25254; and Desist and Refrain Order, in part, against Craig

1 Williams and Michael Van Meter (collectively “Respondents”).

2 2. Respondent Williams was served on March 12, 2014 and Respondent Van Meter was  
3 served on May 15, 2014.

4 3. Respondents did not file a notice of defense or otherwise request a hearing.

5 NOW THEREFORE, GOOD CAUSE SHOWING, the Commissioner hereby enters this  
6 Order:

7 1. Pursuant to section 25532 of the Corporate Securities Law of 1968 (Cal. Corp. Code  
8 § 25000 et seq.) (“CSL”), Respondents are hereby ordered to desist and refrain from the further  
9 violation of CSL section 25110, by offering or selling, in the State of California, securities,  
10 including, but not limited to, stock, unless and until qualification has been made under the law or  
11 unless exempt;

12 2. Further, pursuant to section 25532 of the CSL, Respondents are hereby ordered to  
13 desist and refrain from the further violation of CSL section 25210, by effecting any transaction in, or  
14 inducing or attempting to induce the purchase or sale of, any security, in this state, unless and until  
15 they have secured a certificate from the Commissioner or unless exempt;

16 3. The Commissioner having found that Respondents have willfully violated CSL  
17 sections 25110 and 25210, Respondents are, individually, each ordered to pay to the Commissioner  
18 an administrative penalty, pursuant to section 25252, subdivision (b), of the CSL, in the amount of  
19 \$10,000; and

20 4. The Commissioner having determined that this action is in the public interest, for the  
21 protection of investors and consistent with the purposes, policies, and provisions of the CSL,  
22 Respondent Williams is ordered to pay ancillary relief, pursuant to section 25254 of the CSL, in the  
23 form of disgorgement of ill-gotten profits, in the amount of \$12,140, and Respondent Van Meter is  
24 ordered to pay ancillary relief, pursuant to section 25254 of the CSL, in the form of disgorgement of  
25 ill-gotten profits, in the amount of \$5,700.

26 Dated: June 24, 2014

JAN LYNN OWEN  
Commissioner of Business Oversight

27 By: \_\_\_\_\_

MARY ANN SMITH  
Deputy Commissioner

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN M. ROONEY  
Assistant Chief Counsel  
3 ALEX M. CALERO (SBN 238389)  
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11 **OF THE STATE OF CALIFORNIA**

12 In the Matter of

Case No.:

13 THE COMMISSIONER OF BUSINESS  
14 OVERSIGHT OF THE STATE OF  
15 CALIFORNIA,

**STIPULATION AND SETTLEMENT  
AGREEMENT**

16 Complainant,

17 vs.

18 CRAIG WILLIAMS, an individual; ERIC  
19 LOVY, also known as ERIC BELTRAN, an  
20 individual,

21 Respondents.  
22

23 IT IS HEREBY STIPULATED AND AGREED between Eric Lovy, also known as Eric  
24 Beltran (“Respondent”), and the Commissioner of Business Oversight (“Commissioner”)  
25 (collectively “the Parties”) as follows:

26 1. This Stipulation and Settlement Agreement (hereinafter “Stipulation”) is entered into  
27 for the purposes of judicial economy and expediency, and to avoid the time and expense of a hearing  
28 and possible further court proceedings.

1           2.       Respondent stipulates and consents to the findings and terms set forth in the  
2 Commissioner’s Consent Order, attached hereto as Exhibit 1, and incorporated by this reference.  
3 Further, Respondent stipulates and agrees to the following terms and conditions:

4           a.       Pursuant to section 25532 of the Corporate Securities Law of 1968 (Cal. Corp.  
5 Code § 25000) (hereinafter “CSL”), Respondent is hereby ordered to desist and refrain from the  
6 further offer or sale, in the State of California, of securities, including, but not limited to, stock,  
7 unless and until qualification has been made under the law or unless exempt;

8           b.       Further, pursuant to section 25532 of the CSL, Respondent is hereby ordered  
9 to desist and refrain from effecting any transaction in, or inducing or attempting to induce the  
10 purchase or sale of, any security, in this state, unless and until they have secured a certificate from  
11 the Commissioner or unless exempt;

12           c.       The Commissioner having determined that this action is in the public interest,  
13 for the protection of investors and consistent with the purposes, policies, and provisions of the CSL,  
14 Respondent is ordered to pay to the Commissioner ancillary relief, pursuant to section 25254 of the  
15 CSL, in the form of disgorgement of ill-gotten profits, in the amount of \$15,250.00. Disgorgement  
16 shall be paid as follows:

17           i.       Respondent shall make an initial payment to the Commissioner, in the  
18 amount of \$3,250.00. The initial payment, in the amount of \$3,250.00, must be received by the  
19 Commissioner within ten business days of execution of this Stipulation, by the Commissioner or her  
20 designee;

21           ii.       Thereafter, with regard to the remaining \$12,000.00 of disgorgement,  
22 Respondent shall make monthly payments to the Commissioner, in the amount of at least \$1,000.00,  
23 for the next twelve months, beginning the month after this Stipulation is executed, by the  
24 Commissioner or her designee. The monthly payments, in the amount of at least \$1,000.00, must be  
25 received by the Commissioner by the tenth day of each month;

26           iii.       All payments made pursuant to this Stipulation shall be sent to the  
27 Commissioner by U.S. Mail, attention Alex M. Calero, at 1350 Front Street, Room 2034, San Diego,  
28 CA 92101;

1  
2                   iv.     If Respondent misses a payment, as set forth in sections i., ii. and iii.,  
3 above, Respondent shall be in default and the remaining balance of outstanding disgorgement shall  
4 be due immediately to the Commissioner; and

5                   v.     If Respondent is in default, Respondent stipulates and agrees that the  
6 Consent Order can be converted into and enforced as a civil judgment, pursuant to section 25532,  
7 subdivision (f), of the CSL, on an ex parte basis and without further notice to Respondent. In the  
8 event of a default, Respondent will receive a credit for payments already made pursuant to this  
9 Stipulation. Respondent stipulates and agrees that the Commissioner can establish Respondent's  
10 default by the filing of a declaration under oath, attesting that Respondent failed to timely make  
11 payments as set forth in the Stipulation and attesting to the remaining amount of disgorgement owed.

12               3.     This Stipulation supersedes any and all prior or contemporaneous stipulations or  
13 agreements between the Parties hereto.

14               4.     Notwithstanding any other provision contained herein, nothing in this Stipulation  
15 shall operate to limit the Commissioner's ability to investigate and prosecute violations of the law  
16 not addressed herein, or to assist any other agency (county, state, or federal) with any prosecution,  
17 administrative, civil or criminal, brought by such agency against Respondent.

18               5.     Respondent acknowledges his right to an administrative hearing hereby stipulates and  
19 elects to permanently waive his right to a hearing, any reconsideration, appeal, or other rights which  
20 may be afforded pursuant to the CSL, the California Administrative Procedure Act (Cal. Gov. Code  
21 § 11370 et seq.), the California Code of Civil Procedure, or any other provision of law with respect  
22 to this matter.

23               6.     The Parties represent and warrant that each party has received independent advice  
24 from its attorney(s) and/or other representatives prior to entering into this Stipulation, and in  
25 executing this Stipulation relied solely on the statements set forth herein and the advice of its own  
26 counsel and/or representative.

27               7.     In that the Parties have had the opportunity to draft, review and edit the language of  
28 this Stipulation, no presumption for or against any party arising out of drafting all or part of this



1 Stipulation will be applied in any action relating to or arising out of this Stipulation. Accordingly,  
2 the Parties hereby waive the benefit of California Civil Code section 1654 and any successor statute.

3 8. The waiver of any provision of this Stipulation shall not operate to waive any other  
4 provision set forth herein, and any waiver, amendment and/or change to the terms of this Stipulation  
5 must be in writing signed by the Parties.

6 9. Each signatory hereto represents and warrants that he/she possesses the necessary  
7 capacity and authority to execute this Stipulation and bind the Parties.

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

11 11. This Stipulation shall become effecting when executed by the Commissioner or her  
12 designee.

13

14

15 Dated: 5/20/14 \_\_\_\_\_  
16 Eric Lovy, individually

17

18 Approved as to form and content:

19

20 Dated: 5/20/14 \_\_\_\_\_  
21 Irving Einhorn  
22 Attorney for Eric Lovy

23

24 Dated: 5/21/14 JAN LYNN OWEN  
25 Commissioner of Business Oversight

26

27 By: \_\_\_\_\_  
28 MARY ANN SMITH  
Deputy Commissioner