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

TO:

Cal-Pac Capital Advisors a.k.a. or dba **Cal Pac Capital Advisors,**
Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC.,
Cal-Pac Funding Corporation, www.calpacfunds.com,
www.calpacinvesting.com, and www.calpacfunding.com
Ryan Justin Young, a.k.a. Ryan J. Young, President and Chief Executive Officer
Joshua Raymond Pukini, a.k.a. Joshua Pukini, Vice President
3700 Campus Drive, Suite 200
Newport Beach, CA 92660

Cal-Pac Management, Inc., a.k.a. or dba CalPac Management, Inc.,
Calpac Management, Inc., Cal-Pac Capital Advisors,
Cal Pac Capital Advisors, Cal-Pac Mortgage Fund, LLC.,
Cal-Pac Funding Corporation, www.calpacfunds.com,
www.calpacinvesting.com, and www.calpacfunding.com
Ryan Justin Young, a.k.a. Ryan J. Young, President and Chief Executive Officer
Joshua Raymond Pukini, a.k.a. Joshua Pukini, Vice President
3700 Campus Drive, Suite 200
Newport Beach, CA 92660

DESIST AND REFRAIN ORDER

(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Ryan Justin Young, also known as Ryan J. Young (hereinafter, “Young”) is an individual California licensed mortgage loan originator (NMLS ID: 353863) and a California licensed real estate broker (DRE ID: 01245001), with a principal place of business located at 3700 Campus Drive, Suite 200, Newport Beach, California, 92660. Young is president and chief executive officer of Cal-Pac Capital Advisors, also known or doing business as Cal Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation, www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com.

1 2. At all relevant times, Joshua Raymond Pukini, also known as Joshua Pukini
2 (hereinafter, "Pukini") is an individual California licensed mortgage loan originator (NMLS ID:
3 344916) and a California licensed real estate broker (DRE ID: 01773536), with a principal place of
4 business located at 3700 Campus Drive, Suite 200, Newport Beach, California, 92660. Pukini is vice
5 president of Cal-Pac Capital Advisors, also known or doing business as Cal Pac Capital Advisors,
6 Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation,
7 www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com.

8 3. At all relevant times, Cal-Pac Capital Advisors, also known or doing business as Cal
9 Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding
10 Corporation, www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com
11 (hereinafter, "CP") is a business entity of unknown formation with a principal place of business
12 located at 3700 Campus Drive, Suite 200, Newport Beach, California, 92660. CP is in the business of
13 providing loans and capital investment opportunities of a real estate nature to California residents.

14 4. At all relevant times, Cal-Pac Management, Inc., also known or doing business as
15 CalPac Management, Inc., Calpac Management, Inc., Cal-Pac Capital Advisors, Cal Pac Capital
16 Advisors, Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation, www.calpacfunds.com,
17 www.calpacinvesting.com, and www.calpacfunding.com (hereinafter "CM"), is an active California
18 corporation (C2985423) incorporated in 2007. CM is also a California licensed mortgage loan
19 originator (NMLS ID: 254185) and a California licensed real estate corporation (DRE ID: 01856406)
20 with the individual, Young, as CM's designated officer. CM's principal place of business is located
21 at 3700 Campus Drive, Suite 200, Newport Beach, California, 92660. CM is in the business of
22 providing loans and capital investment opportunities of a real estate nature to California residents.

23 5. Beginning in or about 2009, CP, CM, Young and Pukini offered and/or sold securities
24 in the form of investment contracts, shares, or membership interests in Cal-Pac Mortgage Fund, LLC,
25 a California limited liability company, California business entity no. 2003211101324.

26 6. CP, CM, Young and Pukini offered and/or sold the aforementioned securities by
27 means of general solicitation by way of postal delivered correspondence or thru the internet at CP's
28 and/or CM's website www.calpacfunds.com to California residents.

1 7. The purported purpose of the sale of said securities was to generate a financial profit
2 by investing the client’s funds in various real estate development projects in southern California or in
3 the western United States.

4 8. These securities were offered and/or sold in the State of California in issuer
5 transactions. The Department of Corporations has not issued a permit or other form of qualification
6 authorizing any person to offer and/or sell these securities in the State of California.

7 9. Based upon the foregoing findings, the California Corporations Commissioner is of
8 the opinion that the investment contracts, shares, or membership interests in a limited liability
9 company offered and/or sold by Ryan Justin Young, also known as Ryan J. Young; Joshua Raymond
10 Pukini, also known as Joshua Pukini; Cal-Pac Capital Advisors, also known or doing business as Cal
11 Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding
12 Corporation, www.calpacfunds.com, www.calpacinvesting.com, www.calpacfunding.com; and Cal-
13 Pac Management, Inc., also known or doing business as CalPac Management, Inc., Calpac
14 Management, Inc., Cal-Pac Capital Advisors, Cal Pac Capital Advisors, Cal-Pac Mortgage Fund,
15 LLC., Cal-Pac Funding Corporation, and www.calpacfunds.com. are securities subject to
16 qualification under the California Corporate Securities Law of 1968 and that these securities are
17 being or have been offered or sold without being qualified in violation of Corporations Code section
18 25110.

19 10. Pursuant to section 25532 of the Corporate Securities Law of 1968, Ryan Justin
20 Young, also known as Ryan J. Young; Joshua Raymond Pukini, also known as Joshua Pukini; Cal-
21 Pac Capital Advisors, also known or doing business as Cal Pac Capital Advisors, Cal-Pac
22 Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation,
23 www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com; and Cal-Pac
24 Management, Inc., also known as, or doing business as CalPac Management, Inc., Calpac
25 Management, Inc., Cal-Pac Capital Advisors, Cal Pac Capital Advisors, Cal-Pac Mortgage Fund,
26 LLC., Cal-Pac Funding Corporation, and www.calpacfunds.com are hereby ordered to desist and

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3 refrain from the further offer or sale of securities in the State of California, including but not limited
4 to, investment contracts, shares, or membership interests in limited liability companies unless and
5 until qualification has been made under the law or unless exempt. This Order is necessary, in the
6 public interest, for the protection of investors and consistent with the purposes, policies, and
7 provisions of the Corporate Securities Law of 1968.

8

9 Dated: October 26, 2011
10 Sacramento, California

11 PRESTON DuFAUCHARD
12 California Corporations Commissioner

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15 By: _____
16 ALAN S. WEINGER
17 Deputy Commissioner
18 Enforcement Division

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1 ALAN S. WEINGER
2 Deputy Commissioner
3 MARISA I. URTEAGA-WATKINS (SBN236398)
4 Corporations Counsel
5 Department of Corporations
6 1515 K Street, Suite 200
7 Sacramento, California 95814
8 Telephone: (916) 445-9626
9 Facsimile: (916) 445-6985

10 Attorneys for Complainant

11 BEFORE THE DEPARTMENT OF CORPORATIONS
12 OF THE STATE OF CALIFORNIA

13 In the Matter of)
14)
15 THE CALIFORNIA CORPORATIONS)
16 COMMISSIONER,) **SETTLEMENT AGREEMENT**
17 Complainant,)
18 v.)
19 CAL-PAC ADVISORS, *et. al.*¹) Date:
20 Respondents.) Time:
21) Place:
22)
23)
24)
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29 This Settlement Agreement (“Agreement”) is entered into between Cal-Pac Advisors a.k.a. or
30 dba Cal Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac
31 Funding Corporation, www.calpacfunds.com, www.calpacinvesting.com, and
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34 ¹ Cal-Pac Capital Advisors a.k.a. or dba Cal Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund,
35 LLC., Cal-Pac Funding Corporation, www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com;
36 Cal-Pac Management, Inc., a.k.a. or dba CalPac Management, Inc., Calpac Management, Inc., Cal-Pac Capital Advisors,
37 Cal Pac Capital Advisors, Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation, www.calpacfunds.com,
38 www.calpacinvesting.com, and www.calpacfunding.com; and Ryan Justin Young, a.k.a. Ryan J. Young, President and
39 Chief Executive Officer, Joshua Raymond Pukini, a.k.a. Joshua Pukini, Vice President.

1 www.calpacfunding.com; Cal-Pac Management, Inc., a.k.a. or dba CalPac Management, Inc., Calpac
2 Management, Inc., Cal-Pac Capital Advisors, Cal Pac Capital Advisors, Cal-Pac Mortgage Fund,
3 LLC., Cal-Pac Funding Corporation, www.calpacfunds.com, www.calpacinvesting.com, and
4 www.calpacfunding.com; and Ryan Justin Young, a.k.a. Ryan J. Young, President and Chief
5 Executive Officer, Joshua Raymond Pukini, a.k.a. Joshua Pukini, Vice President (collectively, “Cal-
6 Pac”), and the California Corporations Commissioner (“Commissioner”) (collectively, the “Parties”),
7 and is made with respect to the following facts.

8 RECITALS

9 A. Respondents. Ryan Justin Young, also known as Ryan J. Young (hereinafter,
10 “Young”) is an individual California licensed mortgage loan originator (NMLS ID: 353863) and a
11 California licensed real estate broker (DRE ID: 01245001), with a principal place of business located
12 at 3700 Campus Drive, Suite 200, Newport Beach, California, 92660. Young is president and chief
13 executive officer of Cal-Pac Capital Advisors, also known or doing business as Cal Pac Capital
14 Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation,
15 www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com. Joshua Raymond
16 Pukini, also known as Joshua Pukini (hereinafter, “Pukini”) is an individual California licensed
17 mortgage loan originator (NMLS ID: 344916) and a California licensed real estate broker (DRE ID:
18 01773536), with a principal place of business located at 3700 Campus Drive, Suite 200, Newport
19 Beach, California, 92660. Pukini is vice president of Cal-Pac Capital Advisors, also known or doing
20 business as Cal Pac Capital Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC.,
21 Cal-Pac Funding Corporation, www.calpacfunds.com, www.calpacinvesting.com, and
22 www.calpacfunding.com. Cal-Pac Capital Advisors, also known or doing business as Cal Pac Capital
23 Advisors, Cal-Pac Management, Inc., Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding Corporation,
24 www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com (hereinafter, “CP”)
25 is a business entity of unknown formation with a principal place of business located at 3700 Campus
26 Drive, Suite 200, Newport Beach, California, 92660. CP is in the business of providing loans and
27 capital investment opportunities of a real estate nature to California residents. Cal-Pac Management,
28

1 Inc., also known or doing business as CalPac Management, Inc., Calpac Management, Inc., Cal-Pac
2 Capital Advisors, Cal Pac Capital Advisors, Cal-Pac Mortgage Fund, LLC., Cal-Pac Funding
3 Corporation, www.calpacfunds.com, www.calpacinvesting.com, and www.calpacfunding.com
4 (hereinafter “CM”), is an active California corporation (C2985423) incorporated in 2007. CM is also
5 a California licensed mortgage loan originator (NMLS ID: 254185) and a California licensed real
6 estate corporation (DRE ID: 01856406) with the individual, Young, as CM’s designated officer.
7 CM’s principal place of business is located at 3700 Campus Drive, Suite 200, Newport Beach,
8 California, 92660. CM is in the business of providing loans and capital investment opportunities of a
9 real estate nature to California residents.

10 B. Desist and Refrain Order. On or about October 26, 2011, the Department issued to
11 Young, Pukini, CP and CM a Desist and Refrain Order (“Order”) ordering Young, Pukini, CP and
12 CM to refrain from engaging in acts in violation of California Corporation Code section 25110. A
13 copy of the Order is attached and incorporated herein as “Exhibit 1”.

14 C. Hearing Request. Young, Pukini, CP and CM timely requested a hearing on the Order
15 as permitted by law, on or about December 1, 2011. Young, Pukini, CP and CM voluntarily waived
16 their rights to proceed to hearing within thirty (30) days of their request for hearing on or about
17 December 1, 2011.

18 D. Intent to Resolve Matter. It is the intention of the Parties to resolve this matter without
19 the necessity of an administrative hearing or any other litigation.

20 NOW, THEREFORE, for good and valuable consideration, 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 2. Cal-Pac acknowledges its right to a hearing under the California Corporate Securities
25 Law of 1968 and it hereby waives the right to any appeal, or other right to review, if any, which may
26 be afforded pursuant to the California Corporate Securities Law of 1968, the California
27 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law,
28 and by waiving such rights, it consents to the Agreement as final.

1 3. Cal-Pac, in and for purposes of entering into this Agreement, denies the following
2 allegation set forth in the Action:

3 “CP, CM, Young and Pukini offered and / or sold the aforementioned securities by
4 means of general solicitation by way of postal delivered correspondence..... to
5 California residents”.

6 4. Cal-Pac in and for purposes of entering into this Agreement, neither admits nor denies
7 the following allegation set forth in the Action:

8 “CP, CM, Young and Pukini offered and / or sold the aforementioned securities by
9 means of general solicitation.... thru the internet at CP’s and/or CM’s website
10 www.calpacfunds.com to California residents”.

11 5. Cal-Pac agrees to the terms of this Agreement in settlement of the Action.

12 6. It is the intent and understanding between the parties that this Agreement, shall not be
13 binding or admissible against Cal-Pac in any action(s) brought against Cal-Pac by third parties or the
14 Commissioner.

15 7. Cal-Pac hereby withdraws its request for administrative hearing issued to the
16 Department in or about December 1, 2011.

17 8. The Commissioner reserves the right to bring any unknown or future actions against
18 Cal-Pac or any of its officers, partners, employees or successors for any and all unknown or future
19 violations of the California Corporate Securities Law of 1968. This Agreement shall not serve to
20 exculpate Cal-Pac or any of its officers, partners, employees or successors from liability for any and
21 all future violations of the California Corporate Securities Law of 1968.

22 9. The Parties hereby acknowledge and agree that this Agreement is intended to
23 constitute a full, final and complete resolution of the Action. The Parties further acknowledge and
24 agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to
25 assist any other agencies with any administrative, civil or criminal prosecution brought by any such
26 agency against Cal-Pac, or any other person or entity, based upon any of the activities alleged in this
27 matter or otherwise.

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1 10. Each of the Parties represents, warrants, and agrees that in executing this Agreement it
2 has relied solely on the statements set forth herein and has placed no reliance on any statement,
3 representation, or promise of any other party, or any other person or entity not expressly set forth
4 herein, or upon the failure of any party or any other person or entity to make any statement,
5 representation or disclosure of anything whatsoever. The Parties have included this clause: (1) to
6 preclude any claim that any party was in any way fraudulently induced to execute this Agreement;
7 and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the
8 terms of this Agreement.

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

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

20 13. This Agreement shall not become effective until signed by Cal-Pac and delivered by
21 all Parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings
22 five (5) business days after execution by all Parties.

23 14. This Agreement may be executed in any number of counterparts by the Parties and
24 when each party has signed and delivered at least one such counterpart to the other party, each
25 counterpart shall be deemed an original and taken together shall constitute one and the same
26 Agreement.

27 15. No amendment, change or modification of this Agreement shall be valid or binding to
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1 any extent unless it is in writing and signed by all of the Parties affected by it.

2 16. The headings to the paragraphs of this Agreement are inserted for convenience only and
3 will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof.
4 This Agreement shall be construed and enforced in accordance with and governed by California law.

5 17. Each party covenants that they possess all necessary capacity and authority to sign and
6 enter into this Agreement. Each party warrants and represents that such party is fully entitled and duly
7 authorized to enter into and deliver this Agreement. In particular, and without limiting the generality
8 of the foregoing, each party warrants and represents that it is fully entitled to enter into the covenants,
9 and undertake the obligations set forth herein.

10 18. Cal-Pac acknowledges that this Agreement is a public record.

11 19. The Parties each represent and acknowledge that it is executing this Agreement
12 completely voluntarily and without any duress or undue influence of any kind from any source.

13 20. Each party represents, warrants, and agrees that it has received or been advised to seek
14 independent legal advice from an attorney with respect to the advisability of executing this
15 Agreement.

16 21. Notice shall be provided to each party at the following addresses:

17 If to Respondent to:

18 Ryan J. Young
19 Joshua R. Pukini
20 Cal-Pac Capital Advisors
21 3700 Campus Drive, Suite 200
22 Newport Beach, California, 92660

23 If to the Commissioner to:

24 Marisa I. Urteaga-Watkins, Esq.
25 Department of Corporations
26 1515 K Street
27 Sacramento, CA 95814

28 IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on
the dates set forth opposite their respective signatures.

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Dated: 04/24/12

JAN LYNN OWEN
California Corporations Commissioner

By _____

ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

CAL-PAC ADVISORS, *et. al.*

Dated: 04/14/12

By _____

RYAN JUSTIN YOUNG,
Authorized Officer
CAL-PAC ADVISORS, *et. al.*

CAL-PAC ADVISORS, *et. al.*

Dated: 04/16/12

By _____

JOSHUA RAYMOND PUKINI,
Authorized Officer
CAL-PAC ADVISORS, *et. al.*

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Dated: 04/14/12

By _____

RYAN JUSTIN YOUNG,
As An Individual

Dated: 04/16/12

By _____

JOSHUA RAYMOND PUKINI,
As An Individual