

1 CLOTHILDE V. HEWLETT  
Commissioner  
2 MARY ANN SMITH  
Deputy Commissioner  
3 MIRANDA LEKANDER  
Assistant Chief Counsel  
4 UCHE L. ENENWALI (State Bar No. 235832)  
Senior Counsel  
5 Denise R. Smith (State Bar No. 309225)  
Counsel  
6 Department of Financial Protection and Innovation  
320 West 4th Street, Suite 750  
7 Los Angeles, California 90013  
Telephone: (213) 503-4203  
8 Facsimile: (213) 576-7181

9 Attorneys for Complainant

10  
11 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
12 OF THE STATE OF CALIFORNIA

13 In the Matter of: ) OAH Case Nos.: 2022060146, 2022080316  
14 THE COMMISSIONER OF FINANCIAL )  
15 PROTECTION AND INNOVATION, ) CRD Nos.: 159804, 6004145  
16 Complainant, ) Settlement Agreement  
17 v. )  
18 INFINITY CAPITAL GROUP, LLC, an entity; )  
19 STUART JOEL GREENBERG, an individual; )  
20 and SHLOMO MORDECHAI BISTRITZKY, )  
21 an individual, )  
22 Respondents. )

23 This Settlement Agreement is entered between Complainant, the Commissioner of the  
24 California Department of Financial Protection and Innovation (Commissioner), and Respondents,  
25 Infinity Capital Group, LLC, Stuart Joel Greenberg, and Shlomo Mordechai Bistrizky (collectively  
26 the Parties), and is made with respect to the following facts:

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I.

RECITALS

A. The Commissioner has jurisdiction over the licensing and regulation of investment advisers in California under the Corporate Securities Law of 1968 (Corp. Code, § 25000 et seq.) (CSL).<sup>1</sup> The Commissioner is authorized to administer the CSL and the rules and regulations promulgated thereunder (Cal. Code Regs. (CCR), tit. 10, § 260.000 et seq.).

B. Infinity Capital Group (ICG) is a Delaware limited liability company registered with the California Secretary of State on August 8, 2011. ICG’s principal place of business is located at 21700 Oxnard Street, Suite 460, Woodland Hills, California 91367. According to the California Secretary of State, ICG’s registration was forfeited as of March 1, 2022.

C. ICG is an investment adviser licensed by the Commissioner under the CSL since December 14, 2011 (Central Registration Depository (CRD) No. 159804). ICG’s registration status is listed in CRD as “not currently registered-failure to renew” effective December 31, 2018.

D. Stuart Joel Greenberg (Greenberg) is the chief financial officer and manager of ICG. Greenberg has been licensed by the Commissioner since July 25, 2011 as an investment adviser representative (CRD No. 6004145).

E. Shlomo Mordechai Bistritzky (Bistritzky) is the chief executive officer, manager, and agent for service of process for ICG. Bistritzky has been licensed by the Commissioner as an investment adviser representative since July 25, 2011 (CRD No. 6004136).

F. ICG Finance Fund, LP (The ICG Fund) is a Delaware limited partnership incorporated on July 20, 2011, with its principal place of business located at 21700 Oxnard Street, Suite 460, Woodland Hills, California 91367. ICG is the manager of The ICG Fund. As stated in ICG’s offering materials, The ICG Fund began operations in 2012 and is “focused in the specialty finance market offering vehicle financing, personal injury receivable financing, and small business loans financing.”

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<sup>1</sup> All further references are to the Corporations Code unless otherwise indicated.

1 G. On or about March 8, 2012, Respondents filed a “Form ADV — Uniform Application  
2 Investment Adviser Registration and Report by Exempt Reporting Advisers” (ADV) with the  
3 Financial Industry Regulatory Authority (FINRA), reporting under Part 2A that they had  
4 \$340,000.00 assets under management.

5 H. On or about March 21, 2012, Respondents filed a Form ADV Part 1 with FINRA,  
6 stating that they have no clients or assets under management.

7 I. In about December 2018, the Commissioner commenced a regulatory examination of  
8 the books and records of Respondents (2018 Examination) at Respondents’ principal place of  
9 business.

10 J. In January and June 2019, the Commissioner received complaints from two  
11 California investors, from which it appeared Respondents were engaged in business as investment  
12 advisers despite having reported no clients or assets under management to the Commissioner.

13 K. On April 10, 2020, the Commissioner’s examiner (Examiner) sent a letter to  
14 Respondents dated April 10, 2020 titled “General Inquiries relating to ICG Finance Fund, LP” (April  
15 Letter) containing a set of questions regarding The Fund. While Respondents responded to the  
16 questions in the April Letter, they failed to produce pertinent documents the Commissioner needed  
17 to complete the 2018 Examination. As a result, the Commissioner could not complete the 2018  
18 Examination.

19 L. The 2018 Examination and the Commissioner’s investigation of investor complaints  
20 revealed that Respondents engaged in business as investment advisers in violation of several  
21 provisions of the CSL in the manner more fully described below.

22 M. Beginning in or around June 2013, Respondents directly, and through third parties,  
23 offered and sold securities in the form of limited partnership interests in The ICG Fund to at least 27  
24 investors raising approximately \$12,024,246.54. ICG maintained two classes of investors  
25 comprising “fixed income investors” who were guaranteed 12 percent returns on their investments  
26 and “standard investors” who were promised an unspecified percentage of return depending on the  
27 growth of The ICG Fund.

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1 N. Respondents and investors executed Limited Partnership Agreements (LPA), which  
2 among other terms, assured that investors could withdraw their investments after two years of  
3 investing in The ICG Fund. While some investors received income or partial repayments of their  
4 capital investments back, other investors did not receive any income or their principal investments  
5 back as promised.

6 O. Respondents engaged accounting firms, including HC Global Fund Services, LLC  
7 and Provident Trust Group, to maintain The ICG Fund’s securities and provide custodian services to  
8 Respondents.

9 P. The purpose of the offering was to raise pooled funds purportedly for investment in  
10 investment portfolios managed by ICG comprising of an “auto loan portfolio,” “medical receivables  
11 portfolio,” and “small business loan portfolio.”

12 Q. Respondents conducted business as investment advisers and offered and sold  
13 securities in violation of several provisions of the CSL including, but not limited to, the following:

- 14 i. Engaging in activities that do not promote fair, equitable, and ethical  
15 principles in violation of section 25238;
- 16 ii. Willfully failing to ensure that clients received account statements, in  
17 violation of section 25235;
- 18 iii. Failing to provide quarterly and audited statements to investors and  
19 omitting to state material information to investors, in violation of section  
20 25235;
- 21 iv. Willfully charging fees not disclosed in the LPA, in violation of section  
22 25234;
- 23 v. Willfully failing to file Form ADV Annual Updating Amendments in  
24 violation of section 25241 and CCR, title 10, section 260.241.4;
- 25 vi. Willfully failing to comply with reporting requirements, including failing  
26 to report significant events and activities in CRD; maintaining updated  
27 information with the Investment Adviser Registration Depository (IARD)  
28 with accurate answers CCR, title 10, section 260.236.1;
- vii. Willfully failing to meet the minimum net worth requirements, in violation  
of CCR, title 10, section 260.237.2 subdivision (c);

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- viii. Willfully failing to file Annual Report in violation of CCR, title 10, section 260.241.2;
- ix. Willfully failing to maintain books and records in violation of section 25241; and,
- x. Offering and selling unqualified nonexempt securities by means of fraud in violation of sections 25110 and 25401.

R. On April 15, 2022, the Commissioner issued an Accusation with accompanying pleadings seeking to: revoke each Respondent’s investment adviser certificate pursuant to CSL section 25232; bar Bistrizky and Greenberg from the investment advisory industry pursuant to section 25232.1; and claim ancillary relief in the form of restitution to clients (Enforcement Action).

S. Respondents filed timely requests for hearing to contest the Enforcement Action and waived the right to a hearing within 15 days. The Parties are in the process of conducting discovery, but the discovery process is not yet complete. A four-day telephone/videoconference hearing is scheduled to be held in this case on October 24-27, 2022 (excluding weekends), at 9:30 a.m., using the Zoom application.

T. Without admitting the Commissioner’s findings, as set forth in paragraphs A through S, Respondents desire to enter this Settlement Agreement which the Commissioner finds is in the public interest and consistent with the purposes fairly intended by the policies and provisions of the CSL.

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

**II.**  
**Terms and Conditions**

1. Purpose. This Settlement Agreement resolves the issues before the Commissioner, set forth above, in a manner that avoids the expense of a hearing and other possible court proceedings, protects consumers, is in the public interest, and is consistent with the purposes, policies, and provisions of the CSL.

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1           2.       Final Orders Revoking Investment Adviser Certificates. Pursuant to section 25232,  
2 subdivision (e), the investment adviser certificates of Infinity Capital Group, LLC, Shlomo  
3 Mordechai Bistrizky, and Stuart Joel Greenberg are hereby revoked. Respondents further agree to  
4 the finality of these orders.

5           3.       Final Bar Orders. Pursuant to section 25232.1., Shlomo Mordechai Bistrizky and  
6 Stuart Joel Greenberg are hereby barred from any position of employment, management or control  
7 of any investment adviser, broker-dealer, or commodity adviser. Shlomo Mordechai Bistrizky and  
8 Stuart Joel Greenberg agree that they will not reapply for registration as an investment adviser in  
9 California for at least 10 years from the Effective Date of this Settlement Agreement as defined in  
10 paragraph 30. Respondents further agree to the finality of these orders.

11           4.       Restitution. Respondents agree to pay to investors in The ICG Fund the total amount  
12 of \$125,000.00. Payments shall be made pursuant to Exhibit A, incorporated by reference, in the  
13 form of a cashier's check sent to the investor's last known physical address (Restitution Payment) no  
14 later than 60 calendar days after the Effective Date set forth in paragraph 30. Respondents represent  
15 that \$9,694,743.19 has been refunded or distributed to investors to date.

16           5.       Report to Commissioner. No later than 30 calendar days after issuing the Restitution  
17 Payments pursuant to paragraph 4, Respondents shall send to the Commissioner at the Notice  
18 address in paragraph 27 a report containing the following information: name of investor paid; the  
19 address the check was mailed to; amount of check; date check was mailed; and, date the check was  
20 cashed or indication that check remains outstanding.

21           6.       Notice to Investors. Concurrent with issuance of the Restitution Payment,  
22 Respondents shall send to each investor's last known physical mailing address a notice containing  
23 the following language:

24                               Pursuant to a Settlement Agreement entered with the California  
25                               Department of Financial Protection and Innovation, Infinity Capital  
26                               Group Finance Fund, LLC is issuing you the enclosed payment in  
27                               the amount of \$XXX.xx as refund for your investment in The ICG  
28                               Fund.

1 The notice shall not be accompanied by any other documents or text unless first approved by  
2 the Commissioner.

3 7. No Investor Waiver. Restitution Payments made to any investor under this Settlement  
4 Agreement may not be conditioned on waiver of any right. Further, this Settlement Agreement shall  
5 in no way limit or adversely affect the rights or legal remedies of any investor.

6 8. Handling of Uncashed Checks. Respondents shall escheat any returned or unclaimed  
7 Restitution Payments to the California State Controller’s Office within the period provided by Code  
8 of Civil Procedure section 1520 of the Unclaimed Property Law (Code Civ. Proc., § 1500 et seq.). In  
9 the event of escheat, notice shall be sent within 10 calendar days to the Commissioner at the Notice  
10 address in paragraph 27 and shall include a copy of any escheatment report(s) submitted to the  
11 California State Controller.

12 9. Withdrawal of Hearing Request and Waiver of Hearing Rights. Respondents  
13 acknowledge the Commissioner is ready, willing, and able to proceed with a hearing on the  
14 Enforcement Action and on the charges contained in this Settlement Agreement. Respondents  
15 hereby withdraw their requests for hearing filed with the Commissioner. Further, Respondents waive  
16 the right to any hearings, and to any reconsideration, appeal, or other right to review which may be  
17 afforded pursuant to the CSL, the California Administrative Procedure Act, the California Code of  
18 Civil Procedure, or any other provision of law. By waiving such rights, Respondents effectively  
19 consent to the finality of this Settlement Agreement and the orders stipulated herein.

20 10. Full and Final Settlement. The Parties hereby acknowledge and agree that this  
21 Settlement Agreement is intended to constitute a full and final resolution of the violations described  
22 herein, and that no further proceedings or actions will be brought by the Commissioner in connection  
23 with these matters under the CSL or any other provision of law except for proceeding to enforce  
24 compliance with the terms of this Settlement Agreement.

25 11. Remedy for Breach of Settlement Agreement. In the event Respondents fail to  
26 comply with the terms of this Settlement Agreement, it is hereby stipulated and agreed by  
27 Respondents that this Settlement Agreement may be converted to an enforceable civil judgment for  
28 the amount of any Restitution Payments unpaid, as set forth in paragraph 4, not to exceed

1 \$125,000.00 pursuant to the procedure specified by Corporations Code section 25532, subdivision  
2 (f). It is further agreed and stipulated that such civil judgment may be entered by the court on an ex  
3 parte basis without the need of further notice or hearing to Respondents.

4 12. Information Willfully Withheld or Misrepresented. This Settlement Agreement may  
5 be revoked and the Commissioner may pursue any and all remedies available under law against  
6 Respondents if the Commissioner discovers that Respondents knowingly or willfully withheld or  
7 misrepresented material information used for and relied upon in this Settlement Agreement.

8 13. Future Actions by Commissioner. If Respondents fail to comply with any terms of  
9 this Settlement Agreement, the Commissioner may institute proceedings for any and all violations  
10 otherwise resolved under this Settlement Agreement and bring any actions against Respondents, or  
11 any of their partners, owners, officers, shareholders, directors, employees or successors for any and  
12 all unknown violations of the CSL.

13 14. Assisting Other Agencies. Nothing in this Settlement Agreement limits the  
14 Commissioner's ability to assist any other government agency (city, county, state, or federal) with  
15 any prosecution, administrative, civil or criminal brought by that agency against Respondents or any  
16 other person based upon any of the activities alleged in this matter or otherwise.

17 15. Headings. The headings to the paragraphs of this Settlement Agreement are inserted  
18 for convenience only and will not be deemed a part hereof or affect the construction or interpretation  
19 of the provisions hereof.

20 16. Binding. This Settlement Agreement is binding on all heirs, assigns, and/or  
21 successors in interest.

22 17. Reliance: Each of the Parties represents, warrants, and agrees that in executing this  
23 Settlement Agreement it has relied solely on the statements set forth herein and the advice of its own  
24 counsel, if represented. Each of the Parties further represents, warrants, and agrees that in executing  
25 this Settlement Agreement it has placed no reliance on any statement, representation, or promise of  
26 any other party, or any other person or entity not expressly set forth herein, or upon the failure of any  
27 party or any other person or entity to make any statement, representation or disclosure of anything  
28 whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in



1 any way fraudulently induced to execute this Settlement Agreement; and (2) to preclude the  
2 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this  
3 Settlement Agreement.

4 18. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of  
5 this Settlement Agreement will be valid or binding unless it is in writing and signed by each of the  
6 Parties. The waiver of any provision of this Settlement Agreement will not be deemed a waiver of  
7 any other provision. No waiver by either party of any breach of, or of compliance with, any  
8 condition or provision of this Settlement Agreement by the other party will be considered a waiver  
9 of any other condition or provision or of the same condition or provision at another time.

10 19. Full Integration. This Settlement Agreement is the final written expression and the  
11 complete and exclusive statement of all the agreements, conditions, promises, representations, and  
12 covenant between the Parties with respect to the subject matter hereof, and supersedes all prior or  
13 contemporaneous agreements, negotiations, representations, understandings, and discussions  
14 between and among the Parties, their respective representatives, and any other person or entity, with  
15 respect to the subject matter covered hereby.

16 20. No Presumption Against Drafting Party. Each party acknowledges that s/he has had  
17 the opportunity to draft, review, and edit the language of this Settlement Agreement. Accordingly,  
18 the Parties intend that no presumption for or against the drafting party will apply in construing any  
19 part of this Settlement Agreement. The Parties waive the benefit of Civil Code section 1654 as  
20 amended or corresponding provisions of any successor statute, which provide that in cases of  
21 uncertainty, language of a contract should be interpreted most strongly against the party that caused  
22 the uncertainty to exist.

23 21. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that  
24 s/he has received, or had the opportunity to receive, independent advice from his or her attorney(s)  
25 and/or representatives with respect to the advisability of executing this or Settlement Agreement.

26 22. Governing Law. This Settlement Agreement will be governed by and construed in  
27 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,  
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1 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient  
2 forum to the maintenance of such action or proceeding in such court.

3 23. Effect Upon Future Proceedings. If Respondents apply for any license, permit or  
4 qualification under the Commissioner's current or future jurisdiction, or are the subject of any future  
5 action by the Commissioner to enforce this Settlement Agreement, then the subject matter hereof  
6 shall be admitted for the purpose of such application(s) or enforcement proceedings(s).

7 24. Third Parties. This Settlement Agreement does not create or give rise to any private  
8 rights or remedies against Respondents, create any liability for Respondents, or limit the defenses of  
9 Respondents for any person or entity not a party to this Settlement Agreement.

10 25. Voluntary Agreement. Respondents enter into this Settlement Agreement voluntarily  
11 and without coercion and acknowledge that no promises, threats or assurances have been made by  
12 the Commissioner or any officer, or agent thereof, about this Settlement Agreement. The Parties  
13 each represent and acknowledge that they are executing this Settlement Agreement completely  
14 voluntarily and without any duress or undue influence of any kind from any source.

15 26. Counterparts. This Settlement Agreement may be executed in one or more separate  
16 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall  
17 together constitute a single document.

18 27. Notice. Any notice required under this Settlement Agreement shall be provided to  
19 each party at the following addresses:

20 To Respondents: Infinity Capital Group, LLC  
21 c/o Shlomo Bistrizky, CFO  
22 21700 Oxnard Street, Suite 460  
23 Woodland Hills, California 91367

24 To the Commissioner: Uche L. Enenwali, Senior Counsel  
25 Department of Financial Protection and Innovation  
26 320 West 4th Street, Suite 750  
27 Los Angeles, California 90013  
28 Uche.Enenwali@dfpi.ca.gov

1           28.    Signatures. A fax or electronic mail signature shall be deemed the same as an original  
2 signature.

3           29.    Public Record. Respondents hereby acknowledge that this Settlement Agreement is a  
4 matter of public record.

5           30.    Effective Date. This Settlement Agreement shall become final and effective when  
6 signed by all Parties and delivered by the Commissioner's agent via e-mail to:

7 [hsilver@silverlawfirm.com](mailto:hsilver@silverlawfirm.com).

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1           31.    Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary  
2 capacity and authority to sign and enter into this Settlement Agreement and undertakes the  
3 obligations set forth herein.

4 Dated: September 7, 2022

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation



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8 By \_\_\_\_\_  
9 MARY ANN SMITH  
10 Deputy Commissioner  
11 Enforcement Division

12 Dated: September 6, 2022

INFINITY CAPITAL GROUP, LLC

13  
14 By \_\_\_\_\_  
15 SHLOMO MORDECHAI BISTRITZKY, CFO  
16 As an individual and on behalf of Infinity Capital  
17 Group, LLC

18 Dated: September 6, 2022

By \_\_\_\_\_  
STUART JOEL GREENBERG, an individual

19 APPROVED AS TO FORM

20  
21 September 6, 2022

22  
23 By \_\_\_\_\_  
24 ZVI "HERSHY" SILVER, Esq.  
25 SILVER LAW FIRM, APC  
26 Attorneys for Respondents  
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