SETTLEMENT AGREEMENT BETWEEN AZTEC PARTNERS, LLC, BOB LANG AND THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of

THE COMMISSIONER of BUSINESS OVERSIGHT,

Complainant,

v.

Aztec Capital, LLC, and Bob Lang,

Respondents

FILE NO. 166561

SETTLEMENT AGREEMENT BETWEEN
AZTEC PARTNERS, JOHN J. YOON, AND
THE CALIFORNIA DEPARTMENT OF
BUSINESS OVERSIGHT RESOLVING:

1. DESIST AND REFRAIN ORDER; and

2. ORDER LEVying ADMINISTRATIVE PENALTIES

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT ("Agreement") is entered into as of August 29, 2013, by and between the Complainant, California Department of Business Oversight ("Department"), by and through the California Commissioner of Business Oversight ("Commissioner") and the Respondents, Aztec Capital, LLC and Bob Lang (hereinafter collectively the "Parties").

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SETTLEMENT AGREEMENT BETWEEN AZTEC PARTNERS, LLC, BOB LANG AND THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT
RECITALS

This Agreement is made with reference to the following facts:

A. Aztec Capital, LLC (“Aztec”) is a California limited liability company, formed on July 27, 2007, with its principal place of business at 2453 Royal Ave., Simi Valley, California, 93065.

B. Bob Lang (“Lang”) is, and was at all relevant times herein the majority owner and sole control person of Aztec. Lang is authorized to enter into this Agreement on behalf of both Aztec and Lang.

C. On or about March 1, 2013, Aztec filed an application for an investment adviser certificate with the Department. The application revealed that Aztec and Lang were likely engaging in investment adviser activities without a license.

D. On its application, Aztec admitted that it was currently providing investment advice. When the Department inquired about this activity, Aztec fully cooperated, providing information showing that it had four (11) clients, with a total of one million four hundred thousand dollars ($1,400,000.00) under management. The client information provided by Aztec and Lang, themselves, show that they were engaged in unlicensed investment adviser activity in violation of CSL section 25230(a).

E. It is the intention and desire of the Parties to resolve this matter without the necessity of a hearing and/or other litigation.
NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set
forth herein, the Parties agree as follows:

TERMS AND CONDITIONS

1. **Purpose:** The purpose of this Agreement is to settle and resolve the matters
   between the Parties hereto, for judicial economy and expediency, and to avoid the expense of a
   hearing, and possible further court proceedings.

2. **Waiver of Hearing Rights:** Aztec and Lang acknowledge the right to a hearing
   under the Corporate Securities Law of 1968 in connection with the application for an investment
   adviser certificate and hereby waive that right to a hearing, and to any reconsideration, appeal, or
   other right to review which may be afforded pursuant to the Corporate Securities Law of 1968, the
   California Administrative Procedure Act, the California Code of Civil Procedure, or any other
   provision of law, and by waiving such rights, consent to the Penalties becoming final.

3. **Acknowledgement:** Aztec and Lang acknowledge the foregoing recitals of fact.
   The acknowledgment of Aztec and Lang is for the purpose of this and any other future proceedings
   that may be initiated by or brought before the Department. The Parties agree that this Agreement
   and any acknowledgements hereunder shall not be admissible or binding against Aztec or Lang in
   any action(s) brought against Aztec and Lang by third parties that are not signatories to this
   Agreement.

4. **Certification:** Aztec and Lang stipulate to undertake all appropriate steps designed
   to assure full compliance with the laws of California in the conduct of its business. Aztec and Lang
   acknowledge that failure to comply under this Agreement shall be a breach of this Agreement and
   shall be cause for the Commissioner to immediately revoke any licenses held by, and/or deny any
   pending application(s) of Aztec, its successors and assigns, by whatever names they might be
known. Aztec hereby waives any notice and hearing rights to contest such revocations and/or
denial(s) which may be afforded under the Corporate Securities Law of 1968, the California
Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of
law in connection therewith.

5. **Administrative Penalties:** Aztec and Lang agree to pay to the Commissioner
penalties totaling, ten-thousand one-hundred twenty-five dollars ($10,125.00) (“Penalties”). Five-
thousand one-hundred and twenty-five dollars ($5,215.00) of such Penalties shall be paid by Aztec
within 104 days of the execution of this Agreement. The check shall be made payable to “The
Department of Business Oversight,” and shall be sent by Aztec and Lang to the following address:

Erik Brunkal, Esq.
Senior Corporations Counsel
Department of Business Oversight
1515 K St., Suite 200
Sacramento, CA  95814

The remainder of the penalties shall be paid in four (4) equal installments of $1,250.00 on or
the payment due date falls on a weekend or holiday, the payment shall be due the next business day.

Aztec and Lang acknowledge that failure to timely pay the Penalties in this Agreement shall be a
breach of this Agreement and shall be cause for the Commissioner to immediately revoke any
licenses held by, and/or deny any pending application(s) of Aztec, its successors and assigns, by
whatever names they might be known. Aztec and Lang hereby waive any notice and hearing rights
to contest such revocations and/or denial(s) which may be afforded under the Corporate Securities
Law of 1968, the California Administrative Procedure Act, the California Code of Civil Procedure,
or any other provision of law in connection therewith.
6. **Future Actions by the Commissioner:** The Commissioner reserves the right to bring any future action(s) against Aztec and/or any of the officers, directors, shareholders, or employees of Aztec for any and all unknown or future violations of the Corporate Securities Act of 1968. This Agreement shall not serve to exculpate Aztec or any of the officers, directors, shareholders, or employees of Aztec from liability for any and all unknown or future violations of the Corporate Securities Act of 1968.

7. **Effective Date:** This Agreement shall not become effective until signed, and delivered by all parties.

8. **Settlement Agreement Coverage:** The Parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final, and complete resolution of this matter. The Parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agency, county, state or federal, with any prosecution, administrative, civil or criminal, brought by any such agency against Aztec and/or Lang based upon any of the activities alleged in this matter or otherwise.

9. **Independent Legal Advice:** Each of the Parties represents, warrants, and agrees that it has received or been advised to seek independent legal advice from its attorneys with respect to the advisability of executing this Agreement.

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

11. Modifications and Qualified Integration: No amendment, change or modification
of this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of
the parties affected by it.

12. Full Integration: This Agreement is the final written expression and the
complete and exclusive statement of all the agreements, conditions, promises, representations, and
covenants between the parties with respect to the subject matter hereof, and supersedes all
discussions between and among the parties, their respective representatives, and any other person or
entity, with respect to the subject matter covered hereby.

13. No Presumption From Drafting: 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,
connected to, or involving this Agreement. Accordingly, the parties waive the benefit of Civil Code
section 1654 and any successor or amended statute, providing that in cases of uncertainty, language
of a contract should be interpreted most strongly against the party who caused the uncertainty to
exist.

14. Counterparts: This Agreement may be executed in any number of counter-
parts by the Parties, and when each party has signed and delivered at least one such counterpart to
the other party, each counterpart shall be deemed an original and taken together shall constitute one
and the same Agreement.
15. **Headings and Governing Law:** The headings to the paragraphs of this Agreement are inserted for convenience only and will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

16. **Authority For Settlement:** Each party warrants and represents that such party is fully entitled and duly authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of the foregoing, each party warrants and represents that it is fully entitled to enter into the covenants, and undertake the obligations set forth herein.

17. **Public Record:** Aztec and Lang hereby acknowledge that this Agreement will be a matter of public record.

18. **Voluntary Agreement:** The Parties each represent and acknowledge that he, she, or it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

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

California Commissioner of Business Oversight

Dated: 8/29/13

By
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: 8/27/13

Aztec Partners, LLC and Bob Lang

By
BOB LANG, individually and for
Aztec Partners, LLC