

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 BLAINE A. NOBLETT (BAR NO. 235612)
Corporations Counsel
4 320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
5 Telephone: (213) 576-1396 Fax: (213) 576-7181
6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10 In the Matter of THE CALIFORNIA)
11 CORPORATIONS COMMISSIONER,)
12 Complainant,)

OAH Case No.: L-2010070984
File No.: Alpha

13 v.)

14 JAMES RIVERA, as an individual, APOSTLES,)
15 INC., I REALLY WISH I HAD THAT INC.,)
16 and XIONYX, LLC,)
17 Respondents.)

**STIPULATION TO DESIST AND REFRAIN
ORDER THAT JAMES RIVERA, as an
individual, APOSTLES, INC., I REALLY
WISH I HAD THAT INC., AND XIONYX,
LLC DESIST AND REFRAIN FROM THE
OFFER AND SALE OF UNQUALIFIED,
NON-EXEMPT SECURITIES IN
VIOLATION OF SECTION 25110 OF THE
CORPORATIONS CODE**

18)
19)
20)
21)
22)
23)
24 IT IS HEREBY STIPULATED BY AND BETWEEN RESPONDENTS JAMES RIVERA, as
25 an individual, APOSTLES, INC., I REALLY WISH I HAD THAT INC., and XIONYX, LLC
26 (collectively "Respondents") and PRESTON DuFAUCHARD, THE CALIFORNIA
27 CORPORATIONS COMMISSIONER ("Commissioner"), as follows:

28 ///

1 WHEREAS, on June 2, 2010, the Commissioner issued a Desist and Refrain Order against
2 Respondents for the sale of securities that were in the opinion of the Commissioner unqualified, non-
3 exempt securities in violation of Corporations Code section 25110 of the Corporate Securities Law of
4 1968 (Corp. Code, §§ 25000 et seq.) (“CSL”). Attached hereto as **Exhibit A** and incorporated by
5 reference is a true and correct copy of the Desist and Refrain Order dated June 2, 2010 (“Order”).

6 WHEREAS, Respondents, without admitting or denying such charges, seek to resolve the
7 concerns of the Commissioner by entering into this Stipulation regarding the Order.

8 NOW, THEREFORE, the parties hereby stipulate and agree as follows:

9 1. Respondents hereby acknowledge that the Commissioner granted a hearing in relation
10 to the Order, which Respondents have a right to defend. Respondents hereby voluntarily waive their
11 right to a hearing in relation to the Order for violations of Corporations Code section 25110, for
12 selling unqualified, non-exempt securities, and withdraw their hearing request;

13 2. Respondents acknowledge that pursuant to Corporations Code section 25255,
14 remedies for future violations of the CSL are not exclusive and may be sought and employed in any
15 combination to enforce that law. Therefore, it is further stipulated that this agreement does not
16 preclude the Commissioner from seeking additional remedies against Respondents for future
17 violations of the Order or any law under the Commissioner’s jurisdiction not related to this
18 investigation. These remedies include, but are not limited to, administrative actions, civil injunctive
19 and ancillary relief, and making a criminal referral pursuant to California law;

20 3. Respondents enter into this Stipulation voluntarily and without coercion and
21 acknowledge that no promises, threats, or assurances have been made by the Commissioner or any
22 officer, or agent thereof, about this Stipulation; and

23 ///

24 ///

25 ///

26

27

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

4. Respondents and the Commissioner agree that this Stipulation may be executed in one or more separate counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall together constitute and be one and the same instrument.

DATED: 12/15/10

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

DATED: 12/14/10

By _____
JAMES RIVERA, as an individual

DATED: 12/14/10

By _____
JAMES RIVERA, on behalf of APOSTLES, INC.,
I REALLY WISH I HAD THAT INC., and
XIONYX, LLC