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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN MATEO
SOUTHERN BRANCH

People of the State of California,

Plaintiff,

v.

Homeless and Disabled Veterans Corporation, a California nonprofit public benefit corporation; Allen Wilson; Billy Richardson; George Dumas; Atmost, Inc., a California corporation; Arnaldo Tolentino; and DOES 1-100, inclusive,

Defendants.

CIV484517

~~[proposed]~~ **ORDER AND JUDGMENT AS TO DEFENDANTS BILLY RICHARDSON AND ARNALDO TOLENTINO PURSUANT TO THE TERMS OF THEIR SETTLEMENT AGREEMENTS**

Date: September 10, 2010
Time: 3:30 p.m.
Dept: 10, Courtroom 8D
Judge: Hon. G. Buchwald

This Court, having considered plaintiff's motion under section 664.6 of the Code of Civil Procedure for Court to enter judgment pursuant to the terms of the settlement agreements with defendants Billy Richardson and Arnaldo Tolentino, and for Court to retain jurisdiction over the parties to enforce the settlements until performance in full of the terms of their respective settlement agreements, and good cause appearing:

IT IS HEREBY ORDERED that judgment be entered against defendants Billy Richardson and Arnaldo Tolentino as set forth below, and this Court shall retain jurisdiction over plaintiff, defendant Billy Richardson and defendant Arnaldo Tolentino until these parties perform in full the terms of the separate settlement agreements that defendants entered into with plaintiff.

1 **JUDGMENT AS TO DEFENDANT BILLY RICHARDSON**

2 Judgment is entered as to defendant Billy Richardson pursuant to the terms of the
3 Settlement Agreement entered into between plaintiff, the People of the State of California and
4 defendant Richardson. The terms of the Settlement Agreement are set forth below, and the
5 Settlement Agreement is attached to this Judgment as Attachment 1.

6 **Terms of the Settlement Agreement**

7 This Settlement Agreement is entered into by and between the settling parties, Plaintiff, the
8 People of the State of California, by Edmund G. Brown Jr., Attorney General of the State of
9 California ("Attorney General"), and defendant Billy Robert Richardson ("Richardson"),
10 collectively also referred to as "the Settling Parties" in this Agreement. At all times relevant to
11 the underlying lawsuit, defendant Richardson was a director and an officer and/or a de facto
12 director and an officer of Homeless and Disabled Veterans Corporation. The Attorney General
13 sued defendant Richardson in the underlying action for: breach of fiduciary duty, deceptive and
14 misleading solicitation, negligence, unfair competition, and false or misleading statements.
15 Defendant Richardson denies any wrongdoing. The Settling Parties wish to avoid the expense,
16 uncertainty, and inconvenience of further litigation; and thus, state that all claims alleged against
17 defendant Richardson arising out of the of above-captioned action have been settled, and that the
18 Court may enter the Order that follows the terms of the Settlement Agreement, on the facts,
19 terms, and conditions set forth below:

20 1. The Court has continuing personal and subject-matter jurisdiction over the Settling
21 Parties as to the above-reference lawsuit. The Court shall retain jurisdiction until defendant
22 Richardson's final performance of the terms of the Settlement Agreement. Any applicable
23 statute, rule or Court order affecting timely prosecution of this action, including the five-year
24 dismissal statute and the 10-year statute of limitations under Government Code section 12596 are
25 hereby tolled. The Court shall retain jurisdiction as the ends of justice may require for purposes
26 of enabling each party to this Settlement Agreement to apply to the Court at any time for such
27 further orders and direction as may be necessary or appropriate, including but not limited to: (a)
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1 the construction of this Settlement Agreement; (b) the enforcement of this Settlement Agreement;
2 and (c) the punishment for any violation of the terms of the Settlement Agreement.

3 2. This Settlement Agreement constitutes a stipulation for settlement and shall be
4 enforceable under Code of Civil Procedure section 664.6.

5 3. Defendant Richardson shall pay to the Attorney General's Office \$10,000 in civil
6 penalties, \$9,000 of which will be stayed subject to defendant Richardson's full and complete
7 compliance with the other terms of this Settlement Agreement. Within 10 calendar days of the
8 date of execution of this Settlement Agreement, Richardson shall pay \$1,000 in civil penalties
9 currently due to the Attorney General's Office located at 455 Golden Gate Avenue, Suite 11000,
10 San Francisco, CA 94102, addressed to the attention of Deputy Attorney General Elizabeth Kim.
11 The check shall be made payable to the California Department of Justice. Pursuant to California
12 Government Code section 12586.2, these funds shall be used exclusively by the Charitable Trust
13 Section solely for the administration of the Attorney General's charitable trust enforcement
14 responsibilities.

15 4. Defendant Richardson agrees that for the remainder of the year 2010 and for the next
16 10 years thereafter, he will not solicit, nor enter into any contracts or agreements to solicit
17 charitable donations in California on his own behalf, on behalf of any corporation/company he
18 owns/controls, and/or on behalf of any California charitable organization/entity/foundation/group
19 or charitable trust.

20 5. Defendant Richardson agrees that for the remainder of the year 2010 and for the next
21 10 years thereafter, he will not serve in any fiduciary role or capacity, as a director, a board
22 member, and/or an officer of any California charitable organization/entity/foundation/group or
23 charitable trust.

24 6. Defendant Richardson agrees to fully cooperate and to assist the Attorney General in
25 his prosecution of this action against defendants Arnaldo Tolentino, Atmos, Inc., Homeless and
26 Disabled Veterans Corporation, Allen Wilson, and George Dumas. Defendant Richardson's
27 cooperation and assistance shall include, but not be limited to:
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1 a. providing to the Attorney General, upon request, promptly and without the
2 necessity of a formal discovery request, any and all information and documents reasonably
3 available to him regarding all facts, events, and occurrences at issue in the underlying action;

4 b. testifying fully and truthfully regarding all facts, events, and occurrences
5 known to defendant Richardson and at issue in the underlying action;

6 c. providing any declarations requested by the Attorney General, under penalty of
7 perjury, regarding the facts, events, and occurrences at issue in the underlying action; and

8 d. appearing for any trial, court proceeding, or noticed depositions.

9 7. This Settlement Agreement contains the entire agreement and understanding between
10 the Settling Parties concerning the subject matter of this action and supersedes all other
11 agreements of any kind concerning the subject matter of this Settlement Agreement. Each of the
12 Settling Parties warrants that no promise or inducement has been offered to him except as set
13 forth in this Settlement Agreement, and that the Settlement Agreement is executed without
14 reliance on any statement or representation by any person or parties, or their representatives,
15 concerning the nature and extent of injuries and/or damages and/or legal liabilities pertaining to
16 the underlying action.

17 8. The Settling Parties each individually acknowledge that they have read the entire
18 Settlement Agreement and understand it and have had an opportunity to discuss the content with
19 an attorney and/or make whatever investigation or inquiry that party may deem necessary or
20 desirable in connection with this Settlement Agreement.

21 9. The Settling Parties each individually represent that they are legally competent to
22 execute this Settlement Agreement.

23 10. This Settlement Agreement shall be governed by the laws of the State of California.

24 11. Each party shall bear his own attorney fees and costs.

25 12. This Settlement Agreement may be executed in separate counterparts, each of which
26 shall be deemed an original, and said counterparts shall together constitute one Settlement
27 Agreement, binding upon the Settling Parties.

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1 **JUDGMENT AS TO DEFENDANT ARNALDO TOLENTINO**

2 Judgment is entered as to defendant Arnaldo Tolentino pursuant to the terms of the
3 Settlement Agreement entered into between plaintiff, the People of the State of California and
4 defendant Tolentino. The terms of the Settlement Agreement are set forth below, and the
5 Settlement Agreement is attached to this Judgment as Attachment 2.

6 **Terms of the Settlement Agreement**

7 This Settlement Agreement is entered into by and between the settling parties, Plaintiff, the
8 People of the State of California, by Edmund G. Brown Jr., Attorney General of the State of
9 California ("Attorney General"), and defendant Arnaldo Tolentino ("Tolentino"), collectively
10 also referred to as "the Settling Parties" in this Agreement. At all times relevant to the underlying
11 lawsuit, defendant Tolentino was the sole director, officer, and shareholder of Atmost, Inc. The
12 Attorney General sued defendant Tolentino in the underlying action for: deceptive and
13 misleading solicitation, breach of fiduciary duty, negligence, solicitation by a commercial
14 fundraiser in violation of registration and reporting statutes, unfair competition, and false or
15 misleading statements. Defendant Tolentino denies any wrongdoing. The Settling Parties wish to
16 avoid the expense, uncertainty, and inconvenience of further litigation; and thus, state that all
17 claims alleged against defendant Tolentino arising out of the of above-captioned action have been
18 settled, and that the Court may enter the Order that follows the terms of the Settlement
19 Agreement, on the facts, terms, and conditions set forth below:

20 1. The Court has continuing personal and subject-matter jurisdiction over the Settling
21 Parties as to the above-reference lawsuit. The Court shall retain jurisdiction until defendant
22 Tolentino's final performance of the terms of the Settlement Agreement. Any applicable statute,
23 rule or Court order affecting timely prosecution of this action, including the five-year dismissal
24 statute and the 10-year statute of limitations under Government Code section 12596 are hereby
25 tolled. The Court shall retain jurisdiction as the ends of justice may require for purposes of
26 enabling each party to this Settlement Agreement to apply to the Court at any time for such
27 further orders and direction as may be necessary or appropriate, including but not limited to: (a)
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1 the construction of this Settlement Agreement; (b) the enforcement of this Settlement Agreement;
2 and (c) the punishment for any violation of the terms of the Settlement Agreement.

3 2. This Settlement Agreement constitutes a stipulation for settlement and shall be
4 enforceable under Code of Civil Procedure section 664.6.

5 3. Defendant Tolentino shall pay to the Attorney General's Office \$10,000 in civil
6 penalties, \$9,000 of which will be stayed subject to defendant Tolentino's full and complete
7 compliance with all of the terms of this Settlement Agreement. Following the execution of this
8 Settlement Agreement, defendant Tolentino shall pay, in four payments, \$1,000 in civil penalties
9 currently due to the Attorney General's Office located at 455 Golden Gate Avenue, Suite 11000,
10 San Francisco, CA 94102, addressed to the attention of Deputy Attorney General Elizabeth Kim.
11 The checks shall be made payable to California Department of Justice, and shall be delivered to
12 the Attorney General's Office as follows: \$250 by September 1, 2010, or sooner; \$250 by
13 October 1, 2010 or sooner; \$250 by November 1, 2010 or sooner; and \$250 by December 1, 2010
14 or sooner. Pursuant to California Government Code section 12586.2, these funds shall be used
15 exclusively by the Charitable Trust Section solely for the administration of the Attorney
16 General's charitable trust enforcement responsibilities. In the event that defendant Tolentino fails
17 to fully cooperate with the Attorney General in effectuating the terms of this settlement or should
18 he violate any settlement term, the \$9000 penalty which has been stayed shall be immediately due
19 and owed to the Attorney General and paid upon written demand and defendant Tolentino shall
20 be liable for any attorneys fees and costs associated with recovery of that penalty.

21 4. Defendant Tolentino agrees that for the remainder of the year 2010 and for the next
22 10 years thereafter, up to and including the year 2020, he will not solicit, nor enter into any
23 contracts or agreements to solicit charitable donations in California on his own behalf, on behalf
24 of any corporation or company he owns/controls, and/or on behalf of any California charitable
25 organization, entity, foundation, group or charitable trust.

26 5. Defendant Tolentino agrees that for the remainder of the year 2010 and for the next
27 10 years thereafter, up to and including the year 2020, he will not serve in any fiduciary role or
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1 capacity, as a director, a board member, a trustee, and/or an officer of any California charitable
2 organization, entity, foundation, group or charitable trust.

3 6. Defendant Tolentino agrees to fully cooperate and to assist the Attorney General in
4 the prosecution of this action against defendants Homeless and Disabled Veterans Corporation,
5 Allen Wilson, Billy Richardson, George Dumas, and Atmos, Inc. Defendant Tolentino's
6 cooperation and assistance shall include, but not be limited to:

7 a. providing to the Attorney General, upon request, promptly and without the
8 necessity of a formal discovery request, any and all information and documents reasonably
9 available to him regarding all facts, events, and occurrences at issue in the underlying action;

10 b. testifying fully and truthfully regarding all facts, events, and occurrences
11 known to defendant Tolentino and at issue in the underlying action;

12 c. providing any declarations requested by the Attorney General, under penalty of
13 perjury, regarding the facts, events, and occurrences at issue in the underlying action;

14 d. appearing for any trial, court proceeding, or noticed depositions with service of
15 a notice to appear sent first class mail to defendant Tolentino's last known address;

16 e. informing Deputy Attorney General Elizabeth Kim of defendant Tolentino's
17 current contact information, including home address, telephone numbers (work, cell, and home)
18 and e-mail address; and

19 f. informing Deputy Attorney General Elizabeth Kim of any change of contact
20 information for defendant Tolentino, including home address, telephone numbers (work, cell, and
21 home) and e-mail address by telephone and written notice within 48 hours of such change, such
22 duty to inform to continue until the case with the remaining defendants is finally resolved.

23 7. Defendant Tolentino agrees to fully cooperate and to assist the Attorney General in
24 the resolution of the action filed in the United States Bankruptcy Court, for the Northern District
25 of California, entitled *People of the State of California v. Arnaldo B. Tolentino*, Adversary Case
26 No. 09-3169. Defendant Tolentino's cooperation and assistance in the resolution of the above-
27 entitled action shall include, but not be limited to:

1 a. providing to the Attorney General, upon request, promptly and without the
2 necessity of a formal discovery request, any and all information and documents reasonably
3 available to him regarding all facts, events, and occurrences at issue in the underlying action;

4 b. testifying fully and truthfully regarding all facts, events, and occurrences
5 known to defendant Tolentino and at issue in the underlying action;

6 c. providing any declarations requested by the Attorney General, under penalty of
7 perjury, regarding the facts, events, and occurrences at issue in the underlying action;

8 d. appearing for any trial, court proceeding, or noticed depositions with service of
9 a notice to appear sent first class mail to Tolentino's last known address;

10 e. informing Deputy Attorney General Elizabeth Kim of defendant Tolentino's
11 current contact information, including home address, telephone numbers (work, cell, and home)
12 and e-mail address; and

13 f. informing Deputy Attorney General Elizabeth Kim of any future change of
14 contact information for defendant Tolentino, including home address, telephone numbers (work,
15 cell, and home) and e-mail address by telephone and written notice within 48 hours of such
16 change, such duty to inform to continue until the case with the remaining defendants is finally
17 resolved.

18 8. This Settlement Agreement contains the entire agreement and understanding between
19 the Settling Parties concerning the subject matter of this action and supersedes all other
20 agreements of any kind concerning the subject matter of this Settlement Agreement. Each of the
21 Settling Parties warrants that no promise or inducement has been offered to him except as set
22 forth in this Settlement Agreement, and that the Settlement Agreement is executed without
23 reliance on any statement or representation by any person or parties, or their representatives,
24 concerning the nature and extent of injuries and/or damages and/or legal liabilities pertaining to
25 the underlying action.

26 9. The Settling Parties each individually acknowledge that they have read the entire
27 Settlement Agreement and understand it and have had an opportunity to discuss the content with
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an attorney and/or make whatever investigation or inquiry that party may deem necessary or desirable in connection with this Settlement Agreement.

10. The Settling Parties each individually represent that they are legally competent to execute this Settlement Agreement.

11. This Settlement Agreement shall be governed by the laws of the State of California.

12. Each party shall bear his own attorney fees and costs.

13. This Settlement Agreement may be executed in separate counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one Settlement Agreement, binding upon the Settling Parties.

*IT IS SO ORDERED,
ADJUDGED, AND DECREED.*

Dated: 10 Sept. 2010

Gerald J. Buchwald
Gerald J. Buchwald
Judge of the Superior Court