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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

11 In the Matter of the Accusation of THE) File No.963-0491
12 COMMISSIONER OF BUSINESS)
OVERSIGHT,)
13) SETTLEMENT AGREEMENT
Complainant,)
14)
vs.)
15)
16 CENTRAL CALIFORNIA ESCROW CO.,)
17)
18 Respondent.)
19)
20)

21 This Settlement Agreement is entered into between Central California Escrow (“CCE”) and
22 the Commissioner of Business Oversight ("Commissioner"), and is made with respect to the
23 following facts:

24 RECITALS

- 25 A. CCE is a corporation in good standing, duly formed and existing pursuant to the laws
26 of the State of California, and authorized to conduct business in the State of California.
27 B. CCE currently holds escrow agent’s license number 963-0491 with its principal place
28 of business located at 9101 Camino Media, Suite 250, Bakersfield, California 93311.

1 C. Bill Redmond is the president of CCE and is authorized to enter into this Settlement
2 Agreement on behalf of CCE.

3 D. On November 13, 2014, CCE was personally served with a Notice of Intention to
4 Issue Order Suspending Escrow Agent's License; Accusation and accompanying documents issued
5 by the Commissioner on November 7, 2014 ("Suspension Action"). CCE was also personally served
6 on November 13, 2014 with an Order Imposing Penalties Pursuant to California Financial Code
7 Section 17408 issued by the Commissioner on November 7, 2014 ("Penalty Order"). CCE has filed
8 Notices of Defense with the Commissioner.

9 It is the intention and desire of the parties to resolve these matters without the necessity of a
10 hearing and/or other litigation.

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

13 TERMS AND CONDITIONS

14 1. This Settlement Agreement is entered into for the purpose of judicial economy and
15 expediency, and to avoid the expense of a hearing, and possible further court proceedings.

16 2. CCE, without admitting or denying any of the allegations contained in the Suspension
17 Action and Penalty Order, agrees to the immediate issuance by the Commissioner of an Order
18 suspending the escrow agent license of CCE for a period of ten business days to commence on
19 December 26, 2014 and end on January 9, 2015. In connection with the suspension, CCE shall file
20 with the Commissioner at close of business the business day immediately preceding the date on
21 which the suspension is to commence a list of all open escrows with escrow numbers and escrow
22 party names along with a copy of the signed escrow instructions or signed deposit receipt(s) for the
23 last opened escrow. For purposes of this Settlement Agreement, open escrow shall mean an escrow
24 wherein the parties to such escrow have already entered into a binding agreement and monies and/or
25 escrow instructions have been submitted to CCE regarding the transaction. A copy of the suspension
26 order is attached and incorporated as Exhibit A.

27 4. CCE agrees that the Penalty Order is hereby deemed a final order. CCE
28 acknowledges that the penalties accruing pursuant to the Penalty Order for the untimely filing of its

1 2013/2014 audit report totaled \$42,500.00 as of June 17, 2014; the date when the 2013/2014 audit
2 report was filed. As full settlement of the Penalty Order, CCE agrees to pay to the Commissioner
3 the sum of \$5,000.00 in penalties, which shall be paid simultaneously with the execution of this
4 Settlement Agreement.

5 5. CCE acknowledges its right to an administrative hearing under Financial Code
6 sections 17408 and 17608 in connection with the Penalty Order and Suspension Action, and hereby
7 waives its right to a hearing, and to any reconsideration, appeal, or other rights which may be
8 afforded pursuant to the Escrow Law, the California Administrative Procedure Act, the California
9 Code of Civil Procedure, or any other provision of law in connection with the Penalty Order and
10 Suspension Action.

11 6. CCE acknowledges that it has a change of ownership application pending with the
12 Commissioner wherein the shares of Arnold B. and Yvonne Powers, representing 70% of the
13 outstanding shares of CCE, are being transferred to Bill Redmond and Ken Carter. CCE has been
14 notified that certain deficiencies exist in the pending change of ownership application. The
15 Commissioner hereby agrees that CCE shall be allowed 90 days from the date of execution of this
16 Settlement Agreement to complete its application to change ownership. The Commissioner further
17 agrees to extend the 90 day period up to a further 30 days in order for CCE to complete the change
18 of ownership application if through no fault of CCE items remain pending at the end of the initial 90
19 day period. CCE agrees to immediately surrender its escrow agent license in the event the change of
20 ownership cannot be completed in the time frame provided herein.

21 7. CCE agrees that if CCE's escrow agent's license is not surrendered to the
22 Commissioner as required by paragraph 6 above within 15 days after written notice to CCE at the
23 addresses last provided to the Commissioner, the license shall be automatically revoked and any
24 rights to a hearing regarding such revocation are hereby waived.

25 8. The parties hereby acknowledge and agree that this Settlement Agreement is intended
26 to constitute a full, final and complete resolution of the Suspension Action and Penalty Order. The
27 parties further acknowledge and agree that nothing contained in this Settlement Agreement shall
28 operate to limit the Commissioner's ability to assist any other agency, (city, county, state or federal)

1 with any prosecution, administrative, civil or criminal, brought by any such agency against Topline
2 based upon any of the activities alleged in these matters or otherwise.

3 9. Each of the parties represents, warrants, and agrees that it has received independent
4 advice from its attorney(s) and/or representative(s) with respect to the advisability of executing this
5 Settlement Agreement.

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

16 11. This Settlement Agreement is the final written expression and the complete and
17 exclusive statement of all the agreements, conditions, promises, representations, and covenants
18 between the Parties with respect to the subject matter hereof, and supersedes all prior or
19 contemporaneous agreements, negotiations, representations, understandings, and discussions
20 between and among the Parties, their respective representatives, and any other person or entity, with
21 respect to the subject matter covered hereby.

22 12. In that the parties have had the opportunity to draft, review and edit the language of
23 this Settlement Agreement, no presumption for or against any party arising out of drafting all or any
24 part of this Settlement Agreement will be applied in any action relating to, connected, to, or
25 involving this Settlement Agreement. Accordingly, the parties waive the benefit of California Civil
26 Code section 1654 and any successor or amended statute, providing that in cases of uncertainty,
27 language of a contract should be interpreted most strongly against the party who caused the
28 uncertainty to exist.

