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4 Department of Business Oversight
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7 Attorneys for Complainant

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

11	In the Matter of the Accusation of THE)	OAH No.: 2014080118
12	COMMISSIONER OF BUSINESS)	
13	OVERSIGHT,)	File No.: 963-1752
14	Complainant,)	SETTLEMENT AGREEMENT
15	vs.)	
16	CHRISTINE CHUNG,)	
17)	
18	Respondent.)	
19)	

20
21 This Settlement Agreement is entered into between Christine Chung (“Chung”) and the
22 Commissioner of Business Oversight ("Commissioner"), and is made with respect to the following
23 facts:

24 RECITALS

25 A. Chung is, and was at all times relevant to the proceedings described in paragraph B
26 below, the president and an escrow officer of United Escrow Co. (“United”), an escrow agent
27 licensed by the Commissioner pursuant to the Escrow Law (Financial Code §17000 et seq.). United
28 has its principal place of business located at 3440 Wilshire Boulevard, Suite 600, Los Angeles,

1 California 90010

2 B. On July 11, 2014, Chung was personally served with a Notice of Intention to Issue
3 Order Pursuant to Financial Code Section 17423 (Bar From any Position of Employment,
4 Management or Control); Accusation and accompanying documents issued by the Commissioner on
5 July 9, 2014 (“Accusation”). Chung has filed a Notice of Defense with the Commissioner. A three-
6 day hearing before the Los Angeles Office of Administrative Hearings is currently scheduled to
7 commence on February 24, 2015.

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

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

12 TERMS AND CONDITIONS

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

15 2. Chung, without admitting or denying any of the allegations contained in the
16 Accusation, agrees to the immediate issuance by the Commissioner of an order suspending Chung
17 from any position of employment, management or control of any escrow agent for a period of
18 eighteen months. The suspension order shall become effective upon execution of this Settlement
19 Agreement. A copy of the suspension order is attached and incorporated as Exhibit A.

20 3. Chung acknowledges her right to an administrative hearing under Financial Code
21 section 17423 in connection with the suspension and hereby waives her right to a hearing, and to any
22 reconsideration, appeal, or other rights which may be afforded pursuant to the Escrow Law, the
23 Administrative Procedure Act, the Code of Civil Procedure, or any other provision of law in
24 connection with this matter herein.

25 4. Chung further agrees to pay to the Commissioner the sum of \$10,000.00 as
26 administrative penalties, which shall be paid in two payments. The first payment shall be in the
27 amount of \$2,500.00 and is due on or before February 5, 2015. The remaining and final payment
28 shall be in the amount of \$7,500.00 and is due and payable on or before March 16, 2015. The

1 payments shall be made by certified checks payable to the Department of Business Oversight and
2 shall be sent to the Department, attention Judy L. Hartley, Senior Corporations Counsel, 320 W. 4th
3 Street, Los Angeles, California 90403. Chung acknowledges that failure to timely make the first
4 payment shall cause the entire unpaid balance to become immediately due and payable, and further
5 agrees that if payment of the entire unpaid balance is not tendered to the Commissioner within 5
6 days after written notice of demand, the suspension provided for in paragraph 2 above shall
7 automatically be extended by the number of days that payment(s) is late. Chung waives any notice
8 and hearing rights to contest any such additional suspension which may be afforded under the
9 Escrow law, the Administrative Procedure Act, the Code of Civil Procedure, or any other provision
10 of law in connection therewith.

11 5. The parties hereby acknowledge and agree that this Settlement Agreement is intended
12 to constitute a full, final and complete resolution of the Accusation. The parties further acknowledge
13 and agree that nothing contained in this Settlement Agreement shall operate to limit the
14 Commissioner's ability to assist any other agency, (city, county, state or federal) with any
15 prosecution, administrative, civil or criminal, brought by any such agency against Chung based upon
16 any of the activities alleged in these matters or otherwise.

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

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

1 Settlement Agreement.

2 8. This Settlement Agreement is the final written expression and the complete and
3 exclusive statement of all the agreements, conditions, promises, representations, and covenants
4 between the Parties with respect to the subject matter hereof, and supersedes all prior or
5 contemporaneous agreements, negotiations, representations, understandings, and discussions
6 between and among the Parties, their respective representatives, and any other person or entity, with
7 respect to the subject matter covered hereby.

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

15 10. This Settlement Agreement shall not become effective until signed and delivered by
16 all parties.

17 11. This Settlement Agreement may be executed in one or more counterparts, each of
18 which shall be an original but all of which, together, shall be deemed to constitute a single
19 document. This Settlement Agreement may be executed by facsimile signature, and any such
20 facsimile signature by any party hereto shall be deemed to be an original signature and shall be
21 binding on such party to the same extent as if such facsimile signature were an original signature.

22 12. Any notice required under this Settlement Agreement shall be addressed as follows:

23 To Christine Chung: Rose Pothier, Esq.
24 Pothier & Associates
25 2122 North Broadway, Second Floor
Santa Ana, California 92706

26 Karel Rocha, Esq.
27 Prevost, Normandin, Bergh & Dawe
28 2122 North Broadway, Second Floor
Santa Ana, California 92706

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To the Commissioner: Judy L. Hartley, Esq.
Senior Corporations Counsel
Department of Business Oversight
320 W. 4th Street, Suite 750
Los Angeles, California 90013-2344

13. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Settlement Agreement.

Dated: 2/2/15 JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner

Dated: 1/29/15 By _____
CHRISTINE CHUNG

APPROVED AS TO FORM:
POTHIER & ASSOCIATES

By _____
ROSE POTHIER, ESQ. Attorney for CHRISTINE CHUNG

PRENOVOST, NORMANDIN, BERGH & DAWE

By _____
KAREL ROCHA, ESQ. Attorney for CHRISTINE CHUNG

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
JUDY L. HARTLEY
Senior Corporations Counsel