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

11 In the Matter of:) OAH NO. 2017010764
12)
13 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,) ESCROW LICENSE NO. 963-2059
14)
15 Complainant,)
16 v.)
17) SETTLEMENT AGREEMENT
18 PETER HOM,)
19)
20 Respondent.)
21)
22) Trial Date: June 5-8, 2017
23) Time: 9:00 A.M.
24) Location: 320 West Fourth Street, Suite 630
25) Los Angeles, CA 90013
26)
27)
28)

23 This Settlement Agreement (Settlement Agreement) is entered into between Complainant the
24 Commissioner of Business Oversight (Commissioner) and Respondent Peter Hom (Hom). The
25 Commissioner and Hom shall collectively be referred to as the "Parties."

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RECITALS

A. Hom was the president and sole owner of Citadel Escrow Inc. (Citadel Escrow), an escrow agent licensed by the Commissioner under the Escrow Law (Fin. Code, § 17000 et seq.) (Escrow Law). At all relevant times, Citadel Escrow was a California corporation. Citadel Escrow’s principal place of business is 10995 Eucalyptus Street, Suite 102, Rancho Cucamonga, California, 91730. Citadel Escrow has a branch office at 17100 Pioneer Blvd., Suite 312, Artesia, California 90701.

B. On or about August 12, 2016, the Commissioner issued a Notice of Intention to Issue Order Barring Peter Hom from Any Position of Employment, Management, Or Control of Any Escrow Agent Pursuant to Financial Code section 17423 of the Escrow Law, Accusation, and accompanying documents (Accusation).

C. The Commissioner personally served the Accusation on Hom on August 26, 2016.

D. On or about September 2, 2016, Hom filed a Special Notice of Defense and Request for Hearing with the Commissioner acknowledging receipt of the above-listed documents and requesting a hearing in the above-referenced matter. The matter is currently scheduled to be heard from June 5-8, 2017, before the Office of Administrative Hearings at 320 West Fourth Street, Suite 630, Los Angeles, California 90013.

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

TERMS AND CONDITIONS

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

2. Issuance of An Order Pursuant to Financial Code Section 17423. Hom hereby agrees to the issuance by the Commissioner of an order suspending Hom from any position of employment, management or control of any escrow agent for a period of five years (Suspension Order). The

1 Suspension Order shall become effective upon the Effective Date as defined in paragraph 16 of this
2 Settlement Agreement. A copy of the Suspension Order is attached and incorporated as **Exhibit 1**.

3 3. Hom's Waiver of Hearing Rights. Hom acknowledges his right to an administrative
4 hearing under the Escrow Law in connection with the Accusation and hereby waives that right to a
5 hearing, and to any reconsideration, appeal, or other rights which may be afforded pursuant to the
6 Escrow Law, the California Administrative Procedure Act, the California Code of Civil Procedure,
7 or any other provision of law in connection with these matters.

8 4. Settlement Agreement Coverage. The Parties hereby acknowledge and agree that this
9 Settlement Agreement is intended to constitute a full, final and complete resolution of the
10 Accusation, excepting therefrom any proceeding or action if such proceeding or action is based upon
11 facts not presently known to the Commissioner or which were knowingly concealed from the
12 Commissioner by Hom or is based upon failure by Hom to abide by any of the terms in this
13 Settlement Agreement or Suspension Order. The Parties further acknowledge and agree that nothing
14 contained in this Settlement Agreement shall operate to limit the Commissioner's ability to assist
15 any other agency, (city, county, state or federal) with any prosecution, administrative, civil or
16 criminal, brought by any such agency against Hom based upon any of the activities alleged in these
17 matters or otherwise.

18 5. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that it
19 has had an opportunity to seek independent advice from its attorney(s) and/or representatives with
20 respect to the advisability of executing this Settlement Agreement.

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

1 supplement, or contradict the terms of this Settlement Agreement.

2 7. Modifications and Qualified Integration. No amendment, change or modification of
3 this agreement shall be valid or binding to any extent unless it is in writing and signed by all of the
4 parties affected by it.

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

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

18 10. Voluntary Agreement. Hom enters into this Settlement Agreement voluntarily and
19 without coercion and acknowledges that no promises, threats or assurances have been made by the
20 Commissioner or any officer, or agent thereof, about this Settlement Agreement. The Parties each
21 represent and acknowledge that he, she or it is executing this Agreement completely voluntarily
22 and without any duress or undue influence of any kind from any source.

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

27 12. Waiver. The waiver of any provision of this Settlement Agreement shall not operate
28 to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms
of this Settlement Agreement must be in writing and signed by the parties.

1 13. Counterparts. This Agreement may be executed in any number of counter-parts
2 by the Parties, and when each party has signed and delivered at least one such counterpart to the
3 other party, each counterpart shall be deemed an original and taken together shall constitute
4 one and the same Agreement.

5 14. Signatures. This Agreement may be executed by facsimile or scanned signature, and
6 any such facsimile or scanned signature by any party hereto shall be deemed to be an original
7 signature and shall be binding on such party to the same extent as if such facsimile or scanned
8 signature were an original signature.

9 15. Governing Law. This Settlement Agreement shall be construed and enforced in
10 accordance with and governed by California law.

11 16. Effective Date. This Settlement Agreement shall not become effective until signed by
12 all parties and delivered by the Commissioner’s counsel by email to counsel for Peter Hom, Karel
13 Rocha, Esq. at krocha@pnbd.com.

14 17. Capacity to Contract. Each signator hereto covenants that he/she possesses all
15 necessary capacity and authority to sign and enter into this Settlement Agreement.

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17 Dated: 6/5/17

JAN LYNN OWEN
Commissioner of Business Oversight

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19 By _____

MARY ANN SMITH
Deputy Commissioner
Enforcement Division

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23 Dated: 5/26/17

PETER HOM

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By _____

Peter Hom

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APPROVED AS TO FORM:

KAREL ROCHA, ESQ.
PRENOVOST, NORMANDIN, BERGH & DAWE
Counsel for Peter Hom

DANIELLE A. STOUMBOS
Counsel for Commissioner of Business Oversight