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8 Attorneys for Complainant

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

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13 In the Matter of the Petition for Reinstatement) FILE NO.: Alpha
of:)
14)
15 CHRISTOPHER ALLEN RUSSELLO) **ORDER DENYING PETITION FOR**
) **REINSTATEMENT (Govt. Code, § 11522)**
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21 TO: KAMALA D. HARRIS
22 ATTORNEY GENERAL, STATE OF CALIFORNIA
California Department of Justice
23 P.O. Box 944255
24 Sacramento, California 94244-2550

25 CHRISTOPHER ALLEN RUSSELLO
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1 Petitioner, Christopher Allen Russello ("Russello"), filed a petition for reinstatement of
2 position of employment, management or control of an escrow agent from which Russello was barred
3 in proceedings entitled *In the Matter of the Accusation of the Commissioner of Corporations of the*
4 *State of California v. Christopher Allen Russello*, OAH Case No. L-56593 ("Disciplinary
5 Proceeding"). This agency having considered the petition finds that:

6 Petitioner is not entitled to reinstatement of employment, management or control of an escrow
7 agent for the following reasons:

8 1. In his April 15, 2013 reinstatement petition, Russello fails to disclose the fact that the
9 California Department of Real Estate ("DRE") recently denied Russello's Mortgage Loan Originator
10 license endorsement ("MLO") application. On or about March 28, 2013, DRE issued a Statement of
11 Issues in support of its decision to deny Russello's MLO license application. Russello failed to
12 disclose in his application the Commissioner's Disciplinary Proceeding against him. Moreover,
13 when asked if he had ever been the subject of discipline by a state agency, Russello responded "no."
14 On the basis of Russello's failure to disclose his disciplinary history with the Department of
15 Corporations, DRE denied Russello's MLO application. Russello has now appealed DRE's denial
16 decision and that matter is currently pending before the Office of Administrative Hearings.

17 2. Russello states in his petition that he "was previous [sic] employed as an escrow
18 officer with LPS Title & Escrow Services, Woodland Hills, California." Despite this assertion,
19 Russello fails to provide any letters of support from his former employer to aid his claim of
20 rehabilitation. The only proof of rehabilitation Russello offers are his own self-serving statements,
21 including his assertion that he "poses no threat of public safety, [and] therefore Respondent has been
22 completely rehabilitated . . ." Russello fails to provide any independent corroborating evidence in
23 support of his claim of rehabilitation.

24 3. Finally, Russello's violations of the Escrow Law (Fin. Code, § 17000 et seq.), as set
25 forth in the findings of the Administrative Law Judge in the Russello Disciplinary Proceeding, are of
26 such an egregious nature because he was found to have knowingly disbursed or caused the disbursal
27 of trust funds otherwise than in accordance with the escrow instructions in violation of Financial
28 Code section 17414, subdivision (a), knowingly abstracted or misappropriated trust funds in violation

1 of Financial Code section 17414, subdivision (b), and knowingly paid out money from escrow
2 accounts in excess of the credit balance of such escrow accounts in violation of California Code of
3 Regulations, Title 10, section 1738.1, amongst other violations. As indicated above, Russello fails to
4 demonstrate, by way of his petition and written argument, that he no longer poses a threat to the
5 public given his past misconduct.

6 4. In light of the foregoing, Russello has failed to show that he is presently capable of
7 holding a position of employment, management or control of an escrow company.

8 WHEREFORE, IT IS ORDERED that the Petition be denied.

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10 Dated: July 10, 2013
11 Los Angeles, California



12 Commissioner of Business Oversight

13 By _____
14 MARY ANN SMITH
15 Deputy Commissioner
16 Enforcement Division

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