

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN M. ROONEY
Assistant Chief Counsel
3 JUDY L. HARTLEY (State Bar No. 110628)
Senior Counsel
4 Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
5 Los Angeles, California 90013-2344
Telephone: (213) 576-7604
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
9 OF THE STATE OF CALIFORNIA
10

11 In the Matter of:

12 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,)

ESCROW LICENSE No.: 96DBO-72261

14 Complainant,)

SETTLEMENT AGREEMENT

15 v.)

16 GOLDEN SUNSET ESCROWS, INC.,)

17 Respondent.)

18
19 This Settlement Agreement is entered into by and between the Commissioner of Financial
20 Protection and Innovation formerly the Commissioner of Business Oversight (Commissioner) and
21 Golden Sunset Escrows, Inc. (Golden Sunset), and is made with respect to the following facts:

22 **I.**

23 **Recitals**

24 A. The Department of Financial Protection and Innovation formerly the Department of
25 Business Oversight (Department), through the Commissioner, has jurisdiction over the licensing and
26 regulation of independent escrow agents pursuant to the California Escrow Law (Fin. Code §17000,
27 et seq.) (Escrow Law).

28 ///

1 B. Golden Sunset is a corporation in good standing, duly formed and existing pursuant to
2 the laws of the State of California and authorized to conduct business in the State of California.

3 C. Golden Sunset currently holds escrow agent’s license number 96DBO-72261 with its
4 principal place of business located at 1755 South Grand Avenue, Glendora, California 91740.

5 D. Roger Felix is the president of Golden Sunset and is authorized to enter into this
6 Settlement Agreement on behalf of Golden Sunset.

7 E. On January 7, 2020, Golden Sunset was personally served by the Commissioner with
8 a Notice of Intention to Issue Order Revoking Escrow Agent’s License; Accusation and
9 accompanying documents issued by the Commissioner on January 6, 2020 (Accusation). Golden
10 Sunset filed a Notice of Defense with the Commissioner regarding the Accusation.

11 F. It is the intention and desire of the parties to resolve the Accusation without the
12 necessity of a hearing and/or other litigation.

13 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions
14 contained herein, the Commissioner and Golden Sunset (the Parties) agree as follows:

15 **II.**

16 **Terms and Conditions**

17 1. **Purpose.** This Settlement Agreement resolves the Accusation in a manner that
18 avoids the expense of a hearing and other possible court proceedings, protects consumers, is in the
19 public interest, and is consistent with the purposes, policies, and provisions of the Escrow Law.

20 2. **Order to Discontinue Violations (Escrow Law).** Pursuant to Financial Code section
21 17603, Golden Sunset Escrows, Inc. is hereby ordered to discontinue:

22 a. violating Financial Code section 17210 by failing to maintain required liquid
23 assets and tangible net worth; and

24 b. violating Financial Code section 17406 by failing to timely file an annual audit
25 report containing audited financial statements.

26 3. **Quarterly Financial Statements.** Golden Sunset also agrees to submit to the
27 Commissioner quarterly financial statements prepared by Golden Sunset’s certified public accountant
28 (CPA) to determine continued compliance with the liquid asset and tangible net worth requirements

1 of Financial Code section 17210. The quarterly financial statements are due no later than 20 days
2 after the conclusion of each quarter, and such quarterly financial statements shall be submitted for a
3 period of two years (eight quarters). The first quarterly financial statement(s) is due February 20,
4 2021 for the quarter November 2020, December 2020, and January 2021. The final quarterly
5 financial statement(s) is due November 20, 2022 for the quarter August, September, and October
6 2022. The quarterly financial statements shall be submitted to the Commissioner directly from
7 Golden Sunset's CPA and shall be sent to the Department of Financial Protection and Innovation,
8 attention Judy L. Hartley, Senior Counsel, 320 W. 4th Street, Los Angeles, California 90013. The
9 quarterly financial statements shall be in addition to the annual audit report required pursuant to
10 Financial Code section 17406 and any other financial statement(s) required pursuant to the Escrow
11 Law (Financial Code §17000 et. seq.).

12 4. **Costs.** Golden Sunset shall pay the Commissioner costs and expenses in this matter in
13 the sum of \$12,000.00 (Costs). The Costs are due within 5 business days of the Effective Date, as
14 defined in Paragraph 23 below (Effective Date), and should be made payable in the form of a
15 cashier's check or Automated Clearing House deposit to the "Department of Financial Protection and
16 Innovation" and transmitted to the attention of: Accounting – Enforcement Division, Department of
17 Financial Protection and Innovation, 2101 Arena Boulevard, Sacramento, California 95834. Notice
18 of such payment shall be forwarded to Judy L. Hartley, Senior Counsel, Department of Financial
19 Protection and Innovation, 320 West 4th Street, Suite 750, Los Angeles, California 90013.

20 5. **Waiver of Hearing Rights.** Golden Sunset acknowledges the Commissioner is
21 ready, willing, and able to proceed with the administrative enforcement action described in Paragraph
22 D above. Golden Sunset hereby waives its right to any hearing, and to any reconsideration, appeal, or
23 other right to review which may be afforded pursuant to the Escrow Law, the California
24 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
25 in connection herewith. Golden Sunset further waives any right to an administrative hearing under
26 Financial Code section 17604 in connection with the Order to Discontinue Violations agreed to
27 herein. By waiving such rights, Golden Sunset effectively consents to this Settlement Agreement and
28 the Order to Discontinue Violations becoming final.

1 6. **Consideration.** Except as set forth in paragraph 7 below, in consideration of Golden
2 Sunset’s agreement to the issuance of an Order to Discontinue Violations, submit quarterly financial
3 statements, and pay costs as provided for in paragraphs 2 - 4 above, the Commissioner hereby agrees
4 not to revoke the escrow agent’s license of Golden Sunset as a result of this action.

5 7. **Failure to Comply.** Golden Sunset agrees that failure to comply with the provisions
6 of paragraph 3 above, or if any such quarterly financial statement submitted discloses that Golden
7 Sunset fails to meet the liquid asset and/or tangible net worth requirements of Financial Code section
8 17210, and 10 days following the issuance of a written notice of demand to cure and no cure is
9 forthcoming, the Commissioner may, in addition to all other available remedies under the Escrow
10 Law, summarily revoke the escrow agent’s license of Golden Sunset. Golden Sunset waives any
11 notice and hearing rights to contest such summary revocation which may be afforded under the
12 Escrow Law, the Administrative Procedure Act, the Code of Civil Procedure, or any other provision
13 of law in connection therewith.

14 8. **Full and Final Settlement.** The Parties hereby acknowledge and agree that this
15 Settlement Agreement is intended to constitute a full, final, and complete resolution of the
16 Accusation, and that no further proceedings or actions will be brought by the Commissioner in
17 connection with the Accusation under the Escrow Law or any other provision of law, excepting
18 therefrom any proceeding to enforce compliance with the terms of this Settlement Agreement.

19 9. **Information Willfully Withheld or Misrepresented.** This Settlement Agreement
20 may be revoked, and the Commissioner may pursue any and all remedies available under the law
21 against Golden Sunset if the Commissioner discovers that Golden Sunset knowingly or willfully
22 withheld information used for and relied upon in this Settlement Agreement.

23 10. **Assisting Other Agencies.** Nothing in this Settlement Agreement limits the
24 Commissioner’s ability to assist any other government agency (city, county, state, or federal) with
25 any administrative, civil or criminal prosecutions brought by that agency against Golden Sunset or
26 any other person based upon any of the activities alleged in this matter or otherwise.

27 11. **Headings.** The headings to the paragraphs of this Settlement Agreement are for
28 convenience only and will not be deemed a part hereof or affect the construction or interpretation of

1 the provisions hereof.

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

11 13. **Waiver, Amendments, and Modifications**. No waiver, amendment, or modification
12 of this Settlement Agreement will be valid or binding unless it is in writing and signed by each of the
13 Parties. The waiver of any provision of this Settlement Agreement will not be deemed a waiver of
14 any other provision. No waiver by either party of any breach of, or of compliance with, any
15 condition or provision of this Settlement Agreement by the other party will be considered a waiver of
16 any other condition or provision or of the same condition or provision at another time.

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

23 15. **Governing Law**. This Settlement Agreement will be governed by and construed in
24 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,
25 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
26 forum to the maintenance of such action or proceeding in such court.

27 16. **Counterparts**. This Settlement Agreement may be executed in one or more separate
28 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall

1 together constitute a single document.

2 17. **Mandatory Disclosure in Future Applications.** Golden Sunset agrees to disclose
3 this Settlement Agreement in any application for a license, permit, registration, or qualification
4 under the Commissioner’s current or future jurisdiction.

5 18. **Effect Upon Future Proceedings.** If Golden Sunset is the subject of any future
6 action by the Commissioner to enforce this Settlement Agreement, then the subject matter hereof
7 shall be admitted for the purpose of such action.

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

13 20. **Notice.** Any notice/report required under this Settlement Agreement shall be
14 addressed as follows:

15 To Golden Sunset: Roger Felix, President
16 Golden Sunset Escrows, Inc.
17 1755 South Grand Avenue
18 Glendora, California 91740
19 roger@goldensunsetescrows.com

20 To the Commissioner: Judy L. Hartley, Esq.
21 Senior Counsel
22 Department of Financial Protection and Innovation
23 320 W. 4th Street, Suite 750
24 Los Angeles, California 90013-2344
25 judy.hartley@dfpi.ca.gov

26 21. **Signatures.** A fax or electronic mail signature shall be deemed the same as an
27 original signature.

28 22. **Public Record.** Golden Sunset hereby acknowledges that this Settlement Agreement
is and will be a matter of public record.

29 23. **Effective Date.** This Settlement Agreement shall become final and effective when
signed by all Parties and delivered by the Commissioner’s counsel via e-mail to the president of

1 Golden Sunset at roger@goldensunsetescrows.com.

2 24. **Authority to Sign.** Each signatory hereto covenants that he or she possesses all
3 necessary capacity and authority to sign and enter into this Settlement Agreement and undertake the
4 obligations set forth herein.

5 Dated: November 20, 2020

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

6

7

By _____

8

MARY ANN SMITH
Deputy Commissioner

9

Dated: November 17, 2020

GOLDEN SUNSET ESCROWS, INC.

10

11

By _____

12

ROGER FELIZ, President

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28