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9
10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
11 OF THE STATE OF CALIFORNIA
12

13 In the Matter of:) OAH NO. 2015071015
14 THE COMMISSIONER OF BUSINESS) ESCROW LICENSE NO. 963-1948
15 OVERSIGHT,)
16 Complainant,)
17 v.) SETTLEMENT AGREEMENT
18 CALIFORNIA ESCROW SERVICE, INC.,)
AND NANCY KIM.)
19 Respondents.) Trial Date: January 20-21, 2016
20) Time: 9:00 A.M.
21) Location: 320 W. 4th St., Suite # 630
Los Angeles, CA 90013
22)

23 This Settlement Agreement (“Agreement”) is entered into between California Escrow Service,
24 Inc. (“CES”), Nancy Kim (“Kim”) and the Commissioner of Business Oversight (“Commissioner”)
25 (collectively the “Parties”), and is made with respect to the following facts, terms, and conditions:

26 **RECITALS**

27 A. CES is a corporation in good standing, duly formed and existing under the laws of the
28 State of California, and authorized to conduct business in this state.

1 B. CES currently holds escrow agent’s license number 963-1948, with its principal place
2 of business located at 3580 Wilshire Blvd., Suite # 710, Los Angeles, CA 90010.

3 C. Nancy Kim is CES’s president and owner and authorized to enter into this Agreement
4 on behalf of CES and herself.

5 D. On March 9, 2015, the Commissioner personally served CES and Kim with a Notice
6 of Intention to Issue Orders Barring Nancy Kim From Any Position of Employment, Management,
7 and Control of Any Escrow Agent and Revoking California Escrow Service, Inc.’s Escrow Agent
8 License, Accusation, and accompanying documents issued on March 6, 2015 (“Bar and Revocation
9 Action”). CES and Kim have filed notices of defense with the Commissioner, requesting
10 administrative hearings on the Bar and Revocation Action.

11 E. The Office of Administrative Hearings has scheduled an administrative hearing from
12 January 20-21, 2016.

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

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

17 **TERMS AND CONDITIONS**

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

20 2. The Commissioner, CES and Kim agree to the issuance of an Amended Accusation
21 attached to this Settlement Agreement (“Agreement”) as Exhibit “A” and admit the allegations
22 contained in the Amended Accusation.

23 3. Kim agrees to the issuance of an Order Barring Nancy Kim From Any Position of
24 Employment, Management, and Control of Any Escrow Agent pursuant to Financial Code section
25 17423 (“Bar Order”) attached as Exhibit “B” and hereby waives her right to a hearing on the Bar
26 Order, and to any reconsideration, appeal, or other right which may be afforded under the California
27 Escrow Law (Fin. Code, § 17000 et seq.); the Administrative Procedure Act (Govt. Code, § 11370 et
28 seq.); the Code of Civil Procedure (Code of Civ. Proc., § 1, et seq.).

1 4. CES agrees to file an application for change of ownership within 90 days from the
2 date of execution of this Agreement. The Commissioner reserves its rights pursuant to the California
3 Escrow Law (Financial Code section 17000 et seq.) to approve all applications for change in
4 ownership. CES agrees that any party that wishes to acquire ownership in CES will be a party that is
5 not related by blood, familial relations, or otherwise allow Kim to be involved in the operations of the
6 business that purchases CES. As part of the application for change of ownership, CES agrees to
7 submit signed declarations, under penalty of perjury, from both Nancy Kim and the party that wishes
8 to acquire ownership in CES, attesting that they are not related by blood, familial relations, or allow
9 Kim to be involved in the operations of the business that purchases CES. The Commissioner agrees
10 to not unreasonably delay approval of an application to change ownership submitted by CES within
11 90 days from the date of execution of this Agreement.

12 5. CES agrees that if CES is unable to comply with terms of the Agreement set forth in
13 Paragraph 4 above, CES's escrow agent license shall be automatically revoked and any rights to a
14 hearing, reconsideration, appeal, or other right which may be afforded under the California Escrow
15 Law (Fin. Code, § 17000 et seq.); the Administrative Procedure Act (Govt. Code, § 11370 et seq.);
16 the Code of Civil Procedure (Code of Civ. Proc., § 1, et seq.) pertaining to this revocation are hereby
17 waived.

18 6. The parties acknowledge and agree that this Agreement is intended as a full, final, and
19 complete resolution of the Bar and Revocation Action. The parties further acknowledge and agree
20 that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist
21 any other agency (city, county, state, or federal) with any prosecution, administrative, civil, criminal,
22 brought by any such agency against CES and Kim based on any of the activities alleged in these
23 matters or otherwise.

24 7. CES and Kim enter into this Agreement voluntarily and without coercion and
25 acknowledge that no promises, threats, or assurances have been made by the Commissioner or any
26 officer, or agent thereof, about this Agreement.

27 8. The Commissioner reserves the right to bring any future actions against CES and Kim
28 or any of its officers, directors, shareholders, or employees for any and all unknown or future

1 violations of the Escrow Law. This Agreement shall not serve to exculpate CES or Kim or any of its
2 officers, directors, shareholders, or employees from any liability for any and all unknown or future
3 violations of the Escrow Law.

4 9. Each of the parties represents and warrants that they have received independent advice
5 from their attorneys and/or other representatives with respect to the advisability of executing this
6 Agreement.

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

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

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

28 13. The waiver of any provision of this Agreement shall not operate to waive any other

1 provision set forth herein, and any waiver, amendment and/or change to the terms of this Agreement
2 must be in writing and signed by the parties.

3 14. This Agreement shall not become effective until signed by all parties.

4 15. This Agreement may be executed in one or more counterparts, each of which shall be
5 an original but all of which, together, shall be deemed to constitute a single document.

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

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

12 Dated: 1/20/16 JAN LYNN OWEN
13 Commissioner of Business Oversight

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

18 Dated: 1/20/16 CALIFORNIA ESCROW SERVICE, INC. AND
19 NANCY KIM

20 By: _____
21 NANCY KIM,
22 Individually and as President and Owner of
23 California Escrow Service, Inc.

24
25 APPROVED AS TO FORM:

26 BECKER LAW GROUP

27 _____
28 TODD BECKER, ESQ. Attorney for NANCY KIM
AND CALIFORNIA ESCROW SERVICE, INC.

1 JAN LYNN OWEN
2 Commissioner of Business Oversight

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4 By _____
5 JOHNNY VUONG
6 Senior Counsel

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