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7  
8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
9 OF THE STATE OF CALIFORNIA

10 THE COMMISSIONER ) File No. 963-2546  
OF BUSINESS OVERSIGHT OF )  
11 THE STATE OF CALIFORNIA, )  
12 )  
Complainant, ) **SETTLEMENT AGREEMENT**  
13 v. )  
14 WEE PREFER ESCROW, INC., STEVE )  
YANG and TAMMI NGUYEN )  
15 )  
16 Respondents. )  
17

18 This Settlement Agreement is entered into between Wee Prefer Escrow, Inc. (“WPE”), Steve  
19 Yang (“Yang”), and Tammi Nguyen (Nguyen”), on the one hand, and the California Commissioner  
20 of Business Oversight ("Commissioner"), on the other hand, and is made with respect to the  
21 following facts:

22 **RECITALS**

23 A. WPE is a corporation in good standing, duly formed and existing pursuant to the laws  
24 of the State of California, and authorized to conduct business in the State of California.

25 B. WPE is an escrow agent licensed by the Commissioner pursuant to the Escrow Law  
26 of the State of California (California Financial Code § 17000 et seq.). WPE has its principal place of  
27 business located at 642 Katella Avenue, Orange, California 92867.

28 C. Yang is, and was at all times relevant to the Accusation described in paragraph E

1 below (“Accusation”), the president and owner of WPE.

2 D. Nguyen is, and was at all times relevant to the Accusation described in paragraph E  
3 below, the escrow manager of WPE.

4 E. On October 24, 2013, WPE, Yang, and Nguyen were personally served by the  
5 Commissioner with a Notice of Intention to Issue Order to Revoking Escrow Agent’s License and  
6 Orders Pursuant to Section 17423 (Bar from Employment, Management or Control of an Escrow  
7 Agent), Accusation and accompanying documents dated October 21, 2013.

8 F. It is the intention and desire of the parties to resolve this matter without the necessity  
9 of a 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. WPE, Yang and Nguyen admit the allegations contained in the Accusation. The  
16 admissions of WPE, Yang and Nguyen are solely for the limited purposes of these proceedings and  
17 any future proceeding(s) that may be initiated by or brought before the Commissioner against WPE,  
18 Yang and Nguyen. It is the intent and understanding between the parties that this Settlement  
19 Agreement, and particularly the admissions of WPE, Yang and Nguyen, shall not be binding or  
20 admissible against WPE, Yang and Nguyen in any action(s) brought against them by third parties.

21 3. Yang agrees to the issuance by the Commissioner of an order barring Yang from any  
22 position of employment, management or control of any escrow agent for a period of five years. The  
23 bar order shall be effective upon execution of the Settlement Agreement. A copy of the bar order is  
24 attached and incorporated as Exhibit A.

25 4. Yang acknowledges his right to an administrative hearing under Financial Code  
26 section 17423 in connection with the bar and hereby waives that right to a hearing, and to any  
27 reconsideration, appeal, or other rights which may be afforded pursuant to the Escrow Law, the  
28 California Administrative Procedure Act, the California Code of Civil Procedure, or any other

1 provision of law in connection with this matter herein.

2           5.       Nguyen agrees to the issuance by the Commissioner of an order barring Nguyen from  
3 any position of employment, management or control of any escrow agent for a period of five years.  
4 The bar order shall be effective upon execution of the Settlement Agreement. A copy of the bar  
5 order is attached and incorporated as Exhibit B.

6           6.       Nguyen acknowledges her right to an administrative hearing under Financial Code  
7 section 17423 in connection with the bar and hereby waives that right to a hearing, and to any  
8 reconsideration, appeal, or other rights which may be afforded pursuant to the Escrow Law, the  
9 California Administrative Procedure Act, the California Code of Civil Procedure, or any other  
10 provision of law in connection with this matter herein.

11           7.       The Commissioner hereby agrees that Yang shall be allowed 90 days following the  
12 execution of this Agreement within which to sell all of the issued and outstanding shares of stock of  
13 WPE. The 90 day period shall commence upon execution of this Settlement Agreement. The  
14 Commissioner further agrees to extend the 90 day period up to a further 30 days, if necessary, in  
15 order for Yang to complete the sale of WPE. The 90 day and 30 day period referenced herein shall  
16 be referred to as the “Sale Period.” The Commissioner acknowledges and agrees that, in the event  
17 the sale of WPE to a prospective buyer fails to be completed (either due to the Commissioner failing  
18 to approve such sale, or otherwise) during the pendency of the Sale Period, Yang shall nevertheless  
19 have the right to sell WPE to another buyer so long as the sale is completed during the Sale Period.  
20 Any sale of WPE shall be an arms-length transaction to an independent third party in which Yang  
21 and Nguyen shall not have any personal or financial interest, or any interest in employment,  
22 management or control. WPE and Yang agree that in the event a sale is not completed within the  
23 Sale Period, the escrow agent’s license of WPE shall be automatically revoked and any rights to a  
24 hearing regarding such revocation and to any reconsideration, appeal, or other rights which may be  
25 afforded pursuant to the Escrow Law, the California Administrative Procedure Act, the California  
26 Code of Civil Procedure, or any other provision of law in connection therewith are hereby waived.

27           8.       WPE and Yang hereby acknowledge that pursuant to California Financial Code  
28 Section 17213, any change of ownership of an ongoing independent escrow agent business must be

1 approved by the Commissioner through the filing of an Application for Change of Ownership.

2 9. WPE and Yang understand that WPE must be in compliance with the Escrow Law, to  
3 include net worth and liquid asset requirements, annual audit reporting, and books and records  
4 maintenance prior to approval of the change of ownership.

5 10. Except as otherwise provided in paragraph 9 above, the Commissioner hereby agrees  
6 to process the change of ownership in an expeditious manner, which shall include prompt notice of  
7 any deficiency in the completeness of the change of ownership application. WPE and Yang agree  
8 that in the event that the Commissioner abandons or denies the change of ownership application as  
9 provided by the Escrow Law, and the time set forth in paragraph 7 above has passed, the escrow  
10 agent’s license of WPE shall be automatically revoked.

11 11. Notwithstanding paragraph 3 above, during the time period set forth in paragraph 7  
12 above and including any extension granted thereunder by the Commissioner, Yang, as the owner of  
13 WPE, shall be allowed to take such steps as are necessary to sell WPE as contemplated by this  
14 Settlement Agreement. However, under no circumstances, shall such steps by Yang include  
15 processing any escrow transactions and/or signing on the trust account.

16 12. WPE and Yang hereby acknowledge and understand that a closing audit report shall be  
17 submitted to the Commissioner within 105 days from the date of any order revoking WPE’s escrow  
18 agent’s license. Yang agrees that if a closing audit report is not submitted to the Commissioner, a  
19 subsequent order will be issued to bar him from any position of employment, management or control  
20 of any escrow agent for a period of ten years, and this order shall supersede the order described in  
21 paragraph 3 above. The waiver provisions of paragraph 4 shall apply to this order.

22 13. WPE, Yang and Nguyen shall, jointly and severally, pay to the Commissioner the  
23 sum of twenty one thousand seven hundred ninety six dollars (\$21,796) for her legal, investigative,  
24 and examination costs in this matter. The check shall be made payable to the Department of  
25 Business Oversight and sent to Timothy L. Le Bas, 1515 K Street, Suite 200, Sacramento, CA  
26 95814. This sum shall be paid within 60 days from approval of a change of ownership, or within 60  
27 days from revocation of its license, as described herein. Yang and Nguyen agree that if the full sum  
28 is not paid to the Commissioner as required by this paragraph, subsequent orders will be issued to

1 bar Yang and Nguyen from any position of employment, management or control of any escrow  
2 agent for a period of ten years, and these orders shall supersede the orders described in paragraphs 3  
3 and 5 above. The waiver provisions of paragraphs 4 and 6 shall apply to these orders.

4 14. Except as otherwise provided herein, the parties agree that this Settlement Agreement  
5 shall have the effect of dismissing that portion of the Notice of Intention relating to the revocation of  
6 WPE’s escrow agent’s license. The dismissal shall become effective upon the approval of the  
7 change of ownership described in paragraph 8 above. This dismissal shall have no effect on the  
8 validity of WPE’s admissions herein.

9 15. The parties hereby acknowledge and agree that this Settlement Agreement is intended  
10 to constitute a full, final and complete resolution of this matter. The parties further acknowledge and  
11 agree that nothing contained in this Settlement Agreement shall operate to limit the Commissioner’s  
12 ability to assist any other agency, (county, state or federal) with any prosecution, administrative,  
13 civil or criminal, brought by any such agency against WPE, Yang or Nguyen or any other person  
14 based upon any of the activities alleged in this matter or otherwise.

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

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

28 18. This Settlement Agreement is the final written expression and the complete and

1 exclusive statement of all the agreements, conditions, promises, representations, and covenants  
2 between the parties with respect to the subject matter hereof, and supersedes all prior or  
3 contemporaneous agreements, negotiations, representations, understandings, and discussions  
4 between and among the parties, their respective representatives, and any other person or entity, with  
5 respect to the subject matter covered hereby.

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

13 20. This Settlement Agreement shall not become effective until signed and delivered by  
14 all parties.

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

20 22. Each signator hereto covenants that he/she possesses all necessary capacity and  
21 authority to sign and enter into this Settlement Agreement.

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Dated: 3/7/2014

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner

Dated: 02/27/2014

WEE PREFER ESCROW, INC.

By \_\_\_\_\_  
STEVE YANG, President and Owner

Dated: 02/27/2014

By \_\_\_\_\_  
STEVE YANG, an individual

Dated: 02/27/2014

By \_\_\_\_\_  
TAMMI NGUYEN, an individual

APPROVED AS TO FORM:

DUNN, LEE & KEARY

By \_\_\_\_\_  
GRANT KEARY, ESQ. Attorney for WEE PREFER  
ESCROW, INC., STEVE YANG and TAMMI NGUYEN

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
TIMOTHY L. Le BAS  
Senior Corporations Counsel