

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 JOHNNY O. VUONG (State Bar No. 249570)
Senior Counsel
4 DANIELLE A. STOUMBOS (State Bar No. 264784)
Senior Counsel
5 Department of Business Oversight
320 W. 4th Street, Suite 750
6 Los Angeles, California 90013-2344
7 Telephone: (213) 576-7591
Facsimile: (213) 576-7181

8 Attorneys for Complainant

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

12
13 In the Matter of:) OAH Case No.: L-2016090549
14 THE COMMISSIONER OF BUSINESS) ESCROW LICENSE NO.: 963-2059
OVERSIGHT,)
15 Complainant,) SETTLEMENT AGREEMENT
16)
17 v.)
18 ANDERSON LEE,)
19 Respondent.)

20
21 This Settlement Agreement (“Settlement Agreement” or “Agreement”) shall be binding on the
22 Commissioner of Business Oversight, and her officers, employees, agents, representatives,
23 successors, and attorneys (collectively, the “Commissioner”) and Anderson Lee (“Lee”). The
24 Commissioner and Lee shall collectively be referred to as the “Parties.”

25 **RECITALS**

26 A. Citadel Escrow Inc ("Citadel Escrow") is a California corporation and an escrow agent
27 licensed by the Commissioner under the Escrow Law of the State of California (Fin. Code, § 17000 et
28 seq.) ("Escrow Law"). Citadel Escrow received its escrow agent’s license on March 9, 2004.

1 B. Citadel Escrow’s principal place of business is 2910 E. Inland Empire Boulevard,
2 Suite 110, Ontario, California 91764. Citadel Escrow has two approved branch offices located at: (a)
3 17100 Pioneer Blvd., Suite 312, Artesia, California 90701; and (b) 7910 Girard Ave., #8, La Jolla,
4 California 92037.

5 C. Anderson Lee (“Lee”) is a Senior Escrow Officer at Citadel Escrow’s Artesia office
6 and has been employed by Citadel Escrow since at least November 2013.

7 D. On or about August 12, 2016, the Commissioner issued a Notice of Intention to Issue
8 Order Barring Anderson Lee from Any Position of Employment, Management, Or Control of Any
9 Escrow Agent Pursuant to Financial Code section 17423, Accusation, and accompanying documents.

10 E. On or around September 6, 2016, Lee filed a Notice of Defense with the
11 Commissioner acknowledging receipt of the above-listed documents and requesting a hearing in the
12 above-referenced matter. The matter is currently scheduled to be heard on October 7 & 10, 2016,
13 before the Office of Administrative Hearings at 320 West 4th Street, Suite 630, Los Angeles,
14 California 90013.

15 F. The Commissioner finds that this action is appropriate in the public interest and
16 consistent with the purposes fairly intended by the policy and provisions of this law.

17 G. It is the intention and desire of the Parties to resolve this matter without the necessity
18 of a hearing and/or other litigation.

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

21
22 **TERMS AND CONDITIONS**

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

26 2. **Issuance of Order Pursuant to Financial Code Section 17423.** Lee hereby agrees
27 to the issuance by the Commissioner of an order suspending Lee from any position of employment,
28 management or control of any escrow agent for 6 months (the “Suspension Order”) pursuant to

1 Financial Code section 17423. The Suspension Order shall become effective upon execution of this
2 Settlement Agreement. A copy of the Suspension Order is attached and incorporated as **Exhibit A**.

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

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

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

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

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

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

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

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

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

26 12. **Waiver.** The waiver of any provision of this Settlement Agreement shall not operate
27 to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms
28 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. **Governing Law**. This Settlement Agreement shall be construed and enforced in
6 accordance with and governed by California law.

7 15. **Effective Date**. This Settlement Agreement shall not become effective until signed
8 and delivered by all parties.

9 16. **Capacity to Contract**. Each signator hereto covenants that he/she possesses all
10 necessary capacity and authority to sign and enter into this Settlement Agreement.

11 17. **Signatures**. A fax signature or e-mail scanned signature of this Consent Order shall
12 be as effective as an original ink signature.

13 18. **Public Record**. Lee hereby acknowledges that this Settlement Agreement will be a
14 matter of public record.

15 ///
16 ///
17 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: 10/6/16

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: 10/6/16

ANDERSON LEE

By _____
Anderson Lee

APPROVED AS TO FORM AND CONTENT:

KAREL ROCHA
Prenovost Normandin Bergh & Dawe
Counsel for Anderson Lee

DANIELLE A. STOUMBOS
Senior Counsel for Commissioner of Business Oversight