

1 Department of Real Estate  
2 P. O. Box 187000  
3 Sacramento, CA 95818-7000

4 Telephone: (916) 227-0789

FILED  
JUL 29 2005

DEPARTMENT OF REAL ESTATE

By D. Seals

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) NO. H-1754 FRESNO  
12 DANIEL DEAN BLOUGH and )  
13 PREMIER LENDING SERVICES, INC., ) STIPULATION AND AGREEMENT  
14 Respondents. ) IN SETTLEMENT  
 ) AND ORDER

15 It is hereby stipulated by and between PREMIER LENDING  
16 SERVICES, INC. and DANIEL DEAN BLOUGH (hereinafter  
17 "Respondents") and their attorney of record, Eliot S. Nahigian,  
18 of Coleman & Horowitz, LLP, and the Complainant, acting by and  
19 through David B. Seals, Counsel for the Department of Real  
20 Estate, as follows for the purpose of settling and disposing of  
21 the Accusation filed on February 16, 2005, in this matter:

- 22 1. All issues which were to be contested and all  
23 evidence which was to be presented by Complainant and  
24 Respondents at a formal hearing on the Accusation, which hearing  
25 was to be held in accordance with the provisions of the  
26 Administrative Procedure Act (APA), shall instead and in place

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1 thereof be submitted solely on the basis of the provisions of  
2 this Stipulation and Agreement in Settlement.

3           2. Respondents have received, read and understand the  
4 Statement to Respondent, the Discovery Provisions of the APA and  
5 the Accusation filed by the Department of Real Estate in this  
6 proceeding.

7           3. A Notice of Defense was filed on February 28, 2005  
8 by Respondents, pursuant to Section 11505 of the Government Code  
9 for the purpose of requesting a hearing on the allegations in  
10 the Accusation. Respondents hereby freely and voluntarily  
11 withdraw said Notice of Defense. Respondents acknowledge that  
12 they understand that by withdrawing said Notice of Defense they  
13 will thereby waive their right to require the Commissioner to  
14 prove the allegations in the Accusation at a contested hearing  
15 held in accordance with the provisions of the APA and that they  
16 will waive other rights afforded to them in connection with the  
17 hearing such as the right to present evidence in defense of the  
18 allegations in the Accusation and the right to cross-examine  
19 witnesses.

20           4. This Stipulation is based on the factual  
21 allegations contained in the Accusation. In the interests of  
22 expedience and economy, Respondents choose not to contest these  
23 allegations, but to remain silent and understand that, as a  
24 result thereof, these factual allegations, without being  
25 admitted or denied, will serve as a prima facie basis for the  
26 disciplinary action stipulated to herein. The Real Estate

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1 Commissioner shall not be required to provide further evidence  
2 to prove said factual allegations.

3           5. It is understood by the parties that the Real  
4 Estate Commissioner may adopt the Stipulation and Agreement in  
5 Settlement as his decision in this matter thereby imposing the  
6 penalty and sanctions on Respondents' real estate licenses and  
7 license rights as set forth in the below "Order". In the event  
8 that the Commissioner in his discretion does not adopt the  
9 Stipulation and Agreement in Settlement, it shall be void and of  
10 no effect, and Respondents shall retain the right to a hearing  
11 and proceeding on the Accusation under all the provisions of the  
12 APA and shall not be bound by any admission or waiver made  
13 herein.

14           6. The Order or any subsequent Order of the Real  
15 Estate Commissioner made pursuant to this Stipulation and  
16 Agreement in Settlement shall not constitute an estoppel, merger  
17 or bar to any further administrative or civil proceedings by the  
18 Department of Real Estate with respect to any matters which were  
19 not specifically alleged to be causes for accusation in this  
20 proceeding.

21           7. Respondents have received, read and understand the  
22 "Notice Concerning Costs of Subsequent Audits". Respondents  
23 understand that by agreeing to this Stipulation and Agreement in  
24 Settlement, the findings set forth below in the DETERMINATION OF  
25 ISSUES become final, and that the Commissioner may charge  
26 Respondents for the costs of any audit for which they are  
27 charged pursuant to Section 10148 of the Business and

1 Professions Code (hereinafter the "Code"). The reasonable cost  
2 of the audits which led to this disciplinary action is \$8861.26.  
3 The maximum cost of the subsequent audit will not exceed  
4 \$8,861.26.

5  
6 DETERMINATION OF ISSUES

7 I

8 By reason of the foregoing stipulations, admissions  
9 and waivers and solely for the purpose of settlement of the  
10 pending Accusation without a hearing, it is stipulated and  
11 agreed that the facts alleged above are grounds for the  
12 suspension or revocation of the licenses and license rights of  
13 Respondent DANIEL DEAN BLOUGH under Section 10177(h) of the Code  
14 and Section 10159.2 of the Code and Section 2725 of the  
15 Regulations both in conjunction with Section 10177(d) of the  
16 Code and, as to Respondent PREMIER LENDING SERVICES, INC. under  
17 Sections 10145, 10159.5 and 10240 of the Code and Sections 2731,  
18 2831, 2831.2, 2832, 2832.1 and 2834 of the Regulations.

19 ORDER

20 I

21 All licenses and licensing rights of Respondent  
22 PREMIER LENDING SERVICES; INC. under the Real Estate Law are  
23 suspended for a period of sixty (60) days from the effective  
24 date of this Order; provided, however, that:

25 1. All sixty (60) days of said suspension shall be  
26 stayed for two (2) years upon the following terms and  
27 conditions:

1           A. Respondent shall obey all laws, rules and  
2 regulations governing the rights, duties and responsibilities of  
3 a real estate licensee in the State of California; and

4           B. That no final subsequent determination be made,  
5 after hearing or upon stipulation, that cause for disciplinary  
6 action occurred within two (2) years from the effective date of  
7 this Order. Should such a determination be made, the  
8 Commissioner may, in his discretion, vacate and set aside the  
9 stay order and reimpose all or a portion of the stayed  
10 suspension. Should no such determination be made, the stay  
11 imposed herein shall become permanent.

12           C. Respondent PREMIER petition pursuant to Section  
13 10175.2 of the Business and Professions Code and pays a monetary  
14 penalty pursuant to Section 10175.2 of the Business and  
15 Professions Code at a rate of \$100.00 for each day of the  
16 suspension for a total monetary penalty of \$6,000.00:

17           (1) Said payment shall be in the form of a cashier's  
18 check or certified check made payable to the  
19 Recovery Account of the Real Estate Fund. Said  
20 check must be delivered to the Department prior  
21 to the effective date of the Order in this  
22 matter.

23           (2) No further cause for disciplinary action against  
24 the Real Estate licenses of said Respondent  
25 occurs within two (2) years from the effective  
26 date of the decision in this matter.

27

1 (3) If Respondent PREMIER fails to pay the monetary  
2 penalty as provided above prior to the effective  
3 date of this Order, the stay of the suspension  
4 shall be vacated as to Respondent BLOUGH and the  
5 order of suspension shall be immediately  
6 executed, under this Paragraph I of this Order,  
7 in which event Respondent PREMIER shall not be  
8 entitled to any repayment nor credit, prorated or  
9 otherwise, for the money paid to the Department  
10 under the terms of this Order.

11 (4) If Respondent PREMIER pays the monetary penalty  
12 and any other moneys due under this Stipulation  
13 and Agreement and if no further cause for  
14 disciplinary action against the real estate  
15 licenses of Respondent PREMIER occurs within two  
16 (2) years from the effective date of this Order,  
17 the entire stay hereby granted under Paragraphs I  
18 and II of this Order, as to Respondent PREMIER  
19 only, shall become permanent.

20 D. Pursuant to Section 10148 of the Business and  
21 Professions Code, Respondents DANIEL DEAN BLOUGH and PREMIER  
22 LENDING SERVICES, INC. shall pay the Commissioner's reasonable  
23 cost for the audit which led to this disciplinary action and a  
24 subsequent audit to determine if Respondent PREMIER LENDING  
25 SERVICES, INC. has corrected the trust fund violation(s) found  
26 in Paragraph I of the Determination of Issues. In calculating  
27 the amount of the Commissioner's reasonable cost, the

1 Commissioner may use the estimated average hourly salary for all  
2 persons performing audits of real estate brokers, and shall  
3 include an allocation for travel time to and from the auditor's  
4 place of work. Respondents DANIEL DEAN BLOUGH and PREMIER  
5 LENDING SERVICES, INC. shall pay such cost within 60 days of  
6 receiving an invoice from the Commissioner detailing the  
7 activities performed during the audit and the amount of time  
8 spent performing those activities. The Commissioner may suspend  
9 the licenses of Respondents DANIEL DEAN BLOUGH and PREMIER  
10 LENDING SERVICES, INC. pending a hearing held in accordance with  
11 Section 11500, et seq., of the Government Code, if payment is  
12 not timely made as provided for herein, or as provided for in a  
13 subsequent agreement between Respondents DANIEL DEAN BLOUGH and  
14 PREMIER LENDING SERVICES, INC. and the Commissioner. The  
15 suspension shall remain in effect until payment is made in full  
16 or until Respondents DANIEL DEAN BLOUGH and PREMIER LENDING  
17 SERVICES, INC. enter into an agreement satisfactory to the  
18 Commissioner to provide for payment, or until a decision  
19 providing otherwise is adopted following a hearing held pursuant  
20 to this condition.

21 II

22 All licenses and licensing rights of Respondent DANIEL  
23 DEAN BLOUGH under the Real Estate Law are suspended for a period  
24 of sixty (60) days from the effective date of this Order;  
25 provided, however, that:

26 ///  
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1           1. All sixty (60) days of said suspension shall be  
2 stayed for two (2) years upon the following terms and  
3 conditions:

4           A. Respondent shall obey all laws, rules and  
5 regulations governing the rights, duties and responsibilities of  
6 a real estate licensee in the State of California; and,

7           B. That no final subsequent determination be made,  
8 after hearing or upon stipulation, that cause for disciplinary  
9 action occurred within two (2) years from the effective date of  
10 this Order. Should such a determination be made, the  
11 Commissioner may, in his discretion, vacate and set aside the  
12 stay order and reimpose all or a portion of the stayed  
13 suspension. Should no such determination be made, the stay  
14 imposed herein shall become permanent.

15           C. That Respondent BLOUGH petition pursuant to  
16 Section 10175.2 of the Business and Professions Code and pays a  
17 monetary penalty pursuant to Section 10175.2 of the Business and  
18 Professions Code at a rate of \$100.00 for each day of the  
19 suspension for a total monetary penalty of \$6,000.00:

20           (1) Said payment shall be in the form of a cashier's  
21 check or certified check made payable to the  
22 Recovery Account of the Real Estate Fund. Said  
23 check must be delivered to the Department prior  
24 to the effective date of the Order in this  
25 matter.

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(2) No further cause for disciplinary action against  
the Real Estate licenses of said Respondent  
occurs within two (2) years from the effective  
date of the decision in this matter.

(3) If Respondent BLOUGH fails to pay the monetary  
penalty as provided above prior to the effective  
date of this Order, the stay of the suspension  
shall be vacated as to Respondent BLOUGH and the  
order of suspension shall be immediately  
executed, under this Paragraph II of this Order,  
in which event Respondent BLOUGH shall not be  
entitled to any repayment nor credit, prorated or  
otherwise, for the money paid to the Department  
under the terms of this Order.

(4) If Respondent BLOUGH pays the monetary penalty  
and any other moneys due under this Stipulation  
and Agreement and if no further cause for  
disciplinary action against the real estate  
licenses of Respondent BLOUGH occurs within two  
(2) years from the effective date of this Order,  
the entire stay hereby granted under Paragraphs I  
and II of this Order, as to Respondent BLOUGH  
only, shall become permanent.

D. Pursuant to Section 10148 of the Business and  
Professions Code, Respondents DANIEL DEAN BLOUGH and PREMIER  
LENDING SERVICES, INC. shall pay the Commissioner's reasonable  
cost for the audit which led to this disciplinary action and a

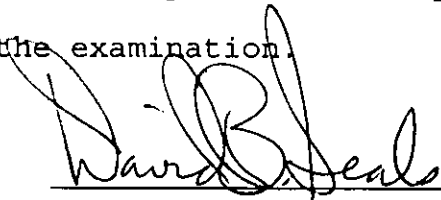
1 subsequent audit to determine if Respondent PREMIER LENDING  
2 SERVICES, INC. has corrected the trust fund violation(s) found  
3 in Paragraph I of the Determination of Issues. In calculating  
4 the amount of the Commissioner's reasonable cost, the  
5 Commissioner may use the estimated average hourly salary for all  
6 persons performing audits of real estate brokers, and shall  
7 include an allocation for travel time to and from the auditor's  
8 place of work. Respondents DANIEL DEAN BLOUGH and PREMIER  
9 LENDING SERVICES, INC. shall pay such cost within 60 days of  
10 receiving an invoice from the Commissioner detailing the  
11 activities performed during the audit and the amount of time  
12 spent performing those activities. The Commissioner may suspend  
13 the licenses of Respondents DANIEL DEAN BLOUGH and PREMIER  
14 LENDING SERVICES, INC. pending a hearing held in accordance with  
15 Section 11500, et seq., of the Government Code, if payment is  
16 not timely made as provided for herein, or as provided for in a  
17 subsequent agreement between Respondents DANIEL DEAN BLOUGH and  
18 PREMIER LENDING SERVICES, INC. and the Commissioner. The  
19 suspension shall remain in effect until payment is made in full  
20 or until Respondents DANIEL DEAN BLOUGH and PREMIER LENDING  
21 SERVICES, INC. enter into an agreement satisfactory to the  
22 Commissioner to provide for payment, or until a decision  
23 providing otherwise is adopted following a hearing held pursuant  
24 to this condition.

25 E. Respondent DANIEL DEAN BLOUGH shall, prior to the  
26 date this Stipulation becomes effective, submit proof  
27 satisfactory to the Commissioner of having taken and

1 successfully completed the continuing education course on trust  
2 fund accounting and handling specified in subdivision (a) of  
3 Section 10170.5 of the Business and Professions Code. Proof of  
4 satisfaction of this requirement includes evidence that  
5 Respondent DANIEL DEAN BLOUGH has successfully completed the  
6 trust fund account and handling continuing education course  
7 within 120 days prior to the effective date of the Stipulation  
8 in this matter. If Respondent BLOUGH fails to satisfy this  
9 condition, the Commissioner may order suspension of Respondent's  
10 license until Respondent submits satisfactory proof of  
11 completion of the course.

12 F. Respondent DANIEL DEAN BLOUGH shall, within six  
13 (6) months from the effective date of this Decision, take and  
14 pass the Professional Responsibility Examination administered by  
15 the Department including the payment of the appropriate  
16 examination fee. If Respondent BLOUGH fails to satisfy this  
17 condition, the Commissioner may order suspension of Respondent's  
18 license until Respondent passes the examination.

19  
20 DATED: July 5, 2005

  
21 DAVID B. SEALS, Counsel  
22 DEPARTMENT OF REAL ESTATE

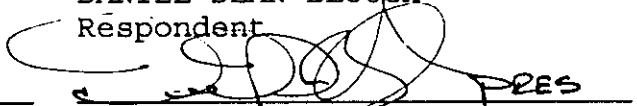
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\* \* \*

I have read the Stipulation and Agreement, have discussed it with my counsel, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government Code), and I willingly, intelligently, and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

DATED: 6-22-05   
DANIEL DEAN BLOUGH  
Respondent

DATED: 6-22-05   
PREMIER LENDING SERVICES, INC.  
Respondent

\* \* \*

I have reviewed the Stipulation and Agreement as to form and content and have advised my client accordingly.

DATED: JUNE 10, 2005   
Eliot S. Nahigian  
Attorney for Respondents

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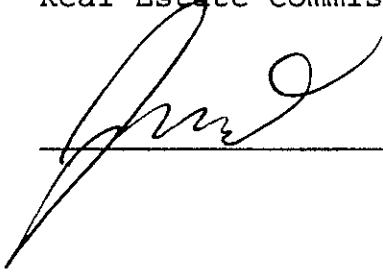
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The foregoing Stipulation and Agreement in Settlement  
is hereby adopted by the Real Estate Commissioner as his Decision  
and Order and shall become effective at 12 o'clock noon on  
AUGUST 19, 2005

IT IS SO ORDERED 7-27-05

JEFF DAVI  
Real Estate Commissioner



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1 DAVID B. SEALS, Counsel (SBN 69378)  
2 Department of Real Estate  
3 P. O. Box 187007  
4 Sacramento, CA 95818-7007

5 Telephone: (916) 227-0789  
6 -or- (916) 227-0792 (Direct)

**FILED**  
FEB 18 2005

DEPARTMENT OF REAL ESTATE  
*[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11	In the Matter of the Accusation of )	
12	DANIEL DEAN BLOUGH and )	NO. H-1754 FRESNO
13	PREMIER LENDING SERVICES INC., )	<u>ACCUSATION</u>
14	Respondents. )	

15  
16 The Complainant, John Sweeney, a Deputy Real Estate  
17 Commissioner of the State of California for cause of Accusation  
18 against PREMIER LENDING SERVICES INC. (hereinafter "Respondent  
19 PREMIER") and DANIEL DEAN BLOUGH (hereinafter "Respondent  
20 BLOUGH") is informed and alleges as follows:

21 FIRST CAUSE OF ACCUSATION

22 I

23 The Complainant, John Sweeney, a Deputy Real Estate  
24 Commissioner of the State of California, makes this Accusation  
25 in his official capacity.

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II

Respondent PREMIER is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code"), as a corporate real estate broker.

III

Respondent BLOUGH is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Code as real estate broker and as the designated officer of Respondent PREMIER.

IV

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent PREMIER, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with Respondent PREMIER committed such act or omissions while engaged in furtherance of the business or operation of Respondent PREMIER and while acting within the course and scope of their corporate authority and employment.

V

That at all times herein mentioned, Respondent PREMIER, engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker in the State of California within the meaning of Sections 10131(a), (b), and (d) of the Code, for or in expectation of compensation.

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VI

That at all times mentioned herein, Respondent PREMIER accepted or received funds in trust (hereafter trust funds) from and on behalf of its principals placing them in bank accounts and at times thereafter made disbursements of such funds.

VII

From May 28, 2003 through September 8, 2003 investigative audits were performed by the Department of the records and bank records of Respondent PREMIER (Audit Nos. FR 020075, FR 020076, and FR 020083) for the period from June 1, 2000 through June 1, 2003, as said records related to its activities as a real estate broker.

VIII

Respondent PREMIER maintained seven accounts into which trust funds were placed for its licensed activities. The accounts were as follows:

1. Mid-State Bank & Trust, P.O. Box 6002, Arroyo Grande, CA 93421, Account Name: Premier Lending Services Inc., Account No. 151533345 with Daniel Dean Blough, Peggy Blough, and Jeff Rishwain as signatories (hereinafter Bank 1);
2. Mid-State Bank & Trust, 2739 Santa Maria Way, Santa Maria, CA 93456, Account Name: Premier Lending Services Inc. dba Coldwell Banker Dan Blough & Assoc. Trust Account, Account No. 151537871 with Daniel Dean Blough, Peggy Blough, Jeff Rishwain and Debra Morgan as signatories (hereinafter Trust 2);

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1           3. Mid-State Bank & Trust, 2739 Santa Maria Way, Santa  
2 Maria, CA 93456, Account Name:Century 21 Home and Land Trust  
3 Account Daniel D. Blough Trustee, Account No. 2501258911 with  
4 Daniel Dean Blough, Peggy Blough, and Mike Mazur as signatories  
5 (hereinafter Trust 3);

6           4. United Security Bank, 2151 West Shaw Avenue,  
7 Fresno, CA 93711, Account Name:Coldwell Banker Dan Blough &  
8 Assoc. Trust Account, Account No. 1114654 with Daniel Dean  
9 Blough, Peggy Blough, and George Murphy as signatories  
10 (hereinafter Trust 4);

11           5. Central Valley Community Bank, 600 Polasky Avenue,  
12 Clovis, CA 93612, Account Name:Coldwell Banker Clovis Realty  
13 Trust Account, Account No. 001765205 with Daniel Dean Blough,  
14 Peggy Blough, George Murphy, and Susan Tarter as signatories  
15 (hereinafter Trust 5);

16           6. Central Valley Community Bank, 600 Polasky Avenue,  
17 Clovis, CA 93612, Account Name:DBA Coldwell Banker Clovis Realty  
18 Premier Lending Services, Inc. Trust, Account No. 001765159 with  
19 Daniel Dean Blough, George Murphy, and Jan Ryan as signatories  
20 (hereinafter Trust 6); and

21           7. Central Valley Community Bank, 600 Polasky Avenue,  
22 Clovis, CA 93612, Account Name:Coldwell Banker Trust II Premier  
23 Lending Services, Inc., Account No. 001765167 with George Murphy  
24 and Patricia Nielsen as signatories (hereinafter Trust 7).

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2 The audits referred to in Paragraph VII set forth that  
3 the adjusted balance of Bank 1 as of April 30, 2003 was Eleven  
4 Thousand Seven Hundred Five and 53/100 Dollars (\$11,705.53) and  
5 the trust fund accountability in the account as of April 30,  
6 2003 was Twenty Thousand Seven Hundred Five and 75/100 Dollars  
7 (\$20,705.75). Therefore, Respondent PREMIER, as of April 30,  
8 2003, had a trust fund shortage of Nine Thousand and 22/100  
9 Dollars (\$9,000.22).

10 XI

11 The audits referred to in Paragraph VII set forth that  
12 the adjusted balance of Trust 2 as of April 30, 2003 was Forty-  
13 Two Thousand Forty-Five and 79/100 Dollars (\$42,045.79) and the  
14 trust fund accountability in the account as of April 30, 2003  
15 was Forty-Two Thousand Three Hundred Forty-Three and 79/100  
16 Dollars (\$42,343.79). Therefore, Respondent PREMIER, as of  
17 April 30, 2003, had a trust fund shortage of Two Hundred Ninety-  
18 Eight and 00/100 Dollars (\$298.00).

19 XII

20 The audits referred to in Paragraph VII set forth that  
21 the adjusted balance of Trust 6 as of April 30, 2003 was Ten  
22 Thousand Five Hundred Sixty-Three and 72/100 Dollars  
23 (\$10,563.72) and the trust fund accountability in the account as  
24 of April 30, 2003 was Ten Thousand Six Hundred Eight and 72/100  
25 Dollars (\$10,608.72). Therefore, Respondent PREMIER, as of  
26 April 30, 2003, had a trust fund shortage of Forty-Five and  
27 00/100 Dollars (\$45.00).

1 XIII

2 For the period covered by the audits referred to in  
3 Paragraph VII Respondent PREMIER, in Bank 1, caused the  
4 disbursement of trust funds from the trust account without the  
5 written consent of every principal who was an owner of the  
6 funds, causing the balance of the funds in the account to be an  
7 amount less than the existing aggregate trust fund liability of  
8 Respondent PREMIER to all owners of said funds in violation of  
9 Section 10145 of the Code and Section 2832.1, Title 10,  
10 California Code of Regulations (hereinafter the "Regulations").

11 XIV

12 Respondent PREMIER failed to retain a copy of the  
13 completed and signed Mortgage Loan Disclosure Statement in the  
14 file of all borrowers during the period covered by the audits in  
15 violation of Section 10240 of the Code.

16 XV

17 During the period covered by the audits referred to in  
18 Paragraph VII Respondent PREMIER placed trust funds into Bank 1  
19 but failed to designate it as a trust account and also placed  
20 trust funds in Trust 6 and Trust which accounts were not in the  
21 name of the broker all in violation of Section 2832 of the  
22 Regulations and Section 10145 of the Code.

23 XVI

24 During the period covered by the audits referred to in  
25 Paragraph VII Susan Tarter was a signatory on Trust 5. However,  
26 Susan Tarter was not licensed by the Department nor was there  
27 fidelity bond coverage at least equal to the minimum amount of

1 trust funds to which she had access at the time, in violation of  
2 Section 2834 of the Regulations.

3 XVII

4 During the period covered by the audits referred to in  
5 Paragraph VII, Respondent PREMIER used the names "Coldwell  
6 Banker Clovis Realty" and "Century 21 Home & Land Realtors" but  
7 Respondent PREMIER did not hold a license bearing either  
8 fictitious name in violation of Section 2731 of the Regulations  
9 and Section 10159.5 of the Code.

10 XVIII

11 During the period covered by the audits referred to in  
12 Paragraph VII, Respondent PREMIER failed to maintain, in Bank 1,  
13 on a monthly basis a reconciliation of their separate records  
14 for each beneficiary or transaction with the record of all trust  
15 funds received and disbursed in violation of Section 2831.2 of  
16 the Regulations.

17 XIX

18 At all times mentioned herein, Respondent BLOUGH  
19 failed to exercise reasonable supervision over the activities of  
20 Respondent PREMIER, and permitted, ratified and/or caused the  
21 conduct described above. Respondent BLOUGH failed to reasonably  
22 or adequately review, oversee, inspect and manage the personnel  
23 and activities of Respondent PREMIER, and/or to establish  
24 reasonable policies, rules, procedures and systems for such  
25 review, oversight, inspection and management.


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1 XX

2 The acts and/or omissions of Respondents PREMIER and  
3 BLOUGH described above are grounds for the revocation or  
4 suspension of the licenses of Respondent PREMIER under Section  
5 10177(d) of the Code in conjunction with Sections 10145, 10159.5  
6 and 10240 of the Code and Sections 2731, 2831, 2831.2 and 2832,  
7 2832.1 and 2834 of the Regulations and are grounds for the  
8 revocation or suspension of the licenses of Respondent BLOUGH,  
9 only, under Section 10177(h) of the Code and Section 10159.2 of  
10 the Code and Section 2725 of the Regulations both in conjunction  
11 with Section 10177(d) of the Code.

12 WHEREFORE, Complainant prays that a hearing be  
13 conducted on the allegations of this Accusation and that upon  
14 proof thereof, a decision be rendered imposing disciplinary  
15 action against all licenses and license rights of Respondents  
16 under the Real Estate Law (Part 1 of Division 4 of the Business  
17 and Professions Code), and for such other and further relief as  
18 may be proper under other provisions of law.

19  
20   
21 JOHN SWEENEY  
Deputy Real Estate Commissioner

22 Dated at Fresno, California,  
23 this 31<sup>st</sup> day of January, 2005.  
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25  
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