DEPARTMENT OF REAL ESTATE
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FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To: REZN8 SYSTEMS INCORPORATED MIRZA ZULFIQAR ALI, and ED CHUI.	NO. H-10986 SF ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner (hereinafter "Commissioner") of the California Department of Real Estate (hereinafter "Department") caused an investigation to be made of the activities of REZN8 SYSTEMS INCORPORATED (hereinafter "REZN8"), MIRZA ZULFIQAR ALI (hereinafter "ALI"), and ED CHUI (hereinafter "CHUI"). Based on that investigation, the Commissioner has determined that REZN8, ALI, and CHUI, have engaged in, is engaging in, or is attempting to engage in, acts or practices constituting violations of the California Business and Professions Code (hereinafter "the Code") and/or Title 10, Chapter 6, California Code of Regulations (hereinafter "the Regulations"), including the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate broker in the State of California within the meaning of Sections 10131(d) (performing services for borrowers and/or lenders in connection with loans secured by real property) and 10131.2 (real estate broker license required to charge and collect an advance fee) of the Code. Furthermore, based on the investigation, the

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Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

Whenever acts referred to below are attributed to REZN8 those acts are alleged to have been done by ALI, and/or CHUI, acting by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, and using the names "Rezn8 Systems Incorporated", "Rezn8 Financial Services", or other names or fictitious names unknown at this time.

FINDINGS OF FACT

1. REZN8 is a corporation registered with the California Secretary of State's Office.

2. At all times mentioned from and after September 16, 2009, REZN8 was and is licensed by the Department as a real estate corporation. At no time prior to September 16, 2009 was REZN8 licensed by the Department as a real estate broker corporation.

3. At no time did REZN8 obtain a "letter of no objection" from the Department for its use of an advance fee agreement.

4. ALI and CHUI are owners, officers, and/or directors of REZN8. At no time mentioned has ALI and CHUI been licensed by the Department in any capacity.

5. During the period of time set forth below, ALI, and/or CHUI, and/or other agents or employees of REZN8 whose identifies are unknown at this time, on behalf of REZN8 solicited borrowers and negotiated to do one or more of the following acts for another or others, for or in expectation of compensation; negotiate one or more loans for, or perform services for, borrowers and/or lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charge, demand or collect an advance fee for any of the services offered.

6. On or about February 2009, ALI and/or CHUI, and/or other agents or employees of REZN8 whose identifies are unknown at this time, on behalf of REZN8, solicited Mufid S. (hereinafter "Mufid") in order to provide a loan modification/refinance on behalf of

Mufid in connection with a loan secured by real property located at 150 Tiptoe Lane, Burlingame, California. In furtherance of REZN8's plan and scheme to provide loan modification services to Mufid, REZN8 requested an advance fee of $6,000 from Mufid.

7. On or about May 2009, ALI and/or CHUI, and/or other agents or employees of REZN8 whose identifies are unknown at this time, on behalf of REZN8 solicited Anthony B. (hereinafter "Anthony") in order to provide a loan modification/refinance on behalf of Anthony in connection with loans secured by real property located at: 900 Corsair Lane, Foster City, California; 16881 Genevieve Place, San Lorenzo, California; and 1256 Sierra Boulevard, South Lake Tahoe, California. In furtherance of REZN8's plan and scheme to provide loan modification services to Anthony, REZN8 requested an advance fee of $6,250 from Anthony.

8. On or about July 2009, ALI and/or CHUI, and/or other agents or employees of REZN8 whose identifies are unknown at this time, on behalf of REZN8 solicited George A. (hereinafter "George") in order to provide a loan modification/refinance on behalf of George in connection with a loan secured by real property located at 5177 Fern Ridge Circle, Discovery Bay, California. In furtherance of REZN8's plan and scheme to provide loan modification services to Anthony, REZN8 requested an advance fee of $3,995 from George.

CONCLUSIONS OF LAW

9. Based on the findings of fact contained in paragraphs 1 through 8, REZN8, ALI, and CHUI, solicited one or more borrowers to perform services for those borrowers and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property located within the State of California, and charged, demanded or collected advance fees for the services to be provided, which acts require a real estate broker license under Sections 10131(d) (real estate license required for enumerated acts) and 10131.2 (real estate broker license required to charge or collect an advance fee) of the Code.

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10. REZN8, ALI, and CHUI, used a form of advance fee agreement which had not been provided to the Department for its prior review and consideration, in violation of Section 10085 of the Code (prior submission of advance fee materials required) and Section 2970 (details for prior submission of advance fee materials) of the Regulations.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, REZN8, ALI, and CHUI, whether doing business under your own name, or any other name or fictitious name, ARE HEREBY ORDERED to:

1. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any of the services you offer to others, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you are properly licensed by the Department as a real estate broker, and that REZN8, ALI, and CHUI:

(A) Have an advance fee agreement which has been submitted to the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

(B) Have placed all previously collected advance fees into a trust account for that purpose and are in compliance with Section 10146 of the Code;

(C) Have provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations; and

(D) Are in compliance with California law, as amended effective as of October 11, 2009, with respect to loan modification and/or forbearance services. Under the amended law, you can only collect advance fees for loan modification or other mortgage loan forbearance services related to commercial loans and loans for residential properties containing five or more dwelling units.

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2. Immediately desist and refrain from demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units.

DATED: 8-18-2010

JEFF DAVI
Real Estate Commissioner

By _____

Notice: Business and Professions Code Section 10139 provides that "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using words indicating that he or she is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not exceeding twenty thousand dollars ($20,000), or by imprisonment in the county jail for a term not to exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars ($60,000)."

cc: ED CHUI
MIRZA ZULFIQAR ALI
REZN8 SYSTEMS INCORPORATED
2400 COUNTRY DRIVE 2ND FLOOR
FREMONT, CA 94536