Department of Real Estate
320 West 4th Street, Suite 350
Los Angeles, CA 90013-1105

Telephone: (213) 576-6982

FILED

OCT 20 2010

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MORRIS FINANCIAL SERVICES INC., doing business as Priam Financial Services; and GREGORY SCOTT MORRIS, individually, and as designated officer for Morris Financial Services Inc., Respondents.	NO. H-36663 LA L-2010070972 STIPULATION AND AGREEMENT

It is hereby stipulated by and between MORRIS FINANCIAL SERVICES INC., doing business as Priam Financial Services, and GREGORY SCOTT MORRIS, individually, and as designated broker-officer for Morris Financial Services Inc. ("Respondents") and the Complainant, acting by and through Cheryl Keily, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on June 3, 2010, in this matter.

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act (APA), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement.

2. Respondents have received, read and understood the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate ("Department") in this proceeding.

3. On June 17, 2010, Respondents filed a Notice of Defense, pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledges that they understand that by withdrawing said Notice of Defense they will thereby waive their right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that they will waive other rights afforded to them in connection with the hearing, such as the right to present evidence in defense of the

allegations in the Accusation and the right to cross-examine witnesses.

4. This Stipulation is based on the factual allegations contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but to remain silent and understand that, as a result thereof, these factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein. The Real Estate Commissioner shall not be required to provide further evidence to prove said factual allegations.

5. This Stipulation is made for the purpose of reaching an agreed disposition of this proceeding and is expressly limited to this proceeding and any other proceeding or case in which the Department, the state or federal government, or any agency of this state, another state or federal government is involved, and otherwise shall not be admissible in any other criminal or civil proceedings.

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

DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers and solely for the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the following determination of issues shall be made:

The conduct, acts or omissions of Respondents MORRIS FINANCIAL SERVICES INC. and GREGORY SCOTT MORRIS, as set forth in the Accusation, constitute cause to suspend or revoke the real estate license and license rights of Respondents under the provisions of Code Section 10177(g).

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I. All licenses and license rights of Respondents MORRIS FINANCIAL SERVICES INC. and GREGORY SCOTT MORRIS under the Real Estate Law are suspended for a period of thirty (30) days from the effective date of this Decision. The entire period of the thirty (30) day suspension shall be stayed for two (2) years upon the following terms and conditions:

a. Respondents shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and

b. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years of the effective date of this Decision. Should such a determination be made, the

Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

DATED: Oct 5, 2010

CHERYL D. KEILY, Counsel
DEPARTMENT OF REAL ESTATE

* * *

I have read the Stipulation and Agreement, 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.

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of its signature page, as actually signed by Respondents, to the Department at the following telephone/fax number (213) 576-6917. Respondent agrees, acknowledges, and

understands that by electronically sending to the Department a fax copy of his actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

DATED: 9/28/10

MORRIS FINANCIAL SERVICES INC.
Respondent

DATED: 9/28/10

GREGORY SCOTT MORRIS
Respondent

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on NOV 09 2010, 2010.

IT IS SO ORDERED 10/13, 2010.

JEFF DAVI
Real Estate Commissioner

BY: Barbara J. Bigby
Chief Deputy Commissioner

FLAG

CHERYL D. KEILY, SNB# 94008
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Los Angeles, California 90013

Telephone: (213) 576-6982
(Direct) (213) 576-6905

FILED

JUN - 3 2010

DEPARTMENT OF REAL ESTATE
BY: _____

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation

No. H-36663 LA

MORRIS FINANCIAL SERVICES INC., doing business as Priam Financial Services; and GREGORY SCOTT MORRIS, individually, and as designated officer for Morris Financial Services Inc.,

Respondents.

A C C U S A T I O N

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against MORRIS FINANCIAL SERVICES INC. ("MORRIS FINANCIAL") and GREGORY SCOTT MORRIS ("MORRIS") is informed and alleges as follows:

1.

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in

her official capacity.

2.

Respondent MORRIS FINANCIAL is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a real estate corporation acting by and through Respondent MORRIS as its designated broker-officer.

3.

Respondent MORRIS is presently licensed and/or has license rights under the Real Estate Law as a real estate broker and designated broker-officer of Respondent MORRIS FINANCIAL.

4.

All further references to respondents herein include Respondents MORRIS FINANCIAL and MORRIS, and also include officers, directors, employees, agents and real estate licensees employed by or associated with MORRIS FINANCIAL and MORRIS, and who at all times herein mentioned were engaged in the furtherance of the business or operations of Respondents MORRIS FINANCIAL and MORRIS, and who were acting within the course and scope of their authority and employment.

5.

At all times relevant herein Respondent MORRIS, as the officer designated by Respondent MORRIS FINANCIAL pursuant to Section 10211 of the Code, was responsible for the supervision and control of the activities conducted on behalf of Respondent MORRIS FINANCIAL by its officers and employees as necessary to secure full compliance with the Real Estate Law as set forth in

Section 10159.2 of the Code.

6.

Respondent MORRIS ordered, caused, authorized or participated in the conduct of Respondent MORRIS FINANCIAL, as is alleged in this Accusation.

FIRST CAUSE OF ACCUSATION
(Advance Fee Violation)

7.

At all times mentioned herein, in the State of California, Respondent engaged in the business of claiming, demanding, charging, receiving, collecting or contracting for the collection of advance fees, within the meaning of Code Section 10026, including, but not limited to, the following loan modification activities with respect to loans which were secured by liens on real property:

a. On or about November 8, 2008, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,995 from Dr. Maha Hetata pursuant to the provisions of a written agreement pertaining to loan modification services to be provided by Respondent with respect to a loan secured by the real property located at 10220 Overhill Drive, Santa Ana, California 92705.

b. On or about December 22, 2008, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,500 from Raul San Jose pursuant to the provisions of a written agreement pertaining to loan modification services to be provided by

Respondent with respect to a loan secured by the real property located at 8300 Topeka Drive, Northridge, California 91324.

c. On or about January 5, 2009, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,500 from Glenn and Deanna Luttrell pursuant to the provisions of a written agreement pertaining to loan modification services to be provided by Respondent with respect to a loan secured by the real property located at 34333 Via Buena Drive, Yucaipa, California 92399.

8.

Respondents collected the advance fees described in Paragraph 7, above, pursuant to the provisions of a written agreement which constitutes an advance fee agreement within the meaning of Code Section 10085.

9.

Respondents failed to submit the written agreement referred to in Paragraphs 7 and 8, above, to the Commissioner ten days before using it in violation of Code Section 10085 and Section 2970, Title 10, Chapter 6, Code of Regulations ("Regulations").

10.

The conduct, acts and/or omissions of Respondents, as set forth above, are cause for the suspension or revocation of the licenses and license rights of Respondent pursuant to Code Sections 10085, 10177(d) and/or 10177(g).

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SECOND CAUSE OF ACCUSATION
(Failure to Supervise)

11.

Complainant incorporates by this reference the allegations set forth in Paragraphs 1 through 10, above.

12.

The conduct, acts and/or omissions of Respondent MORRIS in failing to exercise reasonable supervision over the activities of Respondent MORRIS FINANCIAL, as more fully set forth above, are cause for the suspension or revocation of the licenses and license rights of Respondent MORRIS pursuant to Code sections 10177(d), (g) and/or (h) for violation of Code section 10159.2.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of Respondent MORRIS FINANCIAL SERVICES INC. and GREGORY SCOTT MORRIS, individually, and as designated broker officer of Morris Financial Services Inc., under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California
this 2 day of June, 2010

Robin Trujillo
Deputy Real Estate Commissioner

cc: Morris Financial Services Inc.
Gregory Scott Morris
Robin Trujillo
Sacto.