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DEPARTMENT OF REAL ESTATE

By Shelley Ely

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
LINDA MARIE COPPERMAN,)
Respondent.)

No. H-27179 LA

ORDER GRANTING REINSTATEMENT OF LICENSE

On November 18, 1997, an Order was rendered herein revoking the real estate broker license of Respondent, but granting Respondent the right to the issuance of a restricted real estate broker license. A restricted real estate broker license was issued to Respondent on December 16, 1997, and Respondent has operated as a restricted licensee without cause for disciplinary action against Respondent since that time.

On July 26, 1999, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

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1 I have considered the petition of Respondent and the
2 evidence and arguments in support thereof including Respondent's
3 record as a restricted licensee. Respondent has demonstrated to
4 my satisfaction that Respondent meets the requirements of law for
5 the issuance to Respondent of an unrestricted real estate broker
6 license and that it would not be against the public interest to
7 issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's
9 petition for reinstatement is granted and that a real estate
10 broker license be issued to Respondent if Respondent satisfies
11 the following conditions within nine months from the date of this
12 Order:

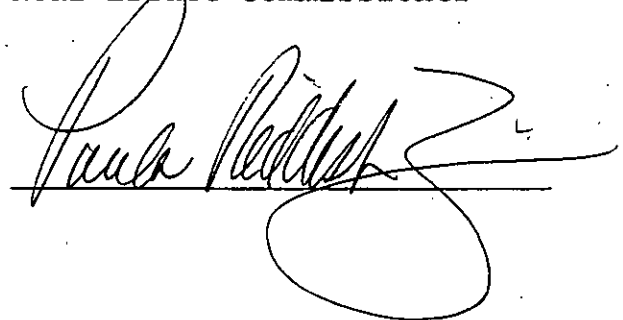
13 1. Submittal of a completed application and payment of
14 the fee for a real estate broker license.

15 2. Submittal of evidence of having, since the most
16 recent issuance of an original or renewal real estate license,
17 taken and successfully completed the continuing education
18 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
19 for renewal of a real estate license.

20 This Order shall be effective immediately.

21 DATED: April 10, 2000.

22 PAULA REDDISH ZINNEMANN
23 Real Estate Commissioner

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1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California 90012

4 (213) 897-3937

FILED
NOV 25 1997
DEPARTMENT OF REAL ESTATE

By K. Hinderholt

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) NO. H-27179 LA
12 SUNBURST FUNDING GROUP, INC.;)
13 and LINDA MARIE COPPERMAN,) STIPULATION AND AGREEMENT
14 individually and as)
15 designated officer of)
16 Sunburst Funding Group, Inc.,)
Respondents.)

17 It is hereby stipulated by and between SUNBURST FUNDING
18 GROUP, INC., and LINDA MARIE COPPERMAN, individually and as
19 designated officer of SUNBURST FUNDING GROUP, Inc., (sometimes
20 collectively referred to as Respondents), and the Complainant,
21 acting by and through Elliott Mac Lennan, Counsel for the
22 Department of Real Estate, as follows for the purpose of settling
23 and disposing of the Accusation filed on May 28, 1997, in this
24 matter:

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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 (Stipulation).

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

3. Respondents timely 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 acknowledge that they understand that by withdrawing said Notice of Defense they 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 their defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

9 5. This Stipulation is based on Respondents' decision
10 not to contest the allegations set forth in the Accusation as a
11 result of the agreement negotiated between the parties. This
12 Stipulation is expressly limited to this proceeding and any
13 further proceeding initiated by or brought before the Department
14 of Real Estate based upon the facts and circumstances alleged in
15 the Accusation, for the sole purpose of reaching an agreed
16 disposition of this proceeding. The decision of Respondents not
17 to contest the factual statements alleged, and contained in the
18 "Order" herein below, is made solely for the purpose of
19 effectuating this Stipulation. It is the intent and understanding
20 of the parties that this Stipulation shall not be binding or
21 admissible against Respondents in any actions against Respondents
22 by third parties.

23 6. It is understood by the parties that the Real Estate
24 Commissioner may adopt the Stipulation as his Decision in this
25 matter thereby imposing the penalty and sanctions on Respondents'
26 real estate licenses and license rights as set forth in the
27 "Order" herein below. In the event that the Commissioner in his



1 discretion does not adopt the Stipulation, the Stipulation shall
2 be void and of no effect, and Respondents shall retain the right
3 to a hearing and proceeding on the Accusation under the provisions
4 of the APA and shall not be bound by any stipulation or waiver
5 made herein.

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

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1 DETERMINATION OF ISSUES

2 By reason of the foregoing stipulation and solely for
3 the purpose of settlement of the pending Accusation without a
4 hearing, it is stipulated and agreed that the following
5 determination of issues shall be made:

6 I

7 The conduct of Respondent SUNBURST FUNDING GROUP, INC.,
8 as described in Paragraph 4, above, is in violation of Section
9 10145 of the Business and Professions Code (Code) and Sections
10 2831, 2831.1 and 2831.2 of Title 10, Chapter 6 of the California
11 Code of Regulations (Regulations) and is a basis for the
12 suspension or revocation of Respondent's license and license
13 rights pursuant to Section 10177(d) of the Code.

14 II

15 The conduct of Respondent LINDA MARIE COPPERMAN,
16 as described in Paragraph 4, above, is in violation of Section
17 10145 of the Code and Sections 2831, 2831.1 and 2831.2 of the
18 Regulations, consists of a failure to supervise, and is a basis
19 for the suspension or revocation of said Respondent's license and
20 license rights pursuant to Sections 10159.2, 10177(d) and 10177(h)
21 of the Code.

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1 provisions of the California Real Estate Law, the Subdivided Lands
2 Law, Regulations of the Real Estate Commissioner or conditions
3 attaching to said restricted licenses.

4 C. Respondents shall obey all laws of the United
5 States, the State of California and its political subdivisions,
6 and shall further obey and comply with all rules and regulations
7 of the Real Estate Commissioner.

8 D. Respondents shall not be eligible for the issuance
9 of unrestricted real estate licenses nor the removal of any of the
10 conditions, limitations or restrictions of the restricted licenses
11 until at least two (2) years has elapsed from the effective date
12 of the Decision.

13 E. Respondent LINDA MARIE COPPERMAN shall, within six
14 (6) months from the effective date of this Decision, present
15 evidence satisfactory to the Real Estate Commissioner that
16 Respondent has, since the most recent issuance of an original or
17 renewal real estate license, taken and successfully completed the
18 continuing education requirements of Article 2.5 of Chapter 3 of
19 the Real Estate Law for renewal of a real estate license. If
20 Respondent fails to satisfy this condition, the Commissioner may
21 order the suspension of the restricted license until the Respondent
22 presents such evidence. The Commissioner shall afford Respondent
23 the opportunity for a hearing pursuant to the Administrative
24 Procedure Act to present such evidence.

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1 or either of them, restricted real estate licenses and license
2 rights. The suspension shall remain in effect until payment is
3 made in full, or until Respondents enter into an agreement
4 satisfactory to the Commissioner to provide for such payment. The
5 Commissioner may impose further reasonable disciplinary terms and
6 conditions upon Respondents' real estate license and license
7 rights as part of any such agreement.

8 DATED: 9-9-97

Elliott Mac Lennan
9 ELLIOTT MAC LENNAN
10 Counsel for Complainant

11 * * * *

12 We have read the Stipulation and Agreement and its terms
13 are understood by us and are agreeable and acceptable to us. We
14 understand that we are waiving rights given to us by the
15 California Administrative Procedure Act (including but not limited
16 to Sections 11506, 11508, 11509 and 11513 of the Government Code),
17 and we willingly, intelligently and voluntarily waive those
18 rights, including the right of requiring the Commissioner to prove
19 the allegations in the Accusation at a hearing at which we would
20 have the right to cross-examine witnesses against us and to
21 present evidence in defense and mitigation of the charges.

22 DATED: 9/17/97

Linda Marie Copperman
23 SUNBURST FUNDING GROUP, INC.,
Respondent,
24 BY: LINDA MARIE COPPERMAN, D.O.

25 DATED: 9/17/97

Linda Marie Copperman
26 LINDA MARIE COPPERMAN,
individually and as designated
27 officer of Sunburst Funding Group,
Inc., Respondent



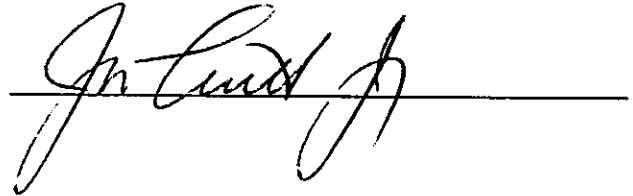
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The foregoing Stipulation and Agreement is hereby
adopted by the Commissioner as my Decision and Order and shall
become effective at 12 o' clock noon on December 16, 1997.

IT IS SO ORDERED 11/18, 1997.

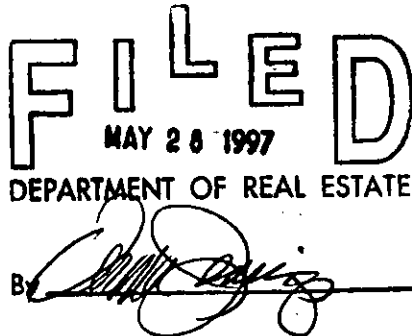
JIM ANTT JR.
Real Estate Commissioner



SACD.
FLAY

1 ELLIOTT MAC LENNAN, Counsel
2 Department of Real Estate
3 107 South Broadway, Room 8107
4 Los Angeles, California 90012

5 (213) 897-3937



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8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

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11 In the Matter of the Accusation of)

12 No. H-27179-LA

13 SUNBURST FUNDING GROUP, INC.;)

14 LINDA MARIE COPPERMAN,)

ACCUSATION

15 individually and)

16 as designated officer of)

17 Sunburst Funding Group, Inc.,)

18 Respondents,)

19 The Complainant, Thomas McCrady, a Deputy Real Estate
20 Commissioner of the State of California, for cause of Accusation
21 against SUNBURST FUNDING GROUP, INC., and LINDA MARIE COPPERMAN,
22 individually and as designated officer of Sunburst Funding Group,
23 Inc., is informed and alleges in his official capacity as follows:

24 I

25 SUNBURST FUNDING GROUP, INC. (SFGI) and LINDA MARIE COPPERMAN
26 (COPPERMAN) dba Central Pacific Funding and South Bay Associates,
27 sometimes collectively referred to as respondents, are presently
licensed and/or have license rights under the Real Estate Law

1 (Part 1 of Division 4 of the California Business and Professions
2 Code).

3 II

4 All references to the "Code" are to the California
5 Business and Professions Code and all references to "Regulations"
6 are to Title 10, Chapter 6, California Code of Regulations.

7 III

8 At all times mentioned, SFGI was licensed by the
9 Department of Real Estate of the State of California (Department)
10 as a corporate real estate broker by and through COPPERMAN as
11 designated officer. SFGI was first licensed by the Department on
12 April 8, 1996.

13 IV

14 At all mentioned times, COPPERMAN was licensed by the
15 Department as designated officer of SFGI to qualify SFGI and to
16 act for SFGI as a real estate broker and, as provided by Section
17 10159.2 of the Code, was responsible for the supervision and
18 control of the activities conducted on behalf of SFGI by its
19 officers, managers and employees as necessary to secure full
20 compliance with the provisions of the Real Estate Law including
21 the supervision of the salespersons licensed to the corporation in
22 the performance of acts for which a real estate license is
23 required by Section 10159.2 of the Code.

24 V

25 Whenever reference is made in an allegation in the
26 accusation to an act or omission of SFGI such allegation shall be
27 deemed to mean that the officers, directors, managers, employees,



1 agents and real estate licensees employed by or associated with
2 SFGI, including COPPERMAN, committed such act or omission while
3 engaged in the furtherance of the business or operation of SFGI
4 and while acting within the course and scope of its corporate
5 authority, agency and employment.

6 VI

7 At all times mentioned, SFGI and COPPERMAN were acting
8 as the agent or employee of the other and within the course and
9 scope of such agency or employment.

10 VII

11 At all times mentioned, in the City of Gardena, Los
12 Angeles County, California, respondent SFGI and respondent
13 COPPERMAN acted in the capacity of, advertised or assumed to act
14 as a corporate and a individual real estate broker, respectively,
15 within the meaning of Sections 10131(d) and 10131.2 of the Code,
16 including the operation of a mortgage loan business with the
17 public wherein lenders and borrowers were solicited for loans
18 secured directly or collaterally by liens on real property,
19 wherein such loans were arranged, negotiated, processed, and
20 consummated on behalf of others for fees often collected in
21 advance.

22 VIII

23 On February 27, 1997, the Department completed a field
24 audit examination of the books and records pertaining to the
25 activities of SFGI described in Paragraph VII, above, beginning on
26 September 19, 1995 and ending on December 31, 1996, which revealed
27 violations of the Code and the Regulations as set forth in the



1 following paragraphs.

2 IX

3 In connection with the aforesaid real estate activities
4 described in Paragraph VII, SFGI and COPPERMAN, accepted or
5 received funds in trust (trust funds) from or on behalf of
6 borrowers and lenders and thereafter made disbursements of such
7 funds including credit reports, appraisals and loan processing
8 fees. SFGI and COPPERMAN maintained the following trust accounts
9 into which were deposited certain of these funds:

10 "Sunburst Funding Group Client Trust Account" (T/A #1)
11 Account Number 048-908632-2
12 Hawthorne Savings of America
27391 Hawthorne Boulevard
Rolling Hills, California 90274

13 "Sunburst Funding Group Client Trust Account" (T/A #2)
14 Account Number 048-908766-8
15 Hawthorne Savings of America
27391 Hawthorne Boulevard
Rolling Hills, California 90274

16 "Sunburst Funding Group General Account"
17 Account Number 048-908603-3
18 Hawthorne Savings of America
27391 Hawthorne Boulevard
Rolling Hills, California 90274

19 X

20 With respect to the trust funds referred to in Paragraph
21 IX, SFGI and COPPERMAN:

22 (a) failed to maintain an adequate columnar record in
23 chronological order of all trust funds received in T/A #1 and T/A
24 #2, as required by Section 2831 of the Regulations;

25 (b) failed to maintain a separate record for each
26 beneficiary or transaction, thereby failing to account for all
27



1 trust funds received in T/A #2, deposited, and disbursed out of
2 the trust account, as required by Section 2831.1 of the
3 Regulations; and

4 (c) failed to perform a monthly reconciliation of all
5 trust funds received and deposited in T/A #1 and T/A #2, and the
6 balance of all separate beneficiary or transaction records, as
7 required by Section 2831.2 of the Regulations.

8 XI

9 The conduct of respondents SFGI and COPPERMAN, described
10 in Paragraph X, above, violated the Code and the Regulations as
11 set forth below:

12	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
13	X(a)	Section 10145 & 10159.2 of the Code, and
14		Section 2831 of the Regulations
15	X(b)	Section 2831.1 of the Regulations
16	X(c)	Section 2831.2 of the Regulations

17 Each of the foregoing violations separately constitutes cause for
18 the suspension or revocation of the real estate licenses and
19 license rights of respondents SFGI and COPPERMAN under the
20 provisions of Section 10177(d) of the Code.

21 XII

22 The audit examination further revealed that SFGI and
23 COPPERMAN failed to notify the Department of the employment of
24 Connie Beers, Panompai Tig Sribour and Annmarie Stern, as required
25 by Section 10161.8 of the Code and Regulation 2752. Said conduct
26 is cause to suspend or revoke the licenses and license rights of
27

1 the respondents SFGI and COPPERMAN under the provisions of Section
2 10177(d) of the Code.

3 XIII

4 The conduct of respondents SFGI and COPPERMAN in
5 depositing credit report fees into SFGI's general account, on May
6 16, 1996, when T/A #2 was closed and the balance of trust funds,
7 to wit, \$534.29, as described in Paragraph VIII herein above,
8 constitutes commingling and conversion of trust funds and is a
9 violation of Sections 10176(e) and 10176(i) of the Code and is
10 additional cause to suspend or revoke the real estate license and
11 license rights of said respondents under the aforesaid Code
12 Sections.

13 XIV

14 In connection with the activities described above in
15 Paragraphs VII and VIII, respondents SFGI and COPPERMAN, failed to
16 provide a statement in writing containing all the information
17 required by Section 10241 of the Code to various borrowers
18 including but not limited to Knight, Matthews and Ludwig before
19 said borrowers became obligated to perform under the terms of
20 their loans. This omission constitutes a violation of Section
21 10240 of the Code and Regulation Section 2840 of the Regulations
22 and is additional cause for discipline under Section 10177(d) of
23 the Code.

24 XV

25 The conduct of SFGI in negotiating real property
26 transactions including mortgage loan refinancing, during a period
27 from September 1995 until April 8, 1996 including the Knight,

1 Matthews and Ludwig mortgage loans when it was not nor had ever
2 been licensed by the Department, as described in Paragraphs III,
3 VII and VIII, is in violation of Section 10130 of the Code and is
4 cause to suspend or revoke its license and license rights under
5 Section 10177(d) or 10177(f) of the Code.

6 XVI

7 The conduct of respondent COPPERMAN, in allowing
8 respondent SFGI to violate Sections 10145, 10161.8, 10176(e),
9 10176(i) and 10240 of the Code and Regulation Sections 2752, 2831,
10 2831.1, 2831.2, and 2840, as described in Paragraphs VII through
11 XV herein above, during the time that COPPERMAN was the designated
12 officer of SFGI, constitutes negligence or incompetence. This
13 conduct and violation are cause for the suspension or revocation
14 of the real estate license and license rights of respondent
15 COPPERMAN under the provisions of Section 10177(g) of the Code.

16 XVII

17 The conduct of respondent COPPERMAN, in failing to
18 supervise SFGI, during the time that COPPERMAN was its designated
19 officer, constitutes a failure by respondent COPPERMAN to exercise
20 reasonable supervision of the activities of respondent SFGI and
21 its salespersons which require a real estate license. This
22 conduct and violation are cause to suspend or revoke the real
23 estate license and license rights of respondent COPPERMAN under
24 the provisions of Sections 10159.2 and 10177(h) of the Code.

25 XVIII

26 WHEREFORE, Complainant prays that a hearing be conducted
27 on the allegations made by the accusation and, that upon proof



1 thereof, a decision be rendered imposing disciplinary action
2 against the license and license rights of against SUNBURST FUNDING
3 GROUP INC., and LINDA MARIE COPPERMAN, individually and as
4 designated officer of Sunburst Funding Group, Inc., under the Real
5 Estate Law (Part 1 of Division 4 of the Business and Professions
6 Code) and for such other and further relief as may be proper under
7 other applicable provisions of law.

8 Dated at Los Angeles, California
9 this 28th day of May, 1997.

10 THOMAS MCCRADY

11 _____
12 Deputy Real Estate Commissioner
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24 cc: Sunburst Funding Group, Inc.
25 c/o Linda Marie Copperman, D.O.
26 Sacto.
27 RW