

FILED  
NOV - 3 2000  
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

By R. W. Wetherholt

\* \* \* \* \*

In the Matter of the Accusation of)  
STANLEY EMMET ANDERSON, )  
Respondent. )

NO. H-28596 LA

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on September 29, 2000, and the findings of fact set forth herein are based on one or more of the following:  
(1) Respondent's express admissions; (2) affidavits; and  
(3) other evidence.

This Decision revokes a real estate license on grounds of the conviction of a crime.

The right to reinstatement of a revoked real estate license is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of Respondent.

FINDINGS OF FACT

I

On June 2, 2000, Thomas McCrady made the Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, to Respondent's last known mailing address on file with the Department on June 2, 2000.

II

On September 29, 2000, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

III

Respondent 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) (Code). Respondent was originally licensed by the Department of Real Estate of the State of California as a real estate broker on December 13, 1989.

IV

On May 19, 1999, in Superior Court of Los Angeles, Central Judicial District, Los Angeles County, State of California, respondent was convicted upon a nolo contendere plea to one count of violating § 11320 of the California Business and Professions Code (real estate appraisal without license), a felony.

V

The evidence established that the crime of which Respondent was convicted involves moral turpitude and is substantially related to the qualifications, functions and duties of a real estate licensee.

LEGAL BASIS

I

Cause for disciplinary action against Respondent STANLEY EMMET ANDERSON, exists pursuant to Business and Professions Code Sections 490 and 10177(b).

II

The standard of proof applied was clear and convincing proof to a reasonable certainty.

ORDER

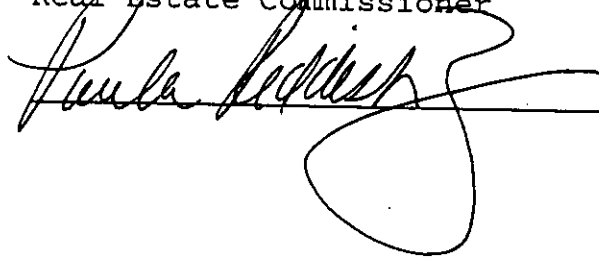
The license and license rights of Respondent STANLEY EMMET ANDERSON, under the provisions of Part 1 of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on November 27, 2000.

DATED:

October 18, 2000.

PAULA REDDISH ZINNEMANN  
Real Estate Commissioner

A handwritten signature in cursive script, appearing to read "Paula Reddish Zinnemann", is written over a horizontal line. The signature is fluid and somewhat stylized, with a large loop at the end.

1 Department of Real Estate  
2 320 West Fourth Street, Ste. 350  
3 Los Angeles, California 90013

4 (213) 576-6982

FILED  
SEP 29 2000  
DEPARTMENT OF REAL ESTATE

By K. Mederholz

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \* \*

11 In the Matter of the Accusation of ) No. H-28596 LA  
12 STANLEY EMMET ANDERSON, )  
13 Respondent. )  
14 \_\_\_\_\_ )

15 Respondent, STANLEY EMMET ANDERSON, having failed to  
16 file a Notice of Defense within the time required by Section  
17 11506 of the Government Code, is now in default. It is,  
18 therefore, ordered that a default be entered on the record in  
19 this matter.

20 IT IS SO ORDERED SEP 29 2000

21 PAULA REDDISH ZINNEMANN  
22 Real Estate Commissioner

23 By: Randolph Brendia By Jan McClary  
24 RANDOLPH BRENDIA  
25 Regional Manager  
26  
27

*Boyd*

1 Department of Real Estate  
2 320 West 4th Street, Suite 350  
3 Los Angeles, California 90013-1105

4 (213) 576-6911

**FILED**  
OCT - 5 2000

DEPARTMENT OF REAL ESTATE

By *K. Mulerholt*

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \*

11 In the Matter of the Accusation of ) DRE No. H-28596 LA  
12 )  
13 EURO-FUNDING CORPORATION; )  
14 and STANLEY EMMET ANDERSON, )  
15 individually and as )  
16 designated officer of ) STIPULATION AND AGREEMENT  
17 Euro-Funding Corporation, )  
18 )  
19 )  
20 Respondents. )  
21 )  
22 )  
23 )

24 It is hereby stipulated by and between EURO-FUNDING  
25 CORPORATION, a California corporate (sometimes referred to as  
26 "Respondent"), and the Complainant, acting by and through Elliott  
27 Mac Lennan, Counsel for the Department of Real Estate, as follows  
for the purpose of settling and disposing of the Accusation filed  
on July 2, 2000, in this matter:

1. All issues which were to be contested and all  
evidence which was to be presented by Complainant and Respondent  
at a formal hearing on the Accusation, which hearing was to be  
held in accordance with the provisions of the Administrative



1 Procedure Act ("APA"), shall instead and in place thereof be  
2 submitted solely on the basis of the provisions of this  
3 Stipulation and Agreement (Stipulation).

4 2. Respondent has received, read and understands the  
5 Statement to Respondent, the Discovery Provisions of the APA and  
6 the Accusation filed by the Department of Real Estate in this  
7 proceeding.

8 3. Respondent timely filed a Notice of Defense  
9 pursuant to Section 11506 of the Government Code for the purpose  
10 of requesting a hearing on the allegations in the Accusation.  
11 Respondent hereby freely and voluntarily withdraws said Notice of  
12 Defense. Respondent acknowledges that it understands that by  
13 withdrawing said Notice of Defense it thereby waives its right to  
14 require the Commissioner to prove the allegations in the  
15 Accusation at a contested hearing held in accordance with the  
16 provisions of the APA and that it will waive other rights  
17 afforded to it in connection with the hearing such as the right  
18 to present evidence in its defense of the allegations in the  
19 Accusation and the right to cross-examine witnesses.

20 4. This Stipulation is based on the allegations  
21 contained in the Accusation. In the interest of expedience and  
22 economy, Respondent chooses not to contest these allegations, but  
23 to remain silent and understands that, as a result thereof, these  
24 allegations, without being admitted or denied, will serve as a  
25 prima facie basis for the disciplinary action stipulated to  
26 herein. The Real Estate Commissioner shall not be required to  
27 provide further evidence to prove said allegations.



1           5. This Stipulation is based on Respondent's decision  
2 not to contest the allegations set forth in the Accusation as a  
3 result of the agreement negotiated between the parties. This  
4 Stipulation is expressly limited to this proceeding and any  
5 further proceeding initiated by or brought before the Department  
6 of Real Estate based upon the facts and circumstances alleged in  
7 the Accusation and is made for the sole purpose of reaching an  
8 agreed disposition of this proceeding without a hearing. The  
9 decision of Respondent not to contest the allegations is made  
10 solely for the purpose of effectuating this Stipulation. It is  
11 the intent and understanding of the parties that this Stipulation  
12 shall not be binding or admissible against Respondent in any  
13 actions against Respondent by third parties.

14           6. It is understood by the parties that the Real  
15 Estate Commissioner may adopt this Stipulation as her Decision in  
16 this matter thereby imposing the penalty and sanctions on  
17 Respondent real estate licenses and license rights as set forth  
18 in the "Order" herein below. In the event that the Commissioner,  
19 in her discretion, does not adopt the Stipulation, it shall be  
20 void and of no effect and Respondent shall retain the right to a  
21 hearing and proceeding on the Accusation under the provisions of  
22 the APA and shall not be bound by any stipulation or waiver made  
23 herein.

24           7. The Order or any subsequent Order of the Real  
25 Estate Commissioner made pursuant to this Stipulation shall not  
26 constitute an estoppel, merger or bar to any further  
27 administrative or civil proceedings by the Department of Real



1 Estate with respect to any matters which were not specifically  
2 alleged to be causes for Accusation in this proceeding but do  
3 constitute a bar, estoppel and merger as to any allegations  
4 actually contained in the Accusation against Respondent herein.

5  
6 DETERMINATION OF ISSUES

7 By reason of the foregoing stipulations, it is  
8 stipulated and agreed that the following determination of issues  
9 shall be made:

10 I

11 The conduct of Euro-Funding Corporation as described in  
12 Paragraph 4, is in violation of Section 10145 of the Business and  
13 Professions Code ("Code") and Section 2831 of Title 10, Chapter 6  
14 of the California Code of Regulations, and is a basis for the  
15 suspension or revocation of Respondent's license pursuant to  
16 Section 10177(d) of the Code.

17 ORDER

18 WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT  
19 TO THE WRITTEN STIPULATION OF THE PARTIES:

20 I

21 The license and licensing rights of EURO-FUNDING  
22 CORPORATION under the Real Estate Law shall be suspended for a  
23 period of sixty (60) days from the effective date of this Order;  
24 provided, however, that all sixty (60) days of said suspension  
25 shall be stayed for two (2) years upon the following terms and  
26 conditions:

27



1           1.   Respondent EURO-FUNDING CORPORATION shall obey all  
2 laws, rules and regulations governing the rights, duties and  
3 responsibilities of a real estate licensee in the State of  
4 California.

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

13           3.   Pursuant to Section 10148 of the Business and  
14 Professions Code, Respondent EURO-FUNDING CORPORATION shall pay  
15 the Commissioner's reasonable cost for a subsequent audit to  
16 determine if Respondent is now in compliance with the Real Estate  
17 Law. In calculating the amount of the Commissioner's reasonable  
18 cost for the subsequent audit, the Commissioner may use the  
19 estimated average hourly salary for all persons performing audits  
20 of real estate brokers, and shall include an allocation for  
21 travel time to and from the auditor's place of work. Said amount  
22 for the subsequent audit shall not exceed \$2,700.

23           4.   Respondent EURO-FUNDING CORPORATION shall pay the  
24 cost of the subsequent audit within 45 days of receiving an  
25 invoice from the Real Estate Commissioner detailing the  
26 activities performed during the audit and the amount of time  
27 spent performing those activities.



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The Commissioner may suspend the licenses or license  
rights of a Respondent pending a hearing held in accordance with  
Section 11500, et seq., of the Government Code, if payment is not  
timely made as provided for herein, or as provided for in a  
subsequent agreement between the Respondent and the Commissioner.  
The suspension shall remain in effect until payment is made in  
full or until Respondent enter into an agreement satisfactory to  
the Commissioner to provide for payment, or until a decision  
providing otherwise is adopted following a hearing held pursuant  
to this condition.

EXECUTION OF THE STIPULATION

\* \* \* \*

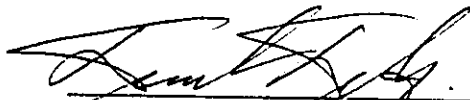
We have read the Stipulation and Agreement and its  
terms are understood by us and are agreeable and acceptable to  
us. We understand that we are waiving rights given to us by the  
California Administrative Procedure Act (including but not  
limited to Sections 11506, 11508, 11509 and 11513 of the  
Government Code), and we 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 we would have the right to cross-examine  
witnesses against us and to present evidence in defense and  
mitigation of the charges.

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FACSIMILE TRANSMISSION

Respondent(s) 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 Respondent(s), to the Department at the following telephone/fax number: (213) 576-6917. Respondent(s) agree, acknowledge and understand that by electronically sending to the Department a fax copy of their 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(s) as if the Department had received the original signed Stipulation and Agreement.

DATED: August 4, 2000

  
\_\_\_\_\_  
EURO-FUNDING CORPORATION,  
Respondent  
BY: Deannah Delfin, President

DATED: 8-11-2000

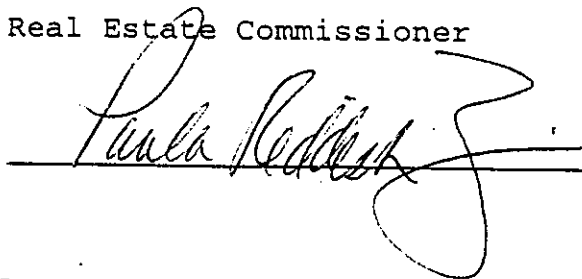
  
\_\_\_\_\_  
MICHAEL J. RUBINO, ESQ.  
Counsel for Respondent  
Euro-Funding Corporation

\* \* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision and Order and shall become effective at 12  
o' clock noon on October 25, 2000.

IT IS SO ORDERED October 2, 2000.

PAULA REDDISH ZINNEMANN  
Real Estate Commissioner

  
\_\_\_\_\_

*Handwritten marks*

ELLIOT MAC LENNAN, Counsel (SBN 66674)  
Department of Real Estate  
320 West Fourth Street, Suite 350  
Los Angeles, California 90013-1105

Telephone: (213) 576-6982  
-or- (213) 576-6911 (Direct)

**FILED**  
JUN - 2 2000  
DEPARTMENT OF REAL ESTATE

By *K. McCreedy*

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	No. H- 28596 LA
EURO-FUNDING CORPORATION; and )	
STANLEY EMMET ANDERSON, )	<u>A C C U S A T I O N</u>
individually and as designated )	
officer of Euro-Funding )	
Corporation, )	
Respondents. )	

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against EURO-FUNDING CORPORATION, and STANLEY EMMET ANDERSON, individually and as designated officer of Euro-Funding Corporation, is informed and alleges in his official capacity as follows:

1.

EURO-FUNDING CORPORATION (hereinafter "EFC"), and STANLEY EMMET ANDERSON, individually and as designated officer of EFC (hereinafter "Anderson"), are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of

1 the California Business and Professions Code (hereinafter  
2 "Code").

3 2.

4 At all times material herein, EFC was and still is  
5 licensed by the Department of Real Estate of the State of  
6 California (hereinafter "Department") as a corporate real estate  
7 broker, by and through ANDERSON, as the designated officer and  
8 broker responsible, pursuant to the provisions of Code Section  
9 10159.2 for the supervision and control of the activities  
10 conducted on behalf of EFC by EFC's officers and employees.

11 3.

12 At all times material herein, ANDERSON was and now is  
13 licensed by the Department, individually as a real estate broker  
14 and as the designated officer of EFC. As the designated broker-  
15 officer, ANDERSON was and is responsible for the supervision and  
16 control of the activities conducted on behalf of EFC by EFC's  
17 officers and employees as necessary to secure full compliance  
18 with the Real Estate Law pursuant to Code Section 10159.

19 4.

20 All further references herein to "Respondents", unless  
21 otherwise specified, include the parties identified in Paragraphs  
22 1 through 3 above and also include the officers, directors,  
23 employees, and real estate licensees employed by or associated  
24 with said parties, who at all times herein mentioned were engaged  
25 in the furtherance of the business or operations of said parties  
26 and who were acting within the course and scope of their  
27 authority and employment.

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5.

At all times material herein, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate brokers for others in the State of California, within the meaning of Code Section 10131(d), for or in expectation of compensation. Said activity included the operation and conduct of a mortgage loan broker business with the public wherein Respondents solicited borrowers or lenders for, or negotiated loans, or collected payments or performed services for borrowers or lenders or note holders, in connection with loans secured directly or collaterally by a lien on real property or a business opportunity.

6.

In connection with the above-described loan brokerage business, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as escrow holder, servicer and/or agent, and thereby acted or assumed to act under the exemption from the provisions of the Escrow Law as provided by Section 17006(a)(4) of the California Financial Code.

FIRST CAUSE OF ACCUSATION

(Criminal Conviction)

7.

On or about May 19, 1999, in the Superior Court, County of Los Angeles, State of California, in case number BA182847, Respondent ANDERSON was convicted upon a plea of nolo contendere to violation of Section 11320 of the California Penal Code (Real Estate Appraising Without License), a felony.

1 Respondent ANDERSON was placed on probation for five years. The  
2 terms and conditions of probation require, among others, that  
3 Respondent ANDERSON not act as a real estate appraiser without  
4 prior written approval from the proper licensing authorities.

5 8.

6 The crime of which Respondent ANDERSON was convicted is  
7 one that involves moral turpitude and bears a substantial  
8 relationship to the qualifications, functions or duties of a real  
9 estate licensee.

10 9.

11 The facts as alleged above are grounds for the  
12 suspension or revocation of the license and license rights of  
13 Respondents EFC and ANDERSON under Sections 490 and 10177(b) of  
14 the Code.

15 SECOND CAUSE OF ACCUSATION

16 (Audit Findings)

17 10.

18 On December 16, 1999, the Department concluded its  
19 examination of Respondents' books and records pertaining to their  
20 activities as real estate brokers as described in Paragraphs 5  
21 and 6, above, for the period of January 1, 1998, to December 31,  
22 1998. The examination revealed violations of the Code and of  
23 Title 10, Chapter 6, California Code of Regulations (hereinafter  
24 "Regulations"), as set forth below.

25 11.

26 At all times herein, in connection with the mortgage  
27 loan broker activity described in Paragraph 5, above, Respondents



1 accepted or received funds including funds in trust (hereinafter  
2 "trust funds") from or on behalf of actual and prospective  
3 parties to transactions handled by Respondents and thereafter  
4 made deposits and/or disbursements of such funds. From time to  
5 time herein mentioned, said trust funds were deposited and/or  
6 maintained by Respondents in Account No. 0900-859-752, known as  
7 the "Euro-Funding Corporation Trust Account" (hereinafter "Trust  
8 Account") at Wells Fargo Bank located in Sacramento, California.

9  
10 12.

11 Respondents acted in violation of the Code and the  
12 Regulations in that:

13 (a) Respondents failed to maintain a columnar record  
14 for the Trust Account, in violation of Code Section 10145 and  
15 Regulation 2831.

16 (b) Respondents failed to maintain separate  
17 beneficiary records for the Trust Account, in violation of Code  
18 Section 10145 and Regulation 2831.1.

19 (c) Respondents failed to maintain a monthly  
20 reconciliation of records described in Regulations 2831 and  
21 2831.1 for the Trust Account, in violation of Code Section 10145  
22 and Regulation 2821.2.

23 (d) Respondents failed to provide borrowers with  
24 approved mortgage loan disclosure statements, in violation of  
25 Code Section 10240 and Regulation 2840.

26 13.

27 The conduct, acts and omissions of Respondents, as  
described in Paragraph 12, violated the Code and the Regulations



1 as set forth below:

2	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
3	12(a)	Code Section 10145 and Regulation 2831
4		
5	12(b)	Code Section 10145 and Regulation 2831.1
6		
7	12(c)	Code Section 10145 and Regulation 2831.2
8		
9	12(d)	Code Section 10240 and Regulation 2840

10 Each of the foregoing violations constitutes cause for  
11 the suspension or revocation of all real estate licenses and  
12 license rights of Respondents under the provisions of Code  
13 Section 10177(d).

14 THIRD CAUSE OF ACCUSATION

15 (Supervision Violation)

16 14.

17 The conduct, acts and omissions of Respondent ANDERSON,  
18 as described in Paragraph 12 above, constitute failure on the  
19 part of Respondent ANDERSON, as officer designated by a corporate  
20 broker licensee, to exercise reasonable supervision and control  
21 over the licensed activities of Respondent EFC as required by  
22 Code Section 10159.2 and is cause for the suspension or  
23 revocation of all real estate licenses and license rights of  
24 Respondent ANDERSON pursuant to the provisions of Code Section  
25 10177(h).

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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/or license rights of Respondent EURO-FUNDING CORPORATION and Respondent STANLEY EMMET ANDERSON, under the Real Estate Law (Part 1 of Division 4 of the 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 2nd day of June, 2000.

THOMAS MC CRADY  

---

Deputy Real Estate Commissioner

cc: Euro-Funding Corporation  
c/o Stanley Emmet Anderson D.O.  
Thomas McCrady  
Sacto.  
MLB