

1 ELLIOTT MAC LENNAN, Counsel (SBN 66674)  
2 Department of Real Estate  
3 320 W. 4<sup>TH</sup> Street, Suite 350  
4 Los Angeles, CA 90013-1105

5 Telephone: (213) 576-6982 (Office)  
6 -or- (213) 576-6911 (Direct)

**FILED**  
OCT 26 2006  
DEPARTMENT OF REAL ESTATE

By *R. Kederhult*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 SAMTIM INC., a corporate real )  
13 estate broker, doing business as )  
14 Re/Max of North Orange County, )  
15 and RONALD HOLBORN, as designated )  
16 officer of Samtim Inc., )  
Respondents. )

No. H-32687 LA

STIPULATION  
AND  
AGREEMENT

17 It is hereby stipulated by and between Respondents  
18 SAMTIM INC., a corporate real estate broker, and RONALD HOLBORN,  
19 individually and as designated officer of Samtim Inc., (sometimes  
20 collectively referred to as "Respondents"), represented by Law  
21 Offices of Kevin Spainhour, Esq., and the Complainant, acting by  
22 and through Elliott Mac Lennan, Counsel for the Department of  
23 Real Estate, as follows for the purpose of settling and disposing  
24 of the Accusation ("Accusation") filed on April 14, 2006, in this  
25 matter:  
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1 1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondents  
3 at a formal hearing on the Accusation, which hearing was to be  
4 held in accordance with the provisions of the Administrative  
5 Procedure Act ("APA"), shall instead and in place thereof be  
6 submitted solely on the basis of the provisions of this  
7 Stipulation and Agreement ("Stipulation").

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

12 3. Respondents timely filed a Notice of Defense  
13 pursuant to Section 11506 of the Government Code for the purpose  
14 of requesting a hearing on the allegations in the Accusation.  
15 Respondents hereby freely and voluntarily withdraw said Notice of  
16 Defense. Respondents acknowledge that they understand that by  
17 withdrawing said Notice of Defense they thereby waive their right  
18 to require the Commissioner to prove the allegations in the  
19 Accusation at a contested hearing held in accordance with the  
20 provisions of the APA and that they will waive other rights  
21 afforded to them in connection with the hearing such as the right  
22 to present evidence in their defense the right to cross-examine  
23 witnesses.  
24 witnesses.

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

10                   5. This Stipulation and Respondents decision not to  
11 contest the Accusation is made for the purpose of reaching an  
12 agreed disposition of this proceeding and is expressly limited to  
13 this proceeding and any other proceeding or case in which the  
14 Department of Real Estate ("Department"), the state or federal  
15 government, or any agency of this state, another state or federal  
16 government is involved, and otherwise shall not be admissible in  
17 any other criminal or civil proceedings.

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

2 7. The Order or any subsequent Order of the Real  
3 Estate Commissioner made pursuant to this Stipulation shall not  
4 constitute an estoppel, merger or bar to any further  
5 administrative or civil proceedings by the Department of Real  
6 Estate with respect to any matters which were not specifically  
7 alleged to be causes for Accusation in this proceeding but do  
8 constitute a bar, estoppel and merger as to any allegations  
9 actually contained in the Accusations against Respondent herein.

10 DETERMINATION OF ISSUES

11 By reason of the foregoing, it is stipulated and agreed  
12 that the following determination of issues shall be made:

13 I.

14 The conduct of SAMTIM INC., as described in Paragraph  
15 4, above, is in violation of Section 10177(g) of the Business and  
16 Professions Code and is a basis for the suspension or revocation  
17 of Respondent's license and license rights as a violation said  
18 section.

19 II.

20 The conduct of RONALD HOLBORN, as described in  
21 Paragraph 4, above, is in violation of Section 10177(g) of the  
22 Business and Professions Code and is a basis for the suspension  
23 or revocation of Respondent's license and license rights as a  
24 violation said section.

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

All licenses and licensing rights of Respondents SAMTIM  
INC. and RONALD HOLBORN under the Real Estate Law suspended for a  
period of sixty (60) days from the effective date of this  
Decision; provided, however, that

1. Sixty (60) day suspension (or a portion thereof)  
shall be stayed for two (2) years upon condition that Respondents  
petition and pay a monetary penalty pursuant to Section 10175.2  
of the Business and Professions Code at the rate of \$166.66 per  
day for each day of the suspension for a total monetary penalty  
of \$10,000 each or \$20,000 total.

2. Said payment shall be in the form of a cashier's  
check or certified check made payable to the Recovery Account of  
the Real Estate Fund. Said check must be received by the  
Department prior to the effective date of the Decision in this  
matter.

3. No further cause for disciplinary action against  
the real estate license of Respondents occurs within two (2)  
years from the effective date of the Decision in this matter.

4. If Respondents fail to pay the monetary penalty in  
accordance with the terms of the Decision, the Commissioner may,  
without a hearing, order the immediate execution of all or any  
part of the stayed suspension, in which event the Respondents

1 shall not be entitled to any repayment nor credit, prorated or  
2 otherwise, for money paid to the Department under the terms of  
3 this Decision.

4 5. If Respondents pay the monetary penalty and if no  
5 further cause for disciplinary action against the real estate  
6 license of Respondents occurs within two (2) years from the  
7 effective date of the Decision, the stay hereby granted shall  
8 become permanent.

9 6. Respondents shall obey all laws, rules and  
10 regulations governing the rights, duties and responsibilities of  
11 real estate licensees in the State of California.

12  
13 DATED: 8-8-06 ELIOTT MAC LENNAN  
14 ELLIOTT MAC LENNAN, Counsel for  
15 the Department of Real Estate

16 \* \* \*

17 EXECUTION OF THE STIPULATION

18 We have read the Stipulation, and have discussed it  
19 with our counsel. Its terms are understood by us and are  
20 agreeable and acceptable to us. We understand that we are  
21 waiving rights given to us by the California Administrative  
22 Procedure Act (including but not limited to Sections 11506,  
23 11508, 11509 and 11513 of the Government Code), and we willingly,  
24 intelligently and voluntarily waive those rights, including the  
25 right of requiring the Commissioner to prove the allegations in  
26 the Accusation at a hearing at which we would have the right to  
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cross-examine witnesses against us 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 by faxing a copy of its  
signature page, as actually signed by Respondents, to the  
Department at the following telephone/fax number: Elliott Mac  
Lennan at (213) 576-6917. Respondents agree, acknowledge and  
understand that by electronically sending to the Department a fax  
copy of Respondents' actual signature as they appear on the  
Stipulation, that receipt of the faxed copy by the Department  
shall be as binding on Respondents as if the Department had  
received the original signed Stipulation.

DATED: \_\_\_\_\_

\_\_\_\_\_  
SANTIM INC., a corporate real  
estate broker,  
BY: RONALD HOLBORN, D.O.,  
Respondent

DATED: \_\_\_\_\_

\_\_\_\_\_  
RONALD HOLBORN, as designated  
officer of Santim Inc.,  
Respondent

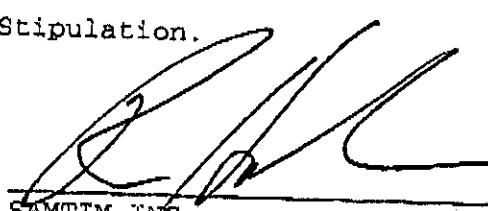
DATED: \_\_\_\_\_

\_\_\_\_\_  
KEVIN SPAINHOUR, ESQ.  
Attorney for Respondents  
Approved as to form

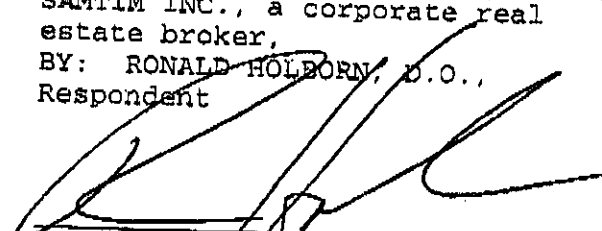
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10 Stipulation, that receipt of the faxed copy by the Department  
11 shall be as binding on Respondents as if the Department had  
12 received the original signed Stipulation.

14  
15 DATED: 9/19/2006

  
SANTIM INC., a corporate real  
estate broker,  
BY: RONALD HOLBORN, D.O.,  
Respondent

17  
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19 DATED: 9/19/2006

  
RONALD HOLBORN, as designated  
officer of Santim Inc.,  
Respondent

23 DATED: \_\_\_\_\_

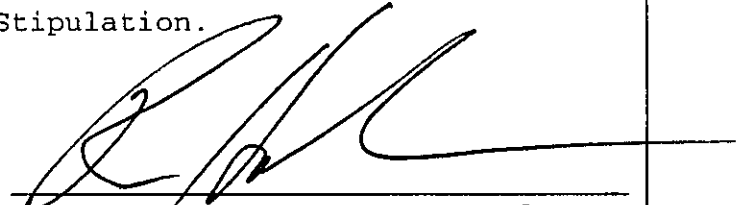
24 KEVIN SPAINHOUR, ESQ.  
25 Attorney for Respondents  
26 Approved as to form  
27



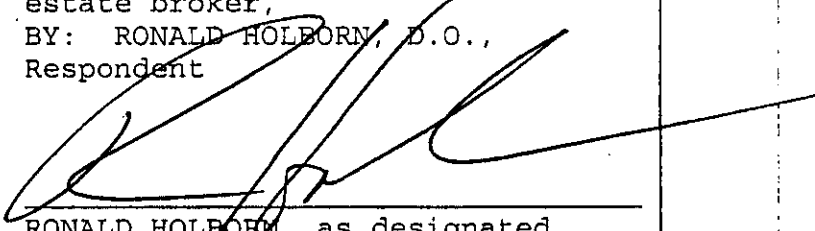
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11 shall be as binding on Respondents as if the Department had  
12 received the original signed Stipulation.

13  
14  
15 DATED: 9/19/2006

  
SANTIM INC., a corporate real  
estate broker,  
BY: RONALD HOLBORN, D.O.,  
Respondent

16  
17  
18  
19 DATED: 9/19/2006

  
RONALD HOLBORN, as designated  
officer of Santim Inc.,  
Respondent

20  
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22  
23 DATED: \_\_\_\_\_

\_\_\_\_\_  
KEVIN SPAINHOUR, ESQ.  
Attorney for Respondents  
Approved as to form

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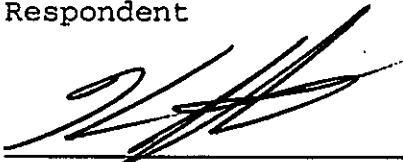
15 DATED: \_\_\_\_\_

\_\_\_\_\_  
16 SAMTIM INC., a corporate real  
estate broker,  
17 BY: RONALD HOLBORN, D.O.,  
Respondent  
18

19 DATED: \_\_\_\_\_

\_\_\_\_\_  
20 RONALD HOLBORN, as designated  
officer of Samtim Inc.,  
21 Respondent  
22

23 DATED: 9/19/2006

  
\_\_\_\_\_  
24 KEVIN SPAINHOUR, ESQ.  
Attorney for Respondents  
25 Approved as to form  
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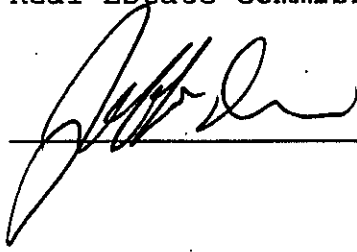
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The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondents SAMTIM INC. and RONALD  
HOLBORN, individually and as designated officer of Samtim Inc.,  
and shall become effective at 12 o'clock noon on  
NOV 15, 2006.

IT IS SO ORDERED 10-10, 2006.

JEFF DAVI  
Real Estate Commissioner



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*Handwritten signature*

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ELLIOTT MAC LENNAN, Counsel (SBN 66674)  
Department of Real Estate  
320 West Fourth St., #350  
Los Angeles, CA 90013

(213) 576-6982  
(213) 576-6911

**FILED**  
APR 14 2008  
DEPARTMENT OF REAL ESTATE

*Handwritten signature*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of	)	No. H-32687 LA
	)	
SAMTIM, INC., a corporate real	)	
estate broker, doing business as	)	
Re/Max Of North Orange County,	)	ACCUSATION
and RONALD HOLBORN, as designated	)	
officer of Samtim, Inc.,	)	
	)	
Respondents.	)	

The Complainant, Janice Waddell, a Deputy Real Estate Commissioner, for cause of Accusation against SAMTIM, INC., a corporate real estate broker, doing business as Re/Max Of North Orange County and RONALD HOLBORN, as designated officer of Samtim, Inc., is informed and alleges as follows:

1.

The Complainant, Janice Waddell, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

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2.

LICENSING

(a) Respondent SAMTIM, INC. (hereinafter "Respondent SAMTIM") is presently licensed and at all times relevant herein was licensed under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code"). Respondent SAMTIM has been, since September 20, 1991, at all times herein mentioned, and is, licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker, license number 01116635, doing business as Re/Max Of North Orange County.

(b) Respondent SAMTIM was and is authorized to act by and through Respondent RONALD HOLBORN as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2 for the supervision and control of the activities conducted on behalf of Respondent SAMTIM by Respondent SAMTIM's officers and employees.

3.

(a) Respondent RONALD HOLBORN (hereinafter "Respondent HOLBORN") is presently licensed and at all times relevant herein was licensed under the Code. Respondent HOLBORN has been, since July 6, 1988, at all times herein mentioned, and is, licensed by the Department as a real estate broker, license number 00606735, individually, and as designated officer of Respondent SAMTIM.

(b) At all times relevant herein, Respondent HOLBORN was the broker-officer of respondent SAMTIM designated pursuant

1 to Code Section 10159.2 to be Responsible for the supervision and  
2 control of the activities conducted on behalf of Respondent  
3 SAMTIM by its officers and employees as necessary to secure full  
4 compliance with the Real Estate Law. Respondent HOLBORN has been  
5 designated broker-officer of Respondent SAMTIM since on or about  
6 September 20, 1991.

7 (c) At all times herein mentioned, Respondent HOLBORN  
8 was the Chief Executive Officer, Secretary and Chief Financial  
9 Officer of Respondent SAMTIM.

10 4.

11 LICENSED ACTIVITIES

12 (a) At all times material herein, Respondents SAMTIM  
13 and HOLBORN, through salespeople licensed to Respondents SAMTIM  
14 and HOLBORN, (hereafter "agents") were engaged in the business  
15 of, acted in the capacity of, advertised or assumed to act as  
16 real estate brokers within the meaning of Code Sections 10131(a),  
17 for another or others, for or in expectation of compensation to  
18 solicit sellers and buyers for listing, sale and purchase of real  
19 property and to negotiate the purchase and sale of real property  
20 on behalf of buyers and sellers.

21 (b) At all times material herein, Respondent SAMTIM  
22 received escrows at its Re/Max of North Orange County Escrow  
23 Division, pursuant to the exemption provided in California  
24 Financial Code Section 17006(a)(4).

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1 5.

2 GENERAL ALLEGATIONS

3 (a) Between in or about June 2, 2004 through in or  
4 about February 25, 2005, Respondents, and each of them, in  
5 connection with their residential sales activities set forth in  
6 Paragraph 4 above, entered into a Reinsurance Participation  
7 Agreement with LandAmerica Reinsurance Services, Inc. (hereafter  
8 LandAmerica), whereby Respondent SAMTIM would receive 20% of a  
9 net title reinsurance insurance premium, based on customer  
10 referrals to title insurance companies or underwritten title  
11 companies including but not limited to LandAmerica Southland  
12 Title Company. More specifically:

13 6.

14 On or about March 25, 2004, LandAmerica entered into a  
15 Participation Agreement with Respondent SAMTIM through Respondent  
16 HOLBORN. Under this Participation Agreement, Respondent SAMTIM  
17 deposited \$10,000 and a letter of credit in the amount of \$25,000  
18 and would assume 20% liability for title insurance losses, if  
19 any, from sales transactions generated by Respondent SAMTIM, in  
20 exchange for receiving 20% of the ceded "Net Reinsurable  
21 Premium."

22 7.

23 On or about June 2, 2004, LandAmerica entered into a  
24 Reinsurance Agreements with title insurance companies, including  
25 but not limited to Transnation Title Insurance Company,  
26 Commonwealth Land Title Company, their subsidiaries including but  
27 not limited to LandAmerica Southland Title Company, whereby the

1 title insurance companies would cede liability and part of the  
2 premium, less \$300 processing fee, to LandAmerica. LandAmerica  
3 would then rebate 20% of the premium to Respondent SAMTIM.

4 8.

5 The total amount of the title insurance premium  
6 included the premium for the title policy paid for by seller for  
7 the benefit of the buyer and for the policy insuring the lender,  
8 paid for by the buyer. It was based on this total premium that  
9 the 20% of the net ceded premium was calculated and paid to  
10 Respondent SAMTIM.

11 9.

12 The California Department of Insurance (DOI) has  
13 indicated that the typical loss ratio as to title insurance is  
14 three to five percent, meaning there is little or no risk  
15 transferred to the reinsurer in exchange for the portion of  
16 premium they are collecting, and in California, the normal  
17 practice is not to have a reinsurer in connection with title  
18 business. DOI determined that the reinsurance agreements were  
19 not legitimate reinsurance agreements, but were a scheme under  
20 which title insurers were paying real estate brokers illegal  
21 rebates - in the form of "premiums" on fictitious reinsurance  
22 paid to captive reinsurers - in exchange for the brokers  
23 channeling business to the title companies.

24 10.

25 Between in or about June 2, 2004 through in or about  
26 February 25, 2005, Respondent SAMTIM received compensation of  
27 approximately \$12,266.00 for referrals of its sellers and buyers



1 to LandAmerica Southland Title as a result of residential sales  
2 negotiated by Respondent SAMTIM. Sellers purchased title  
3 insurance from LandAmerica Southland Title through escrow for the  
4 benefit of buyers in those transactions set forth below.

5 11.

6 NON DISCLOSURE

7 (a) Respondents did not disclose to sellers any  
8 affiliation with LandAmerica or LandAmerica Southland Title.  
9 Respondents did not disclose to their principals, sellers in the  
10 below transactions, at the time of listing, or at any time, or to  
11 the buyers at any time, that Respondent SAMTIM would receive  
12 compensation from the identified title insurance companies if  
13 sellers and buyers used those title insurance companies. Nor did  
14 Respondents disclose to sellers or buyers the amount of the  
15 compensation fee or consideration which it received in connection  
16 with the below described transactions.

17 (b) Respondent SAMTIM had in its possession a blank  
18 form entitled "Affiliated Business Disclosure Statement" with  
19 blanks to be filled in and to be signed by the seller. In none  
20 of the transactions examined by the Department and set forth  
21 below, was there such an "Affiliated Business Disclosure  
22 Statement" either in blank or signed by the sellers.

23 12.

24 TRANSACTIONS

25 The General Allegations, referral of customers to the  
26 title companies, the receipt of compensation from the title  
27 insurance companies for referral of customers, non disclosures

1 and deceit as above alleged occurred while Respondent SAMTIM  
2 solicited and negotiated for the following sales of real  
3 property, all of which were escrowed through Re/Max of North  
4 Orange County escrow Division, an escrow owned and operated by  
5 Respondent SAMTIM.

6 13.

7 3552 West Stonepine Lane, Unit B, Anaheim

8 (a) On or about May 14, 2004, Respondents listed 3552  
9 West Stonepine Lane, Unit B, Anaheim, California (the Stonepine  
10 Property) from In Sook Kim, seller, for sale. On or about July  
11 22, 2004, Respondents completed negotiations for the sale of the  
12 Stonepine Property by seller to buyer Leslie David Lee. Escrow  
13 was opened on or about July 26, 2004 and closed on or about  
14 September 7, 2004. Respondents, jointly and severally, referred  
15 the sellers and buyers to LandAmerica Southland Title.

16 LandAmerica Southland Title issued title insurance to buyers and  
17 lender for a total premium of \$1,561.57 paid for by sellers and  
18 buyers through escrow. LandAmerica Southland Title ceded  
19 \$1,261.57 of the premium to LandAmerica Reinsurance Services.  
20 LandAmerica Reinsurance Services then paid \$252.31 to Respondent  
21 SAMTIM for referral of sellers and buyers to LandAmerica  
22 Southland Title.

23 (b) Respondents did not disclose to sellers any  
24 affiliation with LandAmerica Reinsurance Services or LandAmerica  
25 Southland Title. Respondents did not disclose to sellers in the  
26 this transaction, at the time of listing or at any time, or to  
27 the buyers at any time, that Respondent SAMTIM would receive

1 compensation from the LandAmerica Reinsurance Services or  
2 LandAmerica Southland Title if sellers and buyers used those  
3 title insurance companies. Nor did Respondents disclose the  
4 amount of the compensation fee or consideration which Respondent  
5 SAMTIM received from LandAmerica Reinsurance Services or  
6 LandAmerica Southland Title in connection with this transaction.

7 14.

8 7813 Horizon View Drive, Anaheim

9 (a) On or about June 20, 2004, Respondents SAMTIM and  
10 HOLBORN listed 7813 Horizon View Drive, Anaheim, California (the  
11 Horizon View Property) from Tony S. Alberoni and Roy P. Alberoni,  
12 sellers, for sale. On or about August 24, 2004, Respondents  
13 completed negotiations for the sale of the Horizon View Property  
14 by sellers to buyer Mike Edward Stehno. Escrow was opened on or  
15 about August 25, 2004 and closed on or about September 30, 2004.  
16 Respondents, jointly and severally, referred the sellers and  
17 buyer to LandAmerica Southland Title. LandAmerica Southland  
18 Title issued title insurance to buyers and lender for a total  
19 premium of \$2,614.29 paid for by sellers and buyers through  
20 escrow. LandAmerica Southland Title ceded \$2,314.29 of the  
21 premium to LandAmerica Reinsurance Services. LandAmerica  
22 Reinsurance Services then paid \$462.86 to Respondent SAMTIM for  
23 referral of sellers and buyers to LandAmerica Southland Title.

24 (b) Respondents did not disclose to sellers any  
25 affiliation with LandAmerica Reinsurance Services or LandAmerica  
26 Southland Title. Respondents did not disclose to sellers in the  
27 this transaction, at the time of listing or at any time, or to

1 the buyers at any time, that Respondent SAMTIM would receive  
2 compensation from the LandAmerica Reinsurance Services or  
3 LandAmerica Southland Title if sellers and buyers used those  
4 title insurance companies. Nor did Respondents disclose the  
5 amount of the compensation fee or consideration which Respondent  
6 SAMTIM received from LandAmerica Reinsurance Services or  
7 LandAmerica Southland Title in connection with this transaction.

8 15.

9 12138 Lakeland Road, Norwalk

10 (a) On or about August 4, 2004, Respondents listed  
11 12138 Lakeland Road, Norwalk, California (the Lakeland Property)  
12 from Mauro Guzman, seller, for sale. On or about August 8, 2004,  
13 Respondents completed negotiations for the sale of the Lakeland  
14 Property by seller to buyers Gustavo and Ruth Gutierrez. Escrow  
15 was opened on or about August 9, 2004 and closed on or about  
16 October 8, 2004. Respondents, jointly and severally, referred  
17 the sellers and buyers to LandAmerica Southland Title.  
18 LandAmerica Southland Title issued title insurance to buyers and  
19 lender for a total premium of \$2,161.70 paid for by sellers and  
20 buyers through escrow. LandAmerica Southland Title ceded  
21 \$1,861.70 of the premium to LandAmerica Reinsurance Services.  
22 LandAmerica Reinsurance Services then paid \$372.34 to Respondent  
23 SAMTIM for referral of sellers and buyers to LandAmerica  
24 Southland Title.

25 (b) Respondents did not disclose to sellers any  
26 affiliation with LandAmerica Reinsurance Services or LandAmerica  
27 Southland Title. Respondents did not disclose to sellers in the

1 this transaction, at the time of listing or at any time, or to  
2 the buyers at any time, that Respondent SAMTIM would receive  
3 compensation from the LandAmerica Reinsurance Services or  
4 LandAmerica Southland Title if sellers and buyers used those  
5 title insurance companies. Nor did Respondents disclose the  
6 amount of the compensation fee or consideration which Respondent  
7 SAMTIM received from LandAmerica Reinsurance Services or  
8 LandAmerica Southland Title in connection with this transaction.

9 16.

10 885 East Buchanan Court, Brea

11 (a) On or July 17, 2004, Respondents listed 885 East  
12 Buchanan Court, Brea, (the Buchannan property) California from  
13 James and Maria Lockie, seller, for sale. On or about August 11,  
14 2004, Respondents completed negotiations for the sale of the  
15 Buchannan Property by sellers to buyers Donald and Laurie Peters.  
16 Escrow was opened on or about August 11, 2004 and closed on or  
17 about October 12, 2004. Respondents, jointly and severally,  
18 referred the sellers and buyers to LandAmerica Southland Title.  
19 LandAmerica Southland Title issued title insurance to buyers and  
20 lender for a total premium of \$2,828.76 paid for by sellers and  
21 buyers through escrow. LandAmerica Southland Title ceded  
22 \$2,528.76 of the premium to LandAmerica Reinsurance Services.  
23 LandAmerica Reinsurance Services then paid \$505.75 to Respondent  
24 SAMTIM for referral of sellers and buyers to LandAmerica  
25 Southland Title.

26 (b) Respondents did not disclose to sellers any  
27 affiliation with LandAmerica Reinsurance Services or LandAmerica

1 Southland Title. Respondents did not disclose to sellers in the  
2 this transaction, at the time of listing or at any time, or to  
3 the buyers at any time, that Respondent SAMTIM would receive  
4 compensation from the LandAmerica Reinsurance Services or  
5 LandAmerica Southland Title if sellers and buyers used those  
6 title insurance companies. Nor did Respondents disclose the  
7 amount of the compensation fee or consideration which Respondent  
8 SAMTIM received from LandAmerica Reinsurance Services or  
9 LandAmerica Southland Title in connection with this transaction.

10 17.

11 1720 East Mateo Ave., La Habra

12 (a) On or about July 29, 2004, Respondents listed for  
13 sale 1720 East Mateo Ave., La Habra, California (the Mateo  
14 Property) from Jeffrey Walton, attorney-in-fact for Nellie F.  
15 Walton, seller. On or about October 1, 2004, Respondents  
16 completed negotiations for the sale of the Mateo Property by  
17 sellers to buyer Mun C. Cho. Escrow was opened on or about  
18 October 4, 2004 and closed on or about November 19, 2004.  
19 Respondents, jointly and severally, referred the sellers and  
20 buyers to LandAmerica Southland Title. LandAmerica Southland  
21 Title issued title insurance to buyers and lender for a total  
22 premium of \$2,208.06 paid for by sellers and buyers through  
23 escrow. LandAmerica Southland Title ceded \$1,908.06 of the  
24 premium to LandAmerica Reinsurance Services. LandAmerica  
25 Reinsurance Services then paid \$381.61 to Respondent SAMTIM for  
26 referral of sellers and buyers to LandAmerica Southland Title.

27 (b) Respondents did not disclose to sellers any

1 affiliation with LandAmerica Reinsurance Services or LandAmerica  
2 Southland Title. Respondents did not disclose to sellers in the  
3 this transaction, at the time of listing or at any time, or to  
4 the buyers at any time, that Respondent SAMTIM would receive  
5 compensation from the LandAmerica Reinsurance Services or  
6 LandAmerica Southland Title if sellers and buyers used those  
7 title insurance companies. Nor did Respondents disclose the  
8 amount of the compensation fee or consideration which Respondent  
9 SAMTIM received from LandAmerica Reinsurance Services or  
10 LandAmerica Southland Title in connection with this transaction.

11 18.

12 29 Comiso, Irvine

13 (a) On or about September 20, 2004, Respondents listed  
14 29 Comiso, Irvine, California (the Comiso Property) from Shwu-  
15 Huey Wey, seller, for sale. On or about October 19, 2004,  
16 Respondents completed negotiations for the sale of the Comiso  
17 Property by sellers to buyers Teddy and Paulina Wu. Escrow was  
18 opened on or about October 25, 2004, and closed on or about  
19 November 29, 2004. Respondents, jointly and severally, referred  
20 the sellers and buyers to LandAmerica Southland Title.  
21 LandAmerica Southland Title issued title insurance to buyers and  
22 lender for a total premium of \$2,418.28 paid for by sellers and  
23 buyers through escrow. LandAmerica Southland Title ceded  
24 \$2,118.28 of the premium to LandAmerica Reinsurance Services.  
25 LandAmerica Reinsurance Services then paid \$423.66 to Respondent  
26 SAMTIM for referral of sellers and buyers to LandAmerica  
27 Southland Title.

1 (b) Respondents did not disclose to sellers any  
2 affiliation with LandAmerica Reinsurance Services or LandAmerica  
3 Southland Title. Respondents did not disclose to sellers in the  
4 this transaction, at the time of listing or at any time, or to  
5 the buyers at any time, that Respondent SAMTIM would receive  
6 compensation from the LandAmerica Reinsurance Services or  
7 LandAmerica Southland Title if sellers and buyers used those  
8 title insurance companies. Nor did Respondents disclose the  
9 amount of the compensation fee or consideration which Respondent  
10 SAMTIM received from LandAmerica Reinsurance Services or  
11 LandAmerica Southland Title in connection with this transaction.

12 19.

13 2351 Sutter Way, Unit 234, Fullerton

14 (a) On or about October 25, 2004, Respondents listed  
15 2351 Sutter Way, Unit 234, Fullerton, California (the Sutter Way  
16 Property) from Patrick Lewis Scott, seller, for sale. On or  
17 about December 2, 2004, Respondents completed negotiations for  
18 the sale of the Sutter Way Property by sellers to buyer Sung Hun  
19 Chung. Escrow was opened on or about December 3, 2004 and closed  
20 on or about January 5, 2005. Respondents, jointly and severally,  
21 referred the sellers and buyers to LandAmerica Southland Title.  
22 LandAmerica Southland Title issued title insurance to buyers and  
23 lender for a total premium of \$1,886.19 paid for by sellers and  
24 buyers through escrow. LandAmerica Southland Title ceded  
25 \$1,586.19 of the premium to LandAmerica Reinsurance Services.  
26 LandAmerica Reinsurance Services then paid \$317.24 to Respondent  
27 SAMTIM for referral of sellers and buyers to LandAmerica



1 Southland Title.

2 (b) Respondents did not disclose to sellers any  
3 affiliation with LandAmerica Reinsurance Services or LandAmerica  
4 Southland Title. Respondents did not disclose to sellers in the  
5 this transaction, at the time of listing or at any time, or to  
6 the buyers at any time, that Respondent SAMTIM would receive  
7 compensation from the LandAmerica Reinsurance Services or  
8 LandAmerica Southland Title if sellers and buyers used those  
9 title insurance companies. Nor did Respondents disclose the  
10 amount of the compensation fee or consideration which Respondent  
11 SAMTIM received from LandAmerica Reinsurance Services or  
12 LandAmerica Southland Title in connection with this transaction.

13 20.

14 220 North Paseo Picaro, Anaheim

15 (a) On or about December 26, 2004, Respondents SAMTIM  
16 and HOLBORN listed 220 North Paseo Picaro, Anaheim, California  
17 (the Paseo Picaro Property) from James and Lisa Anne Estrada,  
18 sellers, for sale. On or about December 13, 2004, Respondents  
19 completed negotiations for the sale of the Paseo Picaro Property  
20 by sellers to buyers Jose Velasquez and Gladys Garcia. Escrow  
21 was opened on or about December 13, 2004 and closed on or about  
22 January 31, 2005. Respondents, jointly and severally, referred  
23 the sellers and buyers to LandAmerica Southland Title.  
24 LandAmerica Southland Title issued title insurance to buyers and  
25 lender for a total premium of \$2,303.15 paid for by sellers  
26 through escrow. LandAmerica Southland Title ceded \$2,003.15 of  
27 the premium to LandAmerica Reinsurance Services. LandAmerica

1 Reinsurance Services then paid approximately \$400.63 to  
2 Respondent SAMTIM for referral of sellers and buyers to  
3 LandAmerica Southland Title.

4 (b) The listing taken by Respondents SAMTIM and  
5 HOLBORN on or about December 26, 2004, was an exclusive  
6 authorization to sell which failed to contain a definite date of  
7 termination in violation of Code Section 10176(f).

8 (c) Respondents did not disclose to sellers any  
9 affiliation with LandAmerica Reinsurance Services or LandAmerica  
10 Southland Title. Respondents did not disclose to sellers in the  
11 this transaction, at the time of listing or at any time, or to  
12 the buyers at any time, that Respondent SAMTIM would receive  
13 compensation from the LandAmerica Reinsurance Services or  
14 LandAmerica Southland Title if sellers and buyers used those  
15 title insurance companies. Nor did Respondents disclose the  
16 amount of the compensation fee or consideration which Respondent  
17 SAMTIM received from LandAmerica Reinsurance Services or  
18 LandAmerica Southland Title in connection with this transaction.

19 21.

20 1432 West Domingo Road, Fullerton

21 (a) On or about December 1, 2004, Respondents listed  
22 for sale 1432 West Domingo Road, Fullerton, California (the West  
23 Domingo Road Property) from Julie Gutierrez and Elizabeth Noton,  
24 sellers. On or about December 10, 2004, Respondents completed  
25 negotiations for the sale of the West Domingo Road Property by  
26 sellers to buyer Myong Ki An. Escrow was opened on or about  
27 December 13, 2004 and closed on or about February 9, 2005.

1 Respondents, jointly and severally, referred the sellers and  
2 buyers to LandAmerica Southland Title. LandAmerica Southland  
3 Title issued title insurance to buyers and lender for a total  
4 premium of \$2,177.90 paid for by sellers and buyers through  
5 escrow. LandAmerica Southland Title ceded \$1,877.90 of the  
6 premium to LandAmerica Reinsurance Services. LandAmerica  
7 Reinsurance Services then paid \$375.58 to Respondent SAMTIM for  
8 referral of sellers and buyers to LandAmerica Southland Title.

9 (b) Respondents did not disclose to sellers any  
10 affiliation with LandAmerica Reinsurance Services or LandAmerica  
11 Southland Title. Respondents did not disclose to sellers in the  
12 this transaction, at the time of listing or at any time, or to  
13 the buyers at any time, that Respondent SAMTIM would receive  
14 compensation from the LandAmerica Reinsurance Services or  
15 LandAmerica Southland Title if sellers and buyers used those  
16 title insurance companies. Nor did Respondents disclose the  
17 amount of the compensation fee or consideration which Respondent  
18 SAMTIM received from LandAmerica Reinsurance Services or  
19 LandAmerica Southland Title in connection with this transaction.

20 .22.

21 2206 Heritage Way, Fullerton

22 (a) On or about December 20, 2004, Respondents listed  
23 2206 Heritage Way, Fullerton, California (the Heritage Way  
24 Property) from Osama Afifi, seller, for sale. On or about  
25 January 10, 2005, Respondents completed negotiations for the sale  
26 of the Heritage Way Property by sellers to buyer Go Woon Lee.  
27 Escrow was opened on or about January 10, 2005 and closed on or

1 about February 25, 2005. Respondents, jointly and severally,  
2 referred the sellers and buyers to LandAmerica Southland Title.  
3 LandAmerica Southland Title issued title insurance to buyers and  
4 lender for a total premium of \$2,378.77 paid for by sellers and  
5 buyers through escrow. LandAmerica Southland Title ceded  
6 \$2,078.77 of the premium to LandAmerica Reinsurance Services.  
7 LandAmerica Reinsurance Services then paid \$415.75 to Respondent  
8 SAMTIM for referral of sellers and buyers to LandAmerica  
9 Southland Title.

10 (b) Respondents did not disclose to sellers any  
11 affiliation with LandAmerica Reinsurance Services or LandAmerica  
12 Southland Title. Respondents did not disclose to sellers in the  
13 this transaction, at the time of listing or at any time, or to  
14 the buyers at any time, that Respondent SAMTIM would receive  
15 compensation from the LandAmerica Reinsurance Services or  
16 LandAmerica Southland Title if sellers and buyers used those  
17 title insurance companies. Nor did Respondents disclose the  
18 amount of the compensation fee or consideration which Respondent  
19 SAMTIM received from LandAmerica Reinsurance Services or  
20 LandAmerica Southland Title in connection with this transaction.

21 23.

22 CONDUCT

23 Respondents, and each of them, intentionally engaged in  
24 the conduct above set forth. In the alternative, Respondents  
25 and each of them engaged in negligent non disclosures in  
26 transactions for which a real estate license is required.

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1 24.

2 FAILURE TO SUPERVISE

3 In the alternative, Respondent HOLBORN as the broker-  
4 officer designated by Respondent SAMTIM to supervise the  
5 activities of the corporation for which a real estate license is  
6 required, willfully failed to exercise reasonable supervision  
7 over the activities of the Respondent SAMTIM for which a real  
8 estate license is required, in violation of Code Section 10177(d)  
9 for willful violation of Code Section 10159.2, and Code Section  
10 10177(h).

11 25.

12 CAUSES FOR DISCIPLINARY ACTION

13 Respondents' conduct as hereinabove set forth, singly  
14 or together, subjects both their real estate licenses and license  
15 rights to suspension or revocation, under the provisions of the  
16 following Code Sections:

17 (a) 10176(a) for substantial non disclosures that  
18 Respondent SAMTIM would receive compensation from title insurance  
19 companies;

20 (b) 10176(c) for a continued and flagrant course of non  
21 disclosure through real estate agents or salespeople that  
22 respondent SAMTIM would receive compensation from the title  
23 insurance companies;

24 (c) 10176(f) for taking an exclusive authorization to  
25 sell without a definite date of termination (see Paragraph  
26 20(b)).

27 (d) 10176(i) or 10177(j) for fraud or dishonest dealing

1 in failing to disclose to their sellers that respondent SAMTIM  
2 would receive compensation from title insurance companies;

3 (e) 10176(i) or 10177(j) for fraud or dishonest dealing  
4 in failing to disclose to sellers and buyers the amount of  
5 compensation actually received from title insurance companies.

6 (f) 10177(d), 10177(g) and/or 10177(h) for Respondent  
7 HOLBORN's failure to exercise reasonable supervision over the  
8 activities of the officers and employees of Respondent SAMTIM so  
9 as to prevent the violations from having occurred.

10 (g) 10177(g) for negligent non disclosures in  
11 transactions for which a real estate license is required; and/or

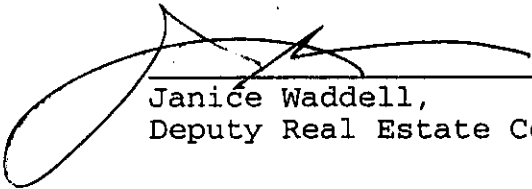
12 (h) 10177.4 for claiming, demanding or receiving  
13 commissions, fees or other consideration from a title insurance  
14 company for referral of customers to the title insurance company.

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1                   WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against all licenses and/or license rights of Respondent  
5 SAMTIM, INC., a corporate real estate broker, doing business as  
6 Re/Max Of North Orange County and RONALD HOLBORN, as designated  
7 officer of Samtim, Inc., under the Real Estate Law and for such  
8 other and further relief as may be proper under applicable  
9 provisions of law.

10 Dated at Los Angeles, California

11 this 30 day of March, 2006.

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15 \_\_\_\_\_  
16 Janice Waddell,  
17 Deputy Real Estate Commissioner  
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19  
20  
21

22 cc:           Samtim, Inc.  
23                & Ronald Holborn  
24                Ronald Holborn  
25                Janice Waddell  
26                Sacto.

27 EML: kw.