MARY ANN SMITH
Deputy Commissioner
JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
Department of Corporations
320 West 4th Street, Ste. 750
Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Accusation THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. LUCKY TEAM ESCROW, INC. and NANCY TRAN, Respondents.	File No.: 963-2107 ACCUSATION

The Complainant is informed and believes, and based upon such information and belief, alleges and charges Respondents as follows:

I

Respondent Lucky Team Escrow, Inc. ("Lucky Team") is an escrow agent licensed by the California Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the State of California (California Financial Code Section 17000 et seq.). Lucky Team has its principal place of business located at 13305 Brookhurst Avenue, Garden Grove, California 92843.

Respondent Nancy Tran ("Tran") is, and was at all times relevant herein, the president and the majority shareholder of Lucky Team.

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II

On or about October 6, 2011, the Commissioner, by and through staff, commenced a regulatory examination of the books and records of Lucky Team. The regulatory examination disclosed that Respondents had failed to maintain proper books and records in violation of Financial Code section 17404 and California Code of Regulations, title 10, sections 1732.2 and 1737.7 in that Lucky Team was unable to provide an outstanding checklist and trial balance for July 31, 2011 and had destroyed all fifteen files requested during the dormant escrow review.

The dormant escrow review portion of the regulatory examination disclosed that Lucky Team, by and through Tran, had made unauthorized disbursements in at least fifteen (15) escrows totaling $19,014.41 between August 19, 2011 and September 26, 2011 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The unauthorized disbursements of trust funds caused a shortage to exist in the trust account in violation of California Code of Regulations, title 10, section 1738.1. Lucky Team replaced the trust funds after the initiation of the regulatory examination, but prior to the examiner's return to Lucky Team to complete the regulatory examination, including the dormant escrow review. The unauthorized disbursements noted during the regulatory examination are described as follows:

1. On or about August 25, 2005, in escrow number 05-1408-NT, several refunds from Fidelity National Title Company were receipted in totaling $657.46. Respondents made no attempt to refund the monies to the seller, and on or about August 19, 2011, Respondents disbursed the $657.46 to Tran's son, Tony Tran, by way of trust check number 30088.

2. On or about August 19, 2011, in escrow number 06-2497-NT, Respondents disbursed the sum of $125.00 to Tran via trust check number 30089. The $125.00 paid to Tran consisted of the remaining funds left after close of escrow, which closing occurred on or about April 3, 2006.

3. On or about August 19, 2011, in escrow number 06-2384-NT, Respondents disbursed the sum of $79.95 to Tran via trust check number 30091. The $79.95 paid to Tran consisted of the remaining funds left after close of escrow, which closing occurred on or about February 10, 2006.

4. On or about August 21, 2011, in escrow number 05-1620-NT, Respondents disbursed the sum of $2,500.00 to Nick Nguyen via trust check number 30094. The $2,500.00 paid to Nick

Nguyen was the deposit made by the buyer on or about April 27, 2005.

5. On or about August 21, 2011, in escrow number 05-2303-NT, Respondents disbursed the sum of $2,000.00 to Nick Nguyen via trust check number 30096. The $2,000.00 paid to Nick Nguyen was the deposit made by the buyer on or about December 16, 2005.

6. On or about August 22, 2011, in escrow number 05-1883-CJ, Respondents disbursed the sum of $4,863.00 to Melanie Nguyen via trust check number 30098. The $4,863.00 paid to Melanie Nguyen was the amount remaining from the deposit made by the buyer on or about July 22, 2005.

7. On or about August 22, 2011, in escrow number 06-2926-NT, Respondents disbursed the sum of $1,000.00 to Vu Tran via trust check number 30099. The $1,000.00 paid to Vu Tran was the deposit made by the buyer on or about July 19, 2006.

8. On or about August 22, 2011, in escrow number 05-2309-NT, Respondents disbursed the sum of $1,000.00 to Tina Thach via trust check number 30100. The $1,000.00 paid to Tina Thach was the deposit made by the buyer on or about December 9, 2005.

9. On or about September 21, 2011, in escrow number 07-4009-NT, Respondents disbursed the sum of $1,000.00 to Nick Nguyen via trust check number 30269. The $1,000.00 paid to Nick Nguyen was the deposit made by the buyer on or about July 7, 20078.

10. On or about September 11, 2011, in escrow number 05-1923-NT, Respondents cancelled outstanding trust check number 10856 that had been issued on February 24, 2006 to Van Nguyen in the amount of $375.00 and disbursed the $375.00 to Vu Tran via trust check number 30228.

11. On or about September 11, 2011, in escrow number 05-2046-CJ, Respondents cancelled outstanding trust check number 10894 that had been issued on February 27, 2006 to Nancy Shough in the amount of $500.00 and disbursed the $500.00 to Vu Tran via trust check number 30231.

12. On or about September 11, 2011, in escrow number 06-2375-NT, Respondents cancelled outstanding trust check number 11053 that had been issued on March 8, 2006 to Phillip Minh Danh Le in the amount of $1,075.00 and disbursed the $1,075.00 to Vu Tran via trust check

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number 30232.

13. On or about September 26, 2011, in escrow number 05-1752-NT, Respondents cancelled outstanding trust check numbers 13509 and 13510 that had been issued on July 25, 2006 to Jeffcapsys and NCO Fin/22 in the respective amounts of $991.00 and $763.00 and disbursed the $1,754.00 to Tina Thach via trust check number 30325.

14. On or about September 26, 2011, in escrow number 06-2830-NT, Respondents cancelled outstanding trust check number 13863 that had been issued on August 10, 2006 to Oanh Vu in the amount of $910.00 and disbursed the $910.00 to Tina Thach via trust check number 30327.

15. On or about September 26, 2011, in escrow number 06-2914-NT, Respondents cancelled outstanding trust check number 13893 that had been issued on August 12, 2006 to Western Home Mortgage in the amount of $1,175.00 and disbursed the $1,750.00 to Vu Tran via trust check number 30330.

III

California Financial Code section 17608 provides in pertinent part:

> The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if he finds that:
>
> (b) The licensee has violated any provision of this division or any rule made by the commissioner under and within the authority of this division.

California Financial Code section 17423 provides in pertinent part:

> (a) The commissioner may, after appropriate notice and opportunity for hearing, by order, . . . bar from any position of employment, management, or control any escrow agent, or any other person, if the commissioner finds either of the following:
>
> (1) That the . . . bar is in the public interest and that the person has committed or caused a violation of this division or rule or order of the commissioner, which violation was either known or should have been known by the person committing or causing it or has caused material damage to the escrow agent or to the public.

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IV

Complainant finds that, by reason of the foregoing, Respondents Lucky Team Escrow, Inc. and Nancy Tran have violated Financial Code sections 17404 and 17414(a)(1) and California Code of Regulations, title 10, sections 1732.2, 1737.7, 1738, 1738.1, and 1738.2 and it is in the best interests of the public to revoke the escrow agent's license of Respondent Lucky Team Escrow, Inc. and to bar Respondent Nancy Tran from any position of employment, management or control of any escrow agent.

WHEREFORE, IT IS PRAYED that Respondent Nancy Tran be barred from any position of employment, management or control of any escrow agent and the escrow agent's license of Respondent Lucky Team Escrow, Inc. be revoked.

Dated: October 2, 2012
Los Angeles, CA

JAN LYNN OWEN
California Corporations Commissioner

By_____
Judy L. Hartley
Senior Corporations Counsel

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