

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Acting Deputy Commissioner
3 JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
4 Department of Corporations
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of the Accusation of THE) File No.: 607-1766
CALIFORNIA CORPORATIONS)
12 COMMISSIONER,) ACCUSATION
13)
Complainant,)
14)
vs.)
15)
16 RAMAN SINGH dba PRIMESTAR LENDING)
and RAMAN SINGH, an individual,)
17)
Respondents.)
18)
19)

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

22 I

23 1. Respondent Raman Singh dba Primestar Lending ("Primestar") is a broker licensed
24 by the California Corporations Commissioner ("Commissioner") pursuant to the California Finance
25 Lenders Law of the State of California (California Financial Code § 22000 et seq.) ("CFLL").
26 Primestar currently hold one license issued under the CFLL for a location at 2139 East Kaweah
27 Court, Visalia, California 93292.

28 2. Respondent Raman Singh ("Singh") is, and was at all times relevant herein, the

1 owner of Primestar.

2 3. On or about February 25, 2008, the Commissioner commenced a regulatory
3 examination of the books and records of Primestar by and through his examination staff. The
4 regulatory examination has not yet been concluded because Primestar has failed to provide all the
5 documentation requested as further described below.

6 4. On or about February 25, 2008, the Commissioner, by and through his staff,
7 contacted Primestar, by and through Singh, requesting certain books and records be produced for
8 purposes of commencing the regulatory examination, in particular, loan reports for 2006 and 2007.

9 5. On or about March 11, 2008, Primestar, by and through Singh, emailed a copy of the
10 2007 loan report to the Department of Corporations (“Department”) examiner, but in a telephone
11 conversation with the Department examiner at or about that time represented that the records for
12 2006 were not complete and would be finalized shortly.

13 6. On or about March 13, 2008, the 2006 loan report was still not available. Singh
14 claimed that due to the relocation of the business to his residence and loss of his employees, he was
15 having difficulties recreating loan reports.

16 7. On or about March 18, 2008, the Department examiner sent an email to Singh
17 reiterating the demand for production of the records necessary to commence the regulatory
18 examination. There was no response to the email message.

19 8. On or about May 5, 2008, a letter was sent to Primestar at its licensed location
20 demanding certain documents be provided to the examiner by close of business May 8, 2008.

21 9. On or about May 9, 2008, Primestar, by and through Singh, responded to the letter via
22 email stating that he had requested to surrender the CPLL license in a letter he sent to the
23 Department dated March 30, 2008. No record of any such letter was found in the Department’s files
24 on Primestar, and Primestar was notified through Singh that any such surrender attempt would not
25 affect the records demands made by the Department to Primestar.

26 10. The Department has received no further communications from Primestar and the
27 requested records have never been provided to the Department as required by Financial Code
28 sections 22156 and 22701. Thus, the Commissioner has been unable to perform the regulatory

1 examination authorized under Financial Section 22701.

2 II

3 California Financial Code section 22156 provides:

4 Licensees shall keep and use in their business, books, accounts,
5 and records which will enable the commissioner to determine
6 if the licensee is complying with the provisions of this division
7 and with the rules and regulations made by the commissioner. On any
8 loan secured by real property in which loan proceeds were disbursed
9 to an independent escrowholder, the licensee shall retain records and
10 documents as set forth by rules of the commissioner adopted pursuant
11 to Section 22150. Upon request of the commissioner, licensees shall
12 file an authorization for disclosure to the commissioner of financial
13 records of the licensed business pursuant to Section 7473 of the
14 Government Code.

15 California Financial Code section 22701 provides in relevant part:

16 For the purpose of discovering violations of this division or securing
17 information required by him or her in the administration and enforcement
18 of this division, the commissioner may at any time investigate the loans
19 and business, and examine the books, accounts, records, and files used
20 in the business, of every person engaged in the business of a finance lender
21 or broker, whether the person acts or claims to act as principal or agent,
22 or under or without the authority of this division. For the purpose of
23 examination, the commissioner and his or her representatives shall have
24 free access to the offices and places of business, books, accounts, papers,
25 records, files, safes, and vaults of all these persons.

26 III

27 California Financial Code section 22714 provides in pertinent part:

28 (a) The commissioner shall suspend or revoke any license,
upon notice and reasonable opportunity to be heard, if the
commissioner finds any of the following:

(1) The licensee has failed to comply with any demand, ruling, or
requirement of the commissioner made pursuant to and within the
authority of this division.

(2) The licensee has violated any provision of this division or
any rule or regulation made by the commissioner under and within the
authority of this division. . . .

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California Financial Code section 22169 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 finance lender, broker, or any other person, if the commissioner finds either of the following:

(1) That the censure, suspension, or 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 finance lender, or to the public.

IV

The Commissioner finds that, by reason of the foregoing, Respondents have violated California Financial Code sections 22156 and 22701 and failed to comply with demands of the Commissioner, and it is in the best interests of the public to revoke the broker license of Respondent Raman Singh dba Primestar Lending and to bar Respondent Raman Singh from any position of employment, management or control of any finance lender and/or broker.

WHEREFORE, IT IS PRAYED that the broker license of Respondent Raman Singh dba Primestar Lending be revoked and Respondent Raman Singh be barred from any position of employment, management or control of any finance lender and/or broker.

Dated: July 15, 2008
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel