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- 3. On March 6, 2023, Respondent SAFM filed its certificate of dissolution with the Secretary of State (SOS) representing that it had dissolved by a vote of all shareholders, that it was completely wound up and dissolved, that it filed all final tax returns with the Franchise Tax Board, and that it had distributed all its assets.
 - 4. On March 20, 2023, the Bureau denied Application No. MTR0192488.
- On April 25, 2023, Respondent SAFM appealed the denial of Application No. MTR0192488.
- 6. On March 12, 2024, the Bureau served Respondent SAFM by Certified and First Class Mail with copies of the Statement of Issues No. HHM 2023-127, Statement to Respondent, Notice of Defense, Request for Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7) at the address Respondent SAFM designated as its address of record, mailing address, and physical address on Application No. MTR0192488. At all times, Respondent SAFM's address was and is: 353 West Ontario Avenue, Corona, CA 92882.
 - 7. As of April 9, 2024, Respondent SAFM's corporate status remained dissolved.
- 8. Service of the Statement of Issues was effective as a matter of law under the provisions of Government Code section 11505(c) and/or Business and Professions Code section 124.
- 9. Corporations Code section 1905, subdivision (b), provides that upon the filing of a certificate of dissolution with the SOS, the corporation's powers, rights, and privileges cease.
- 10. Corporations Code section 2010 governs a dissolved corporation's limited capacity to exercise powers, rights, or privileges after it has dissolved, and states:
 - (a) A corporation which is dissolved nevertheless continues to exist for the purpose of winding up its affairs, prosecuting and defending actions by or against it and enabling it to collect and discharge obligations, dispose of and convey its property and collect and divide its assets, but not for the purpose of continuing business except so far as necessary for the winding up thereof.
 - 11. Government Code section 11506(c) states:
 - (c) The respondent shall be entitled to a hearing on the merits if the respondent files a notice of defense . . . and the notice shall be deemed a specific denial of all parts of the accusation . . . not expressly admitted. Failure to file a notice of defense

- ... shall constitute a waiver of respondent's right to a hearing, but the agency in its discretion may nevertheless grant a hearing.
- 12. The Director takes official notice of its records; the SOS's records showing Respondent SAFM dissolved; and ceased to have any corporate powers, rights, or privileges as of March 6, 2023.
- 13. The Director further finds Respondent SAFM, through Respondents AV and VV, filed a Notice of Defense/Request for Hearing after it dissolved. Respondent SAFM's appeal serves to continue its business beyond its capacity, because under Business and Professions Code section 19237, subdivision (a)(1), the purpose of a permit is to lawfully allow Respondent SAFM to engaged in, or attempt to engage in, the business of a licensed household mover. The Director further finds that appealing the denial of Application No. MTR0192488 is inconsistent with winding up Respondent SAFM's affairs, and does not constitute the discharge of obligations, disposal of and conveyance of property, or the collection and division of its assets.
- 14. The Director further takes official notice of the absence of any SOS records showing Respondent SAFM regained its corporate status, powers, rights, or privileges after March 6, 2023. Accordingly, Respondent SAFM failed to file a valid Notice of Defense/Request for Hearing.
 - 15. California Government Code section 11520(a) states:
 - (a) If the respondent either fails to file a notice of defense . . . or to appear at the hearing, the agency may take action based upon the respondent's express admissions or upon other evidence and affidavits may be used as evidence without any notice to respondent
- 16. Pursuant to the authority under Government Code section 11520, the Director finds Respondent is in default. The Director will take action without further hearing, and based on the relevant evidence contained in the Default Decision Investigatory Evidence Packet in this matter, finds that the charges and allegations in Statement of Issues No. HHM 2023-127, are separately and severally, found to be true and correct by a preponderance of the evidence.

DETERMINATION OF ISSUES

- 1. Based on the foregoing findings of fact, Respondent SAFM failed to file a Notice of Defense/Request for Hearing, and Application No. MTR0192488 is subject to denial.
 - 2. The Department has jurisdiction to adjudicate this case by default.

The Director is authorized to deny Application No. No. MTR0192488 based upon the 3. following causes for denial alleged in the Statement of Issues, which are supported by the evidence contained in the Default Decision Investigatory Evidence Packet in this case:

Dissolution of Corporate Status necessary for licensure (Bus. & Prof. Code § 19239,

Failure to demonstrate sufficient knowledge, ability, or Integrity (Buse. & Prof. Code

Committed acts of dishonesty, fraud, or deceit (Bus. & Prof. Code §§ 475, subd.

Misrepresentation of a material fact on an application (Bus. & Prof. Code §§ 475, subd. (a)(1); 480, subd. (e); 19239, subd. (f); and 19275, subd. (b)); and

Violation of Household Movers Act (Bus. & Prof. Code §§ 475, subd. (a)(4); 19239,

IT IS SO ORDERED that the Bureau's denial of Application No. MTR0192488 is

Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a written motion requesting that the Decision be vacated and stating the grounds relied on within seven days after service of the Decision on Respondent. The agency in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

FOR THE DIRECTOR OF CONSUMER AFFAIRS BUREAU OF HOUSEHOLD GOODS AND

Exhibit A: Statement of Issues

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