

BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

Respondent.

ACCUSATION IN SUPPORT OF ORDER
BARRING MARINA CLARK FROM ANY
POSITION OF EMPLOYMENT,
MANAGEMENT, OR CONTROL OF ANY
ESCROW AGENT PURSUANT TO
FINANCIAL CODE SECTION 17423

Complainant, the Commissioner of Financial Protection and Innovation (Complainant or Commissioner), is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

Introduction

1. The Commissioner is authorized to administer and enforce the provisions of the California Escrow Law (Escrow Law) (Fin. Code § 17000 et seq.).

2. Respondent Marina Clark (Clark) is the President, Owner, Chief Executive Officer, Chief Financial Officer, Secretary and Director of Statewide Escrow, Inc. (Statewide Escrow), a licensed escrow agent (escrow license number 96DBO-90940).

3. The Commissioner brings this action to bar Clark pursuant to Financial Code section 17423 because Clark has violated Financial Code section 17414, subdivision (a)(1) by disbursing escrow funds without authorization, Financial Code section 17414, subdivision (b) by misappropriating trust funds, and California Code of Regulations, title 10, section 1738 by disbursing trust funds without instructions.

II.

Factual Background

4. The Department of Financial Protection and Innovation (DFPI) commenced a regulatory examination of Statewide Escrow on December 2, 2022. Despite repeated demands for its books and records, Statewide Escrow failed to provide the required books and records, preventing the DFPI from assessing the company's compliance with the California Escrow Law in connection with its escrow agent's license.

5. On November 25, 2024, the DFPI examiner conducting the examination (Examiner) received a phone call from Clark who informed the Examiner that Statewide Escrow was no longer in business and was inactive.

6. Clark also holds a California Department of Real Estate license as a broker (license number 01511295). Additionally, Clark is listed as the designated officer for Statewide Escrow LA Division and Savvolio Real Estate Services Corporation, which corporations also hold California Department of Real Estate licenses (license numbers 02221812 and 01979707, respectively).

7. On January 13, 2025, the Examiner requested bank statements directly from Citizens Business Bank. Upon reviewing the bank statements, the Examiner identified a \$323,437.72 shortage in the trust account as of June 30, 2024, caused by 128 unauthorized transfers to the general account from August 2021 to June 2024.

8. On March 19, 2025, the DFPI issued an Order to Discontinue Escrow Activities Pursuant to Financial Code Section 17415 based upon the \$323,437.72 trust account shortage,

pursuant to which Statewide Escrow and any person having in his or her possession any escrow or trust funds or general accounts funds were ordered to discontinue immediately the receipt or disbursement of any such funds or other property in its possession, custody or control.

9. The Examiner noted the trust account at Citizens Business Bank was closed in the month of June 2024. The last check to clear the bank was issued on June 17, 2024 for \$123,845.06 and was deposited into Statewide Escrow's City National Bank trust account on June 24, 2024.

10. Thereafter, upon the Examiner's receipt and review of Statewide Escrow's trust account checks from City National Bank, the Examiner identified an additional \$93,114.30 shortage in the trust account as of November 30, 2024, caused by 17 unauthorized transfers to the general account from July 2024 to November 2024.¹

11. In total, the Examiner has identified a \$416,552.07 trust account shortage as of November 30, 2024 based on unauthorized transfers to the general account.

12. Clark is responsible for the \$93,114.30 trust account shortage caused by 17 unauthorized transfers to the general account from July 8, 2024 to November 22, 2024, as Clark was the signatory on each of these counter checks issued from the trust account at City National Bank.

III.

Applicable Law

13. Financial Code section 17414 provides in pertinent part:

(a) It is a violation for any person subject to this division or any director, stockholder, trustee, officer, agent, or employee of any such person to do any of the following:

(1) Knowingly or recklessly disburse or cause the disbursal of escrow funds otherwise than in accordance with escrow instructions, or knowingly or recklessly to direct, participate in, or aid or abet in a material way, any activity which constitutes theft or fraud in connection with any escrow transaction.

(b) Any director, officer, stockholder, trustee, employee, or agent of an

¹ The Examiner also discovered a \$0.05 discrepancy from the previous trust shortage calculation. Based on the Examiner's subsequent reconciliation of the trust accounts, there was a \$323,437.77 shortage in the trust account as of June 30, 2024, caused by 128 unauthorized transfers to the general account from August 2021 to June 2024.

escrow agent, who abstracts or willfully misappropriates money, funds, trust obligations or property deposited with an escrow agent, is guilty of a felony. Upon conviction, of an offense under this section or similar offenses specified in Chapter 4 (commencing with Section 470), Chapter 5 (commencing with Section 484), or Chapter 6 (commencing with Section 503) of Title 13 of Part 1 of the Penal Code, the court shall, in addition to any other punishment imposed, order the person to make full restitution, first to the escrow agent and then to Fidelity Corporation, to the extent it has indemnified the escrow agent. Nothing in this section shall be deemed or construed to repeal, amend, or impair any existing provision of law prescribing a punishment for such an offense.

14. Financial Code section 17423 provides in pertinent part:

(a) The commissioner may, after appropriate notice and opportunity for hearing, by order, censure or suspend for a period not exceeding 12 months, or 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 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 escrow agent or to the public.

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(b) Within 15 days from the date of a notice of intention to issue an order pursuant to subdivision (a), the person may request a hearing under the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Division 3 of Title 2 of the Government Code). Upon receipt of a request, the matter shall be set for hearing to commence within 30 days after such receipt unless the person subject to this division consents to a later date. If no hearing is requested within 15 days after the mailing or service of such notice and none is ordered by the commissioner, the failure to request a hearing shall constitute a waiver of the right to a hearing.

(c) Upon receipt of a notice of intention to issue an order pursuant to this section, the person who is the subject of the proposed order is immediately prohibited from engaging in any escrow processing activities, including disbursing any trust funds in the escrow agent's possession, custody or control, and the financial institution holding trust funds shall be so notified by service of the notice, accusation and

other administrative pleadings. The prohibition against disbursement of trust funds may be set aside, in whole or in part, by the commissioner for good cause.

(e) Persons suspended or barred under this section are prohibited from participating in any business activity of a licensed escrow agent and from engaging in any business activity on the premises where a licensed escrow agent is conducting escrow business. This subdivision shall not be construed to prohibit suspended or barred persons from having their personal escrow transactions processed by a licensed escrow agent.

15. California Code of Regulations, title 10, section 1738 provides in pertinent part:

(a) All money deposited in such "trust" or "escrow" account shall be withdrawn, paid out, or transferred to other accounts only in accordance with the written escrow instructions of the principals to the escrow transaction or the escrow instructions transmitted electronically over the Internet executed by the principals to the escrow transaction or pursuant to order of a court of competent jurisdiction.

IV.

Prayer

Based on the foregoing, the Commissioner finds that Marina Clark has violated Financial Code sections 17414, subdivisions (a)(1) and (b) and California Code of Regulations, title 10, section 1738 by disbursing escrow funds without authorization, misappropriating trust funds and disbursing trust funds without instructions.

WHEREFORE, IT IS PRAYED THAT, under Financial Code section 17423, Marina Clark be barred from any position of employment, management or control of any escrow agent.

Dated: July 1, 2025
Los Angeles, California

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation

By _____
SONIA SINGH
Senior Counsel
Enforcement Division