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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA
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11 In the Matter of the Accusation of THE) FILE NO. 963-2176
CALIFORNIA COMMISSIONER OF)
12 BUSINESS OVERSIGHT,) **ACCUSATION**
13)
Complainant,)
14 v.)
15 BERNADETTE RENEE CAMPOS, as an)
16 individual,)
Respondent.)
17)
18)
19)
20)

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

23 **I.**
24 **INTRODUCTION**

25 The California Commissioner of Business Oversight ("Commissioner") seeks to bar
26 Bernadette Renee Campos ("Campos") from any position of employment, management or control of
27 any escrow agent based upon her violations of the California Escrow Law (Fin. Code, § 17000 et
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1 seq.)¹ (“Escrow Law”), including knowingly or recklessly causing the unauthorized disbursement of
2 escrow trust funds totaling \$45,609.65.

3 II.

4 FACTUAL BACKGROUND

5 Claremont Escrow, Inc. (“Claremont”) is a California-licensed escrow agent.

6 Claremont employed Campos as an escrow officer and administrative assistant until at least
7 April 2011. Campos’ responsibilities included reconciling the escrow trust account which provided
8 her with access to Claremont’s dormant (unclaimed) trust checks.

9 In or about December 2012, the Commissioner received an undated letter from Kim Hanson
10 (“Hanson”), Claremont’s escrow manager, reporting that Campos had misappropriated trust funds.
11 The trust losses came to light when a former customer called Hanson to inquire about a check the
12 former customer had received. Hanson reviewed the customer’s escrow file and discovered that
13 Campos had cancelled the customer’s check and reissued a new check to a party unaffiliated with the
14 escrow. Claremont immediately conducted an internal audit to establish the extent of the trust losses
15 and to determine how many escrow files were affected by Campos’ unauthorized disbursements of
16 escrow trust funds. Claremont eventually identified all of the impacted files and corrected any trust
17 shortages.

18 III.

19 VIOLATIONS OF THE ESCROW LAW

20 The Commissioner commenced a special examination of Claremont on or about October 25,
21 2012. It was later determined that Campos had knowingly or recklessly caused the disbursement of
22 \$45,609.65 in trust funds between September 2009 and March 2011 in violation of section 17414,
23 subdivision (a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2.²

24 Specifically, the examination disclosed that between September 2009 and December 2010,
25 Campos cancelled 29 dormant trust checks totaling \$36,076.91 and then reissued 27 unauthorized
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27 ¹ All further statutory references are to the Financial Code, unless otherwise indicated.

28 ² CCR.

1 trust checks in the same total amount to her son, Eric Mauro (“Mauro”). In addition, between
2 September 2009 and March 2011, Campos canceled eight additional trust checks totaling \$7,944.27
3 and reissued four unauthorized trust checks in the same total amount to her cousin, Diana Sherman.
4 Finally, on September 17, 2009, Campos issued an unauthorized trust check for \$1,358.47 to Mauro
5 from the remaining balance in escrow file number 95418.

6 When confronted by Claremont’s owner, Raul Cruz (“Cruz”), Campos confessed to
7 cancelling dormant trust checks and reissuing trust checks to Mauro. Campos confirmed that Mauro
8 was her son. Campos told Cruz that she did not have a bank account and relied on her son to cash the
9 trust checks on her behalf. Campos claimed Mauro was unaware of the unauthorized disbursements,
10 and that she had told him that the Claremont trust checks were her “commission” checks.

11 Violations discovered during the special examination concerning Campos’ activities are
12 detailed below:

13 1. Unauthorized Disbursement of Trust Account Funds – Escrow No. 62572

14 On or about September 3, 2009, Campos caused an unauthorized disbursement of trust funds
15 to be made to Mauro in the amount of \$2,158.00, when she cancelled trust check number 9628 and
16 reissued check number 17413 in violation of section 17414, subdivision (a)(1) and CCR sections
17 1738 and 1738.2.

18 2. Unauthorized Disbursement of Trust Account Funds – Escrow No. 62832

19 On or about July 27, 2010, Campos caused an unauthorized disbursement of trust funds to be
20 made to Eric Mauro in the amount of \$1,069.00, when she cancelled trust check number 11664 and
21 reissued check number 17370 in violation of section 17414, subdivision (a)(1) and CCR sections
22 1738 and 1738.2.

23 3. Unauthorized Disbursement of Trust Account Funds – Escrow No. 62921

24 On or about November 3, 2009, Campos caused an unauthorized disbursement of trust funds
25 to be made to Eric Mauro in the amount of \$1,167.00, when she cancelled trust check number 15045
26 and reissued check number 17355 in violation of section 17414, subdivision (a)(1) and CCR sections
27 1738 and 1738.2.

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1 4. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73115

2 On or about October 1, 2009, Campos caused an unauthorized disbursement of trust funds to
3 be made to Eric Mauro in the amount of \$890.05, when she cancelled trust check number 13076 and
4 reissued check number 17354 in violation of section 17414, subdivision (a)(1) and CCR sections
5 1738 and 1738.2.

6 5. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73508

7 On or about July 28, 2010, Campos caused an unauthorized disbursement of trust funds to be
8 made to Eric Mauro in the amount of \$693.00, when she cancelled trust check number 14699 and
9 reissued check number 17371 in violation of section 17414, subdivision (a)(1) and CCR sections
10 1738 and 1738.2.

11 6. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73556

12 On or about November 9, 2009, Campos caused an unauthorized disbursement of trust funds
13 to be made to Eric Mauro in the amount of \$1,201.93, when she cancelled trust check number 15893
14 and reissued check number 17356 in violation of section 17414, subdivision (a)(1) and CCR sections
15 1738 and 1738.2.

16 7. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73698

17 On or about February 8, 2010, Campos caused an unauthorized disbursement of trust funds to
18 be made to Eric Mauro in the amount of \$5,317.00, when she cancelled trust check number 15544
19 and reissued check number 17364 in violation of section 17414, subdivision (a)(1) and CCR sections
20 1738 and 1738.2.

21 8. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73698

22 On or about March 26, 2010, Campos caused an unauthorized disbursement of trust funds to
23 be made to Eric Mauro in the amount of \$4,602.00, when she cancelled trust check number 15543
24 and reissued check number 17365 in violation of section 17414, subdivision (a)(1) and CCR sections
25 1738 and 1738.2.

26 9. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73698

27 On or about May 26, 2010, Campos caused an unauthorized disbursement of trust funds to be
28 made to Eric Mauro in the amount of \$5,532.00, when she cancelled trust check numbers 15539 and

1 15540 and reissued check number 17366 in violation of section 17414, subdivision (a)(1) and CCR
2 sections 1738 and 1738.2.

3 10. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73900

4 On or about December 16, 2009, Campos caused an unauthorized disbursement of trust funds
5 to be made to Eric Mauro in the amount of \$575.00, when she cancelled trust check number 16089
6 and reissued check number 17361 in violation of section 17414, subdivision (a)(1) and CCR sections
7 1738 and 1738.2.

8 11. Unauthorized Disbursement of Trust Account Funds – Escrow No. 84054

9 On or about July 9, 2010, Campos caused an unauthorized disbursement of trust funds to be
10 made to Eric Mauro in the amount of \$740.56, when she cancelled trust check number 16383 and
11 reissued check number 17367 in violation of section 17414, subdivision (a)(1) and CCR sections
12 1738 and 1738.2.

13 12. Unauthorized Disbursement of Trust Account Funds – Escrow No. 84465

14 On or about October 20, 2009, Campos caused an unauthorized disbursement of trust funds to
15 be made to Eric Mauro in the amount of \$1,216.00, when she cancelled trust check number 20414
16 and reissued check number 24131 in violation of section 17414, subdivision (a)(1) and CCR sections
17 1738 and 1738.2.

18 13. Unauthorized Disbursement of Trust Account Funds – Escrow No. 84837

19 On or about September 15, 2010, Campos caused an unauthorized disbursement of trust funds
20 to be made to Eric Mauro in the amount of \$265.82, when she cancelled trust check number 20914
21 and reissued check number 27654 in violation of section 17414, subdivision (a)(1) and CCR sections
22 1738 and 1738.2.

23 14. Unauthorized Disbursement of Trust Account Funds – Escrow No. 84951

24 On or about September 8, 2010, Campos caused an unauthorized disbursement of trust funds
25 to be made to Eric Mauro in the amount of \$679.25, when she cancelled trust check numbers 21430
26 and 21431 and reissued check number 27573 in violation of section 17414, subdivision (a)(1) and
27 CCR sections 1738 and 1738.2.

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1 15. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95212

2 On or about October 1, 2010, Campos caused an unauthorized disbursement of trust funds to
3 be made to Eric Mauro in the amount of \$360.00, when she cancelled trust check number 21838 and
4 reissued check number 27861 in violation of section 17414, subdivision (a)(1) and CCR sections
5 1738 and 1738.2.

6 16. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95288

7 On or about August 10, 2010, Campos caused an unauthorized disbursement of trust funds to
8 be made to Eric Mauro in the amount of \$1,747.74, when she cancelled trust check number 22948 and
9 reissued check number 27212 in violation of section 17414, subdivision (a)(1) and CCR sections
10 1738 and 1738.2.

11 17. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95304

12 On or about November 23, 2009, Campos caused an unauthorized disbursement of trust funds
13 to be made to Eric Mauro in the amount of \$548.45, when she cancelled trust check number 22265
14 and reissued check number 24490 in violation of section 17414, subdivision (a)(1) and CCR sections
15 1738 and 1738.2.

16 18. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95327

17 On or about July 1, 2010, Campos caused an unauthorized disbursement of trust funds to be
18 made to Eric Mauro in the amount of \$910.79, when she cancelled trust check number 22231 and
19 reissued check number 26679 in violation of section 17414, subdivision (a)(1) and CCR sections
20 1738 and 1738.2.

21 19. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95364

22 On or about October 12, 2010, Campos caused an unauthorized disbursement of trust funds to
23 be made to Eric Mauro in the amount of \$494.00, when she cancelled trust check number 23044 and
24 reissued check number 28017 in violation of section 17414, subdivision (a)(1) and CCR sections
25 1738 and 1738.2.

26 20. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95547

27 On or about December 21, 2009, Campos caused an unauthorized disbursement of trust funds
28 to be made to Eric Mauro in the amount of \$1,028.00, when she cancelled trust check number 23240

1 and reissued check number 24816 in violation of section 17414, subdivision (a)(1) and CCR sections
2 1738 and 1738.2.

3 21. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95742

4 On or about September 15, 2010, Campos caused an unauthorized disbursement of trust funds
5 to be made to Eric Mauro in the amount of \$372.00, when she cancelled trust check number 23444
6 and reissued check number 27653 in violation of section 17414, subdivision (a)(1) and CCR sections
7 1738 and 1738.2.

8 22. Unauthorized Disbursement of Trust Account Funds – Escrow No. 96005

9 On or about December 10, 2010, Campos caused an unauthorized disbursement of trust funds
10 to be made to Eric Mauro in the amount of \$519.00, when she cancelled trust check number 26464
11 and reissued check number 28766 in violation of section 17414, subdivision (a)(1) and CCR sections
12 1738 and 1738.2.

13 23. Unauthorized Disbursement of Trust Account Funds – Escrow No. 96102

14 On or about September 21, 2010, Campos caused an unauthorized disbursement of trust funds
15 to be made to Eric Mauro in the amount of \$668.11, when she cancelled trust check number 24649
16 and reissued check number 27733 in violation of section 17414, subdivision (a)(1) and CCR sections
17 1738 and 1738.2.

18 24. Unauthorized Disbursement of Trust Account Funds – Escrow No. 96232

19 On or about December 15, 2010, Campos caused an unauthorized disbursement of trust funds
20 to be made to Eric Mauro in the amount of \$852.17, when she cancelled trust check number 26779
21 and reissued check number 28858 in violation of section 17414, subdivision (a)(1) and CCR sections
22 1738 and 1738.2.

23 25. Unauthorized Disbursement of Trust Account Funds – Escrow No. 96281

24 On or about November 15, 2010, Campos caused an unauthorized disbursement of trust funds
25 to be made to Eric Mauro in the amount of \$674.58, when she cancelled trust check number 25445
26 and reissued check number 28367 in violation of section 17414, subdivision (a)(1) and CCR sections
27 1738 and 1738.2.

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1 26. Unauthorized Disbursement of Trust Account Funds – Escrow No. 106445

2 On or about November 12, 2010, Campos caused an unauthorized disbursement of trust funds
3 to be made to Eric Mauro in the amount of \$675.00, when she cancelled trust check number 25695
4 and reissued check number 28337 in violation of section 17414, subdivision (a)(1) and CCR sections
5 1738 and 1738.2.

6 27. Unauthorized Disbursement of Trust Account Funds – Escrow No. 106513

7 On or about October 21, 2010, Campos caused an unauthorized disbursement of trust funds to
8 be made to Eric Mauro in the amount of \$1,120.33, when she cancelled trust check number 25874
9 and reissued check number 28094 in violation of section 17414, subdivision (a)(1) and CCR sections
10 1738 and 1738.2.

11 28. Unauthorized Disbursement of Trust Account Funds – Escrow No. 95418

12 On or about September 15, 2009, Campos caused an unauthorized disbursement of trust funds
13 to be made to Eric Mauro in the amount of \$1,538.47, when she issued trust check number 23910 in
14 violation of section 17414, subdivision (a)(1) and CCR sections 1738 and 1738.2.

15 29. Unauthorized Disbursement of Trust Account Funds – Escrow No. 62516

16 On or about January 25, 2010, Campos caused an unauthorized disbursement of trust funds to
17 be made to Diana Sherman in the amount of \$1,440.27, when she cancelled trust check number 9812
18 and reissued check number 17362 in violation of section 17414, subdivision (a)(1) and CCR sections
19 1738 and 1738.2.

20 30. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73698

21 On or about March 14, 2011, Campos caused an unauthorized disbursement of trust funds to
22 be made to Diana Sherman in the amount of \$4,022.00, when she cancelled trust check numbers
23 15542 and 15545 and reissued check number 29665 in violation of section 17414, subdivision (a)(1)
24 and CCR sections 1738 and 1738.2.

25 31. Unauthorized Disbursement of Trust Account Funds – Escrow No. 73906

26 On or about December 1, 2009, Campos caused an unauthorized disbursement of trust funds
27 to be made to Diana Sherman in the amount of \$1,491.00, when she cancelled trust check numbers
28 16073, 16074, and 16075 and reissued check number 17362 in violation of section

1 17414, subdivision (a)(1) and CCR sections 1738 and 1738.2.

2 32. Unauthorized Disbursement of Trust Account Funds – Escrow No. 84727

3 On or about October 5, 2009, Campos caused an unauthorized disbursement of trust funds to
4 be made to Diana Sherman in the amount of \$1,041.00, when she cancelled trust check numbers
5 20847 and 20848 and reissued check number 24076 in violation of section 17414, subdivision (a)(1)
6 and CCR sections 1738 and 1738.2.

7 **IV.**

8 **LAW**

9 Section 17414 provides in pertinent part:

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

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

18 Section 17423 provides in pertinent part:

19 (a) The commissioner may, after appropriate notice and opportunity for
20 hearing, by order . . . bar from any position of employment,
21 management, or control any escrow agent . . . if the commissioner finds
22 . . . the following:

23 (1) That the . . . bar is in the public interest and that the person has
24 committed or caused a violation of this division or rule or order of the
25 commissioner, which violation was either known or should have been
26 known by the person committing or causing it or has caused material
27 damage to the escrow agent or the public.

28 CCR 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.

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CCR section 1738.2 provides:

An escrow agent shall use documents or other property deposited in escrow 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 if not otherwise directed by written or electronically executed instructions, in accordance with sound escrow practice, or pursuant to order of a court of competent jurisdiction.

V.

PRAYER FOR ORDER BARRING CAMPOS FROM ANY EMPLOYMENT, MANAGEMENT, OR CONTROL OF ANY ESCROW AGENT

The Commissioner finds that, by reason of the foregoing, Bernadette Renee Campos has violated section 17414, subdivision (a)(1), and CCR sections 1738 and 1738.2, which constitute grounds to bar her from any employment, management, or control of any escrow agent under section 17423 of the Escrow Law.

WHEREFORE, IT IS PRAYED under section 17423, that Bernadette Renee Campos is barred from any employment, management, or control of any escrow agent.

Dated: August 14, 2014
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
Blaine A. Noblett
Senior Corporations Counsel
Enforcement Division