

1 ALAN S. WEINGER  
Deputy Commissioner  
2 JUDY L. HARTLEY (CA BAR NO. 110628)  
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3 Department of Corporations  
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4 Los Angeles, California 90013-2344  
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5 Attorneys for Complainant  
6  
7

8 BEFORE THE DEPARTMENT OF CORPORATIONS  
9 OF THE STATE OF CALIFORNIA  
10

11 In the Matter of the Accusation of THE ) File No.: 963-2473  
CALIFORNIA CORPORATIONS )  
12 COMMISSIONER, ) ORDER BARRING SERGIA MARINA  
13 Complainant, ) CARDONA FROM ANY POSITION OF  
14 vs. ) EMPLOYMENT, MANAGEMENT OR  
15 ) CONTROL OF ANY ESCROW AGENT  
16 SERGIA MARINA CARDONA, )  
17 Respondent. )  
18

19 The California Corporations Commissioner (“Commissioner”) finds that:

20 1. Respondent Sergia Marina Cardona (“Cardona”) is the president and sole shareholder  
21 of MS Escrow Services ("MS Escrow"). MS Escrow was an escrow agent licensed by the California  
22 Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the  
23 State of California (California Financial Code Section 17000 et seq.) from on or about August 10,  
24 2007 until on or about December 1, 2011 when its escrow agent’s license was revoked by the  
25 Commissioner. MS Escrow was personally served with the revocation order on or about December  
26 5, 2011. MS Escrow had its principal place of business at 11445 Paramount Boulevard, Suite E,  
27 Downey, California 90241.  
28

1           2.       On or about December 22, 2011, the Commissioner, by and through his staff, visited  
2 the former licensed location of MS Escrow to investigate whether MS Escrow was continuing to  
3 engage in escrow activities. The Department of Corporations (“Department”) examiner noted two  
4 individuals working at the location. Thereafter, on or about January 3, 2012, Department staff  
5 commenced a special examination of MS Escrow to determine whether MS Escrow engaged in  
6 unlicensed escrow activities. The special examination disclosed that MS Escrow had continued to  
7 engage in escrow activities after its escrow agent’s license was revoked in violation of Financial  
8 Code sections 17200 and 17606 in that MS Escrow had opened at least one new escrow and  
9 continued working on at least three other open escrows after it was served with the revocation order.

10           3.       The special examination further revealed that MS Escrow had failed to report an  
11 employee since in or about February 2011 in violation of Financial Code sections 17414.1 and  
12 17419, which require a completed statement of identity and employment application (“SIE”) along  
13 with fingerprints to be submitted for all persons seeking employment with an escrow agent or  
14 potential escrow agent, except those required to file a Statement of Identity and Questionnaire  
15 (usually officers, directors, owners, managers).

16           4.       Additionally, the special examination disclosed that MS Escrow, by and through  
17 Cardona, on at least thirty-six occasions, had made or caused to be made unauthorized disbursements  
18 of trust funds in violation of Financial Code section 17414(a)(1) and California Code of Regulations,  
19 title 10, sections 1738 and 1738.2. Each of the unauthorized disbursements of trust funds described  
20 below also caused a shortage to exist in the trust account in violation of California Code of  
21 Regulations, title 10, section 1738.1. These unauthorized disbursements, which commenced on or  
22 about March 14, 2011, and continued through at least January 5, 2012, totaled \$133,077.39, and are  
23 described as follows:

24           **A.       Cancellation of Outstanding Trust Checks:**

25           1.       On or about October 12, 2011 and December 12, 2011, Cardona made, or caused to  
26 be made, at least fifteen (15) unauthorized disbursements of trust funds to RMS Remodeling, a  
27 business owned by her son-in-law, Oscar Rolando Portillo Arriaga aka Oscar Rolando Portillo  
28 (“Portillo”) from thirteen (13) escrows totaling \$6,599.08 in violation of Financial Code section

1 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2 by canceling, or  
2 causing to be canceled, outstanding trust checks and reissuing or causing the checks to be reissued to  
3 RMS Remodeling. These specific unauthorized disbursements are as follows:

4 (a) On or about October 12, 2011, in escrow number 1135, Cardona cancelled, or caused  
5 to be canceled, trust check number 1584 issued on May 16, 2008 payable to Credit Management in  
6 the amount of \$232.00, and then issued, or caused to be issued, trust check number 3490 to RMS  
7 Remodeling for the same amount.

8 (b) On or about October 12, 2011, in escrow number 1116, Cardona cancelled, or caused  
9 to be canceled, trust check number 1607 issued on June 24, 2008 payable to the buyer in the amount  
10 of \$1,361.75, and then issued, or caused to be issued, trust check number 3491 to RMS Remodeling  
11 for the same amount. The \$1,361.75 paid to RMS Remodeling was a refund to the buyer from title  
12 remitted to MS Escrow on or about June 20, 2008.

13 (c) On or about October 12, 2011, in escrow number 1435, Cardona cancelled, or caused  
14 to be canceled, trust check number 1979 issued on October 6, 2009 payable to a Tony Reynosa in the  
15 amount of \$500.00, and then issued, or caused to be issued, trust check number 3492 to RMS  
16 Remodeling for the same amount.

17 (d) On or about October 12, 2011, in escrow number 1448, Cardona cancelled, or caused  
18 to be canceled, trust check number 2021 issued on November 2, 2009 payable to Discover in the  
19 amount of \$152.00, and then issued, or caused to be issued, trust check number 3493 to RMS  
20 Remodeling for the same amount.

21 (e) On or about October 12, 2011, in escrow number 1448, Cardona cancelled, or caused  
22 to be canceled, trust check number 2022 issued on November 2, 2009 payable to Ernie Iriarte, a real  
23 estate agent in the transaction, in the amount of \$1,500.00, and then issued, or caused to be issued,  
24 trust check number 3494 to RMS Remodeling for the same amount.

25 (f) On or about October 12, 2011, in escrow number 1507, Cardona cancelled, or caused  
26 to be canceled, trust check number 2163 issued on December 30, 2009 payable to Realco Partners,  
27 LLC in the amount of \$98.12, and then issued, or caused to be issued, trust check number 3495 to  
28 RMS Remodeling for the same amount.

1 (g) On or about October 12, 2011, in escrow number 1513, Cardona cancelled, or caused  
2 to be canceled, trust check number 2243 issued on February 10, 2010 payable to a Tony Reynoso in  
3 the amount of \$500.00, and then issued, or caused to be issued, trust check number 3496 to RMS  
4 Remodeling for the same amount.

5 (h) On or about October 12, 2011, in escrow number 1538, Cardona cancelled, or caused  
6 to be canceled, trust check number 2327 issued on April 1, 2010 payable to the buyers in the amount  
7 of \$500.00, and then issued, or caused to be issued, trust check number 3497 to RMS Remodeling  
8 for the same amount.

9 (i) On or about October 12, 2011, in escrow number 1568, Cardona cancelled, or caused  
10 to be canceled, trust check number 2468 issued on May 7, 2010 payable to Bartline & Co. in the  
11 amount of \$300.00, and then issued, or caused to be issued, trust check number 3498 to RMS  
12 Remodeling for the same amount.

13 (j) On or about October 12, 2011, in escrow number 1581, Cardona cancelled, or caused  
14 to be canceled, trust check number 2553 issued on May 26, 2010 payable to the buyer in the amount  
15 of \$171.30, and then issued, or caused to be issued, trust check number 3499 to RMS Remodeling  
16 for the same amount.

17 (k) On or about December 12, 2011, in escrow number 1488, Cardona cancelled, or  
18 caused to be canceled, trust check number 3330 issued on March 14, 2011 payable to Discovery in  
19 the amount of \$900.00, and then issued, or caused to be issued, trust check number 3515 to RMS  
20 Remodeling for the same amount.

21 (l) On or about December 12, 2011, in escrow number 1488, Cardona cancelled, or  
22 caused to be canceled, trust check number 3331 issued on March 14, 2011 payable to AMEX in the  
23 amount of \$39.00, and then issued, or caused to be issued, trust check number 3516 to RMS  
24 Remodeling for the same amount.

25 (m) On or about December 12, 2011, in escrow number 1723, Cardona cancelled, or  
26 caused to be canceled, trust check number 3401 issued on May 17, 2011 payable to a David M.  
27 Morales in the amount of \$205.00, and then issued, or caused to be issued, trust check number 3517  
28 to RMS Remodeling for the same amount.

1 (n) On or about December 12, 2011, in escrow number 1044, Cardona cancelled, or  
2 caused to be canceled, trust check number 1107 issued on January 3, 2008 payable to the seller in the  
3 amount of \$49.95, and then issued, or caused to be issued, trust check number 3518 to RMS  
4 Remodeling for the same amount.

5 (o) On or about December 12, 2011, in escrow number 1804, Cardona cancelled, or  
6 caused to be canceled, trust check number 3140 issued on January 11, 2011 payable to Natural  
7 Hazard Report in the amount of \$89.95, and then issued, or caused to be issued, trust check number  
8 3519 to RMS Remodeling for the same amount.

9 **B. Misappropriating Escrow Balances:**

10 1. On or about December 8, 2011 and January 5, 2012, MS Escrow, by and through  
11 Cardona, made, or caused to be made, five (5) unauthorized disbursements of dormant trust funds  
12 totaling \$5,204.00 by disbursing the remaining escrow balances in five (5) escrows to RMS  
13 Remodeling in violation of Financial Code section 17414(a)(1) and California Code of Regulations,  
14 title 10, sections 1738 and 1738.2. These specific unauthorized disbursements are as follows:

15 (a) On or about December 8, 2011, in escrow number 1529, Cardona issued, or caused to  
16 be issued, trust check number 3511 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00  
17 paid to RMS Remodeling represented the entire balance for Escrow number 1529 and was a deposit  
18 made by the buyer on or about November 16, 2010.

19 (b) On or about December 8, 2011, in escrow number 1839, Cardona issued, or caused to  
20 be issued, trust check number 3510 in the amount of \$2,000.00 to RMS Remodeling. The \$2,000.00  
21 paid to RMS Remodeling represented the entire balance for Escrow number 1839 and was a deposit  
22 made by the buyer on or about March 4, 2011.

23 (c) On or about January 5, 2012, in escrow number 1279, Cardona issued, or caused to be  
24 issued, trust check number 3532 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00  
25 paid to RMS Remodeling represented the entire balance for Escrow number 1279 and was a deposit  
26 made by the buyer on or about February 16, 2011.

27 (d) On or about January 5, 2012, in escrow number 1749, Cardona issued or caused to be  
28 issued, trust check number 3533 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00

1 paid to RMS Remodeling represented the entire balance for Escrow number 1749 and was a deposit  
2 made by the buyer on or about October 15, 2010.

3 (e) On or about January 5, 2012, in escrow number 1651, Cardona issued, or caused to be  
4 issued, trust check number 3534 in the amount of \$204.00 to RMS Remodeling. The \$204.00 paid  
5 to RMS Remodeling represented the entire balance for Escrow number 1651 and was the remaining  
6 funds left after close of escrow, which closing occurred on or about January 26, 2011.

7 **C. Additional Unauthorized Disbursements:**

8 1. In addition to the above, Cardona made, or caused to be made, a further sixteen (16)  
9 unauthorized disbursements from six escrows totaling \$120,274.31 in violation of Financial Code  
10 section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The  
11 additional unauthorized disbursements are described as follows:

12 (a) On or about March 14, 2011, in escrow number 1488, Cardona issued, or caused to be  
13 issued, trust check number 3333 in the amount of \$45,562.32 to RMS Remodeling.

14 (b) On or about June 3, 2011, in escrow number 1891, Cardona issued, or caused to be  
15 issued, trust check number 3412 in the amount of \$5,000.00 to RMS Remodeling. The \$5,000.00  
16 paid to RMS Remodeling was part of the \$290,000.00 in deposits made by the buyer on or about  
17 May 31, 2011 and June 2, 2011.

18 (c) On or about June 13, 2011, in escrow number 1891, Cardona issued, or caused to be  
19 issued, trust check number 3421 in the amount of \$8,000.00 to RMS Remodeling. The \$8,000.00  
20 paid to RMS Remodeling was part of the \$290,000.00 in deposits made by the buyer on or about  
21 May 31, 2011 and June 2, 2011.

22 (d) On or about August 30, 2011, in escrow number 1891, Cardona issued, or caused to  
23 be issued, trust check number 3459 in the amount of \$3,000.00 to her daughter, Patricia Portillo (“P.  
24 Portillo”). The \$3,000.00 paid to P. Portillo was part of the \$290,000.00 in deposits made by the  
25 buyer on or about May 31, 2011 and June 2, 2011.

26 (e) On or about September 8, 2011, in escrow number 1891, Cardona issued, or caused to  
27 be issued, trust check number 3469 in the amount of \$2,800.00 to a Francisca Martinez. The  
28 \$2,800.00 paid to Francisca Martinez was part of the remaining \$4,000.00 on deposit from the

1 buyer's May 31, 2011 and June 2, 2011 deposits. Escrow 1891, had only \$4,000.00 remaining on  
2 deposit at the time of this unauthorized disbursement as the buyer and seller had executed  
3 instructions to release \$270,000.00 of the \$290,000.00 deposit back to the buyer due to the inactivity  
4 of the escrow, with an agreement that the buyer would re-deposit the funds once the escrow became  
5 active again, and the other \$16,000.00 of the deposit had been disbursed to Cardona's family  
6 members as described in paragraphs C. 1. (b) – (d) above.

7 (f) On or about September 9, 2011, in escrow number 1891, Cardona issued, or caused to  
8 be issued, trust check number 3470 in the amount of \$1,200.00 to her employee, Haydee Vasquez.  
9 The \$1,200.00 paid to Haydee Vasquez represented the remaining \$1,200.00 on deposit from the  
10 buyer's May 31, 2011 and June 2, 2011 deposits.

11 (g) On or about November 17, 2011, in escrow number 1891, Cardona issued, or caused  
12 to be issued, trust check number 3501 in the amount of \$5,000.00 to RMS Remodeling. The  
13 \$5,000.00 paid to RMS Remodeling was part of the \$293,000.00 deposited back into escrow by the  
14 buyer on or about November 17, 2011.

15 (h) On or about November 18, 2011, in escrow number 1891, Cardona issued, or caused  
16 to be issued, trust check number 3502 in the amount of \$5,000.00 to Luis Paredes ("Paredes"), a real  
17 estate agent located in the same building where MS Escrow used to be located. The \$5,000.00 paid  
18 to Paredes was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
19 November 17, 2011. According to the escrow file, Paredes was not a real estate agent in the  
20 transaction.

21 (i) On or about November 21, 2011, in escrow number 1891, Cardona issued, or caused  
22 to be issued, trust check number 3503 in the amount of \$4,000.00 to P. Portillo. The \$4,000.00 paid  
23 to P. Portillo was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
24 November 17, 2011.

25 (j) On or about November 23, 2011, in escrow number 1891, Cardona issued, or caused  
26 to be issued, trust check number 3507 in the amount of \$11,500.00 to RMS Remodeling. The  
27 \$11,500.00 paid to RMS Remodeling was part of the \$293,000.00 deposited back into escrow by the  
28 buyer on or about November 17, 2011.

1 (k) On or about November 23, 2011, in escrow number 1891, Cardona issued, or caused  
2 to be issued, trust check number 3508 in the amount of \$4,784.16 to P. Portillo. The \$4,784.16 paid  
3 to P. Portillo was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
4 November 17, 2011.

5 (l) On or about September 20, 2011, in escrow number 1907, Cardona issued, or caused  
6 to be issued, trust check number 3484 in the amount of \$8,720.71 to RMS Remodeling.

7 (m) On or about December 21, 2011, in escrow number 1916, Cardona issued, or caused  
8 to be issued, trust check number 3522 in the amount of \$5,000.00 to Paredes. The \$5,000.00 paid to  
9 Paredes was a deposit made by the buyer on or about November 22, 2011. According to the escrow  
10 file, Paredes was not a real estate agent in the transaction.

11 (n) On or about December 16, 2011 and December 21, 2011, in escrow number 1918,  
12 Cardona issued, or caused to be issued, trust check numbers 3520 and 3521 each in the amount of  
13 \$2,500.00 to Paredes. The \$5,000.00 paid to Paredes was a deposit made by the buyer on or about  
14 December 1, 2011. According to the escrow file, Paredes was not a real estate agent in the  
15 transaction.

16 (o) On or about January 12, 2012, in escrow number 1919, Cardona issued, or caused to  
17 be issued, wire number 261 in the amount of \$5,707.12 to RMS Remodeling. The \$5,707.12 paid to  
18 RMS Remodeling was, according to the closing statement, monies due the listing agent on the  
19 property.

20 5. The above-described violations constitute grounds under Financial Code section  
21 17423 to bar a person from any position of employment, management or control under the Escrow  
22 Law.

23 6. On May 9, 2012, the Commissioner issued a Notice of Intention to Issue Order  
24 Pursuant to California Financial Code Section 17423 (Bar From Employment, Management or  
25 Control of Any Escrow Agent), Accusation and accompanying documents against Cardona based  
26 upon the above. Cardona was served with these documents on May 15, 2012. The Department has  
27 received no request for a hearing from Cardona and the time to request a hearing has expired.  
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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that Respondent  
Sergia Marina Cardona is barred from any position of employment, management or control of any  
escrow agent.

Dated: June 12, 2012  
Los Angeles, CA

JAN LYNN OWEN  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Deputy Commissioner  
Enforcement Division

1 ALAN S. WEINGER  
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Complainant, )  
13 )  
14 vs. )  
15 SERGIA MARINA CARDONA, )  
16 Respondent. )  
17 \_\_\_\_\_)

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

20 I

21 Respondent Sergia Marina Cardona (“Cardona”) is the president and sole shareholder of MS  
22 Escrow Services ("MS Escrow"). MS Escrow was an escrow agent licensed by the California  
23 Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the  
24 State of California (California Financial Code Section 17000 et seq.) from on or about August 10,  
25 2007 until on or about December 1, 2011 when its escrow agent’s license was revoked by the  
26 Commissioner. MS Escrow was personally served with the revocation order on or about December  
27 5, 2011. MS Escrow had its principal place of business at 11445 Paramount Boulevard, Suite E,  
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## II

1  
2 On or about December 22, 2011, the Commissioner, by and through his staff, visited the  
3 former licensed location of MS Escrow to investigate whether MS Escrow was continuing to engage  
4 in escrow activities. The Department of Corporations (“Department”) examiner noted two  
5 individuals working at the location. Thereafter, on or about January 3, 2012, Department staff  
6 commenced a special examination of MS Escrow to determine whether MS Escrow engaged in  
7 unlicensed escrow activities. The special examination disclosed that MS Escrow had continued to  
8 engage in escrow activities after its escrow agent’s license was revoked in violation of Financial  
9 Code sections 17200 and 17606 in that MS Escrow had opened at least one new escrow and  
10 continued working on at least three other open escrows after it was served with the revocation order.

11 The special examination further revealed that MS Escrow had failed to report an employee  
12 since in or about February 2011 in violation of Financial Code sections 17414.1 and 17419, which  
13 require a completed statement of identity and employment application (“SIE”) along with  
14 fingerprints to be submitted for all persons seeking employment with an escrow agent or potential  
15 escrow agent, except those required to file a Statement of Identity and Questionnaire (usually  
16 officers, directors, owners, managers).

17 Additionally, the special examination disclosed that MS Escrow, by and through Cardona, on  
18 at least thirty-six occasions, had made or caused to be made unauthorized disbursements of trust  
19 funds in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title  
20 10, sections 1738 and 1738.2. Each of the unauthorized disbursements of trust funds described  
21 below also caused a shortage to exist in the trust account in violation of California Code of  
22 Regulations, title 10, section 1738.1. These unauthorized disbursements, which commenced on or  
23 about March 14, 2011, and continued through at least January 5, 2012, totaled \$133,077.39, and are  
24 described as follows:

25 **A. Cancellation of Outstanding Trust Checks:**

26 1. On or about October 12, 2011 and December 12, 2011, Cardona made, or caused to  
27 be made, at least fifteen (15) unauthorized disbursements of trust funds to RMS Remodeling, a  
28 business owned by her son-in-law, Oscar Rolando Portillo Arriaga aka Oscar Rolando Portillo

1 (“Portillo”) from thirteen (13) escrows totaling \$6,599.08 in violation of Financial Code section  
2 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2 by canceling, or  
3 causing to be canceled, outstanding trust checks and reissuing or causing the checks to be reissued to  
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8 Remodeling for the same amount.

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11 of \$1,361.75, and then issued, or caused to be issued, trust check number 3491 to RMS Remodeling  
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10 **B. Misappropriating Escrow Balances:**

11 1. On or about December 8, 2011 and January 5, 2012, MS Escrow, by and through  
12 Cardona, made, or caused to be made, five (5) unauthorized disbursements of dormant trust funds  
13 totaling \$5,204.00 by disbursing the remaining escrow balances in five (5) escrows to RMS  
14 Remodeling in violation of Financial Code section 17414(a)(1) and California Code of Regulations,  
15 title 10, sections 1738 and 1738.2. These specific unauthorized disbursements are as follows:

16 (a) On or about December 8, 2011, in escrow number 1529, Cardona issued, or caused to  
17 be issued, trust check number 3511 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00  
18 paid to RMS Remodeling represented the entire balance for Escrow number 1529 and was a deposit  
19 made by the buyer on or about November 16, 2010.

20 (b) On or about December 8, 2011, in escrow number 1839, Cardona issued, or caused to  
21 be issued, trust check number 3510 in the amount of \$2,000.00 to RMS Remodeling. The \$2,000.00  
22 paid to RMS Remodeling represented the entire balance for Escrow number 1839 and was a deposit  
23 made by the buyer on or about March 4, 2011.

24 (c) On or about January 5, 2012, in escrow number 1279, Cardona issued, or caused to be  
25 issued, trust check number 3532 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00  
26 paid to RMS Remodeling represented the entire balance for Escrow number 1279 and was a deposit  
27 made by the buyer on or about February 16, 2011.

28 (d) On or about January 5, 2012, in escrow number 1749, Cardona issued or caused to be

1 issued, trust check number 3533 in the amount of \$1,000.00 to RMS Remodeling. The \$1,000.00  
2 paid to RMS Remodeling represented the entire balance for Escrow number 1749 and was a deposit  
3 made by the buyer on or about October 15, 2010.

4 (e) On or about January 5, 2012, in escrow number 1651, Cardona issued, or caused to be  
5 issued, trust check number 3534 in the amount of \$204.00 to RMS Remodeling. The \$204.00 paid  
6 to RMS Remodeling represented the entire balance for Escrow number 1651 and was the remaining  
7 funds left after close of escrow, which closing occurred on or about January 26, 2011.

8 **C. Additional Unauthorized Disbursements:**

9 1. In addition to the above, Cardona made, or caused to be made, a further sixteen (16)  
10 unauthorized disbursements from six escrows totaling \$120,274.31 in violation of Financial Code  
11 section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The  
12 additional unauthorized disbursements are described as follows:

13 (a) On or about March 14, 2011, in escrow number 1488, Cardona issued, or caused to be  
14 issued, trust check number 3333 in the amount of \$45,562.32 to RMS Remodeling.

15 (b) On or about June 3, 2011, in escrow number 1891, Cardona issued, or caused to be  
16 issued, trust check number 3412 in the amount of \$5,000.00 to RMS Remodeling. The \$5,000.00  
17 paid to RMS Remodeling was part of the \$290,000.00 in deposits made by the buyer on or about  
18 May 31, 2011 and June 2, 2011.

19 (c) On or about June 13, 2011, in escrow number 1891, Cardona issued, or caused to be  
20 issued, trust check number 3421 in the amount of \$8,000.00 to RMS Remodeling. The \$8,000.00  
21 paid to RMS Remodeling was part of the \$290,000.00 in deposits made by the buyer on or about  
22 May 31, 2011 and June 2, 2011.

23 (d) On or about August 30, 2011, in escrow number 1891, Cardona issued, or caused to  
24 be issued, trust check number 3459 in the amount of \$3,000.00 to her daughter, Patricia Portillo (“P.  
25 Portillo”). The \$3,000.00 paid to P. Portillo was part of the \$290,000.00 in deposits made by the  
26 buyer on or about May 31, 2011 and June 2, 2011.

27 (e) On or about September 8, 2011, in escrow number 1891, Cardona issued, or caused to  
28 be issued, trust check number 3469 in the amount of \$2,800.00 to a Francisca Martinez. The

1 \$2,800.00 paid to Francisca Martinez was part of the remaining \$4,000.00 on deposit from the  
2 buyer's May 31, 2011 and June 2, 2011 deposits. Escrow 1891, had only \$4,000.00 remaining on  
3 deposit at the time of this unauthorized disbursement as the buyer and seller had executed  
4 instructions to release \$270,000.00 of the \$290,000.00 deposit back to the buyer due to the inactivity  
5 of the escrow, with an agreement that the buyer would re-deposit the funds once the escrow became  
6 active again, and the other \$16,000.00 of the deposit had been disbursed to Cardona's family  
7 members as described in paragraphs C. 1. (b) – (d) above.

8 (f) On or about September 9, 2011, in escrow number 1891, Cardona issued, or caused to  
9 be issued, trust check number 3470 in the amount of \$1,200.00 to her employee, Haydee Vasquez.  
10 The \$1,200.00 paid to Haydee Vasquez represented the remaining \$1,200.00 on deposit from the  
11 buyer's May 31, 2011 and June 2, 2011 deposits.

12 (g) On or about November 17, 2011, in escrow number 1891, Cardona issued, or caused  
13 to be issued, trust check number 3501 in the amount of \$5,000.00 to RMS Remodeling. The  
14 \$5,000.00 paid to RMS Remodeling was part of the \$293,000.00 deposited back into escrow by the  
15 buyer on or about November 17, 2011.

16 (h) On or about November 18, 2011, in escrow number 1891, Cardona issued, or caused  
17 to be issued, trust check number 3502 in the amount of \$5,000.00 to Luis Paredes ("Paredes"), a real  
18 estate agent located in the same building where MS Escrow used to be located. The \$5,000.00 paid  
19 to Paredes was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
20 November 17, 2011. According to the escrow file, Paredes was not a real estate agent in the  
21 transaction.

22 (i) On or about November 21, 2011, in escrow number 1891, Cardona issued, or caused  
23 to be issued, trust check number 3503 in the amount of \$4,000.00 to P. Portillo. The \$4,000.00 paid  
24 to P. Portillo was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
25 November 17, 2011.

26 (j) On or about November 23, 2011, in escrow number 1891, Cardona issued, or caused  
27 to be issued, trust check number 3507 in the amount of \$11,500.00 to RMS Remodeling. The  
28 \$11,500.00 paid to RMS Remodeling was part of the \$293,000.00 deposited back into escrow by the



1 buyer on or about November 17, 2011.

2 (k) On or about November 23, 2011, in escrow number 1891, Cardona issued, or caused  
3 to be issued, trust check number 3508 in the amount of \$4,784.16 to P. Portillo. The \$4,784.16 paid  
4 to P. Portillo was part of the \$293,000.00 deposited back into escrow by the buyer on or about  
5 November 17, 2011.

6 (l) On or about September 20, 2011, in escrow number 1907, Cardona issued, or caused  
7 to be issued, trust check number 3484 in the amount of \$8,720.71 to RMS Remodeling.

8 (m) On or about December 21, 2011, in escrow number 1916, Cardona issued, or caused  
9 to be issued, trust check number 3522 in the amount of \$5,000.00 to Paredes. The \$5,000.00 paid to  
10 Paredes was a deposit made by the buyer on or about November 22, 2011. According to the escrow  
11 file, Paredes was not a real estate agent in the transaction.

12 (n) On or about December 16, 2011 and December 21, 2011, in escrow number 1918,  
13 Cardona issued, or caused to be issued, trust check numbers 3520 and 3521 each in the amount of  
14 \$2,500.00 to Paredes. The \$5,000.00 paid to Paredes was a deposit made by the buyer on or about  
15 December 1, 2011. According to the escrow file, Paredes was not a real estate agent in the  
16 transaction.

17 (o) On or about January 12, 2012, in escrow number 1919, Cardona issued, or caused to  
18 be issued, wire number 261 in the amount of \$5,707.12 to RMS Remodeling. The \$5,707.12 paid to  
19 RMS Remodeling was, according to the closing statement, monies due the listing agent on the  
20 property.

21 III

22 California Financial Code section 17423 provides in pertinent part:

23 (a) The commissioner may, after appropriate notice and opportunity  
24 for hearing, by order, . . . bar from any position of employment,  
25 management, or control any escrow agent, or any other person, if the  
commissioner finds either of the following:

26 (1) That the . . . bar is in the public interest and that the person has  
27 committed or caused a violation of this division or rule or order of  
28 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, Respondent Sergia Marina Cardona has violated Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738, 1738.1, and 1738.2 and it is in the best interests of the public to bar Respondent Sergia Marina Cardona from any position of employment, management or control of any escrow agent.

WHEREFORE, IT IS PRAYED that Respondent Sergia Marina Cardona be barred from any position of employment, management or control of any escrow agent.

Dated: May 9, 2012  
Los Angeles, CA

JAN LYNN OWEN  
California Corporations Commissioner

By \_\_\_\_\_  
Judy L. Hartley  
Senior Corporations Counsel