

1 2011; and

2 WHEREAS, Respondent is conducting its escrow business in an unsafe, injurious and
3 unauthorized manner, so as to render further operations hazardous to the public or to customers in
4 that Respondent has:

5 (a) issued a post-dated check in the amount of \$300,000.00, without written authorization
6 from the parties to the escrow and without having received the seller's funds, which resulted in a trust
7 account shortage in violation of section 17414, subdivision (a)(1) of the Financial Code and
8 California Code of Regulations, title 10, sections 1738, 1738.1 and 1738.2;

9 (b) failed to maintain its books and records in accordance with the Escrow Law by failing
10 to prepare its daily banking and trust reconciliations in violation of Financial Code section 17404
11 and title 10, section 1732.2 of the California Code of Regulations. Diversity's last prepared daily
12 banking report was on February 2, 2011 and the last prepared trust account banking reconciliation
13 was in July 2010;

14 (c) failed to meet the liquidity and tangible net worth requirements under the Escrow
15 Law, Financial Code section 17210, in that as of January 31, 2011, Diversity had a liquid asset
16 deficiency in the amount of at least \$12,998.77 and a tangible net worth deficiency of at least
17 \$19,354.71; and

18 (d) abandoned its business.

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NOW, GOOD CAUSE APPEARING, pursuant to Financial Code section 17621, the Commissioner, effective this date, hereby demands and takes possession of the trust accounts of Diversity Escrow, Inc. and all bank and escrow records pertinent thereto and will retain possession thereof until the Commissioner appoints a conservator, or until its affairs are finally liquidated as provided for in Division 6, Chapter 6 of the Financial Code, or it resumes business with the consent and upon such conditions as the Commissioner may prescribe.

DATED: July 19, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division