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8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of: ) ESCROW LICENSE NO. 963-1155  
12 )  
13 THE COMMISSIONER OF BUSINESS )  
OVERSIGHT, ) ORDER BARRING KRISTI DILWORTH  
14 ) FROM ANY POSITION OF EMPLOYMENT,  
Complainant, ) MANAGEMENT, OR CONTROL OF ANY  
15 ) ESCROW AGENT  
16 v. )  
17 KRISTI DILWORTH, )  
18 Respondent. )  
19 )  
20 )

21 The Commissioner of Business Oversight (“Commissioner”) finds:

22 1. Respondent Kristi Dilworth (“Dilworth”) was at all times relevant in this matter,  
23 employed as an escrow officer and branch manager at Mara Escrow Company, Inc. (“Mara  
24 Escrow”), an escrow agent licensed by the Commissioner under the Escrow Law of the State of  
25 California (Fin. Code, § 17000 et seq.). Mara Escrow has its principal place of business at 301 North  
26 Canon Drive, Suite R-05, Beverly Hills, CA 90210. Mara Escrow’s parent company is Old Republic  
27 Title Holding Company, Inc. (“Old Republic”).  
28

1           2.       Dilworth was employed as an escrow officer and branch manager from about October  
2 1, 2008 through on or about August 30, 2012 at Mara Escrow’s Redondo Beach branch office  
3 located at 2512 Artesia Blvd. Suite 120, Redondo Beach, California.

4           3.       On or about September 6, 2012, Rick Dosa, Executive Vice President and Corporate  
5 Counsel of Old Republic, representing Mara Escrow, informed the Commissioner that Dilworth had  
6 been investigated due to perceived irregularities regarding the payment of courier fees in the  
7 Redondo Beach branch office. The investigation revealed that the courier in question, FWD  
8 Ventures, was owned and operated by Dilworth’s husband, Frank Dilworth. Sarah Cox, FWD  
9 Ventures’ principal employee, was Dilworth’s son’s girlfriend. Dilworth failed to disclose her  
10 conflict of interest to Mara Escrow in violation of company policy.

11           4.       The investigation further revealed that Dilworth originated FWD Ventures invoices  
12 from her work computer, ranging from \$20.00 to \$350.00, and paid the invoices from client escrow  
13 funds, even when documents had been delivered using OnTrac delivery and paid from Mara  
14 Escrow’s general corporate account. After uncovering the double billing scheme, Mara Escrow  
15 terminated Dilworth for cause on August 30, 2012. Mara Escrow agreed to audit each of the  
16 approximately 600 escrow files Dilworth handled while employed at Mara Escrow to determine the  
17 extent of the misappropriation of escrow funds and report the results to the Commissioner.

18           5.       Mara Escrow submitted an initial report to the Commissioner on October 29, 2014  
19 and a final report on January 12, 2015 (the “Reports”). In some instances, FWD Ventures delivered  
20 documents and clients were properly charged, however in 251 of the 600 escrow files, documents  
21 were delivered using OnTrac Delivery but Dilworth double billed clients’ courier fees, for a total  
22 overcharge of approximately \$24,534.81. Mara Escrow agreed to refund the overcharges to the  
23 clients, and completed this task by January 12, 2015.

24           6.       The Department’s examiner reviewed Mara Escrow’s reports and conducted a full  
25 review of 10 of the impacted escrow files. The examiner confirmed that in some cases, Dilworth  
26 charged borrowers for courier services that were never rendered. The findings are as follows:

27 ///

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1           **A.     Escrow File Number 8217001281**

2           Escrow number 8217001281 contained FWD Ventures invoices totaling \$200.00 for two  
3 courier delivery services from Mara Escrow's Redondo Beach office to Old Republic Title's  
4 Glendale office on March 18 and April 26, 2011. Dilworth added the delivery charges to the escrow  
5 ledger and buyer's closing statement and paid Sarah Cox \$200.00 from the trust account on May 9,  
6 2011. Mara Escrow's OnTrac account statements for March and April 2011 confirm that OnTrac  
7 delivered the documents for a total charge of \$9.98, which Mara Escrow paid for. The examiner  
8 concluded that the client was overcharged \$200.00, which Mara Escrow refunded to the customer on  
9 December 12, 2013.

10           **B.     Escrow File Number 8217001361**

11           Escrow number 8217001361 contained FWD Ventures invoices totaling \$200.00 for two  
12 courier delivery services from Mara Escrow's Redondo Beach office to Old Republic Title's  
13 Glendale office on March 2 and March 11, 2011. Dilworth added the delivery charges to the escrow  
14 ledger and buyer's closing statement and using trust funds, paid Sarah Cox \$200.00 on March 25,  
15 2011. Mara Escrow's OnTrac account statement for March 2011 confirmed that OnTrac delivered  
16 the documents. The examiner concluded that the client was overcharged \$200.00, which Mara  
17 Escrow refunded to the customer on December 12, 2013.

18           **C.     Escrow File Number 8217001768**

19           Escrow number 8217001768 contained an FWD Ventures invoice for \$100.00 for one  
20 courier delivery service from Mara Escrow's Redondo Beach office to Old Republic Title's  
21 Glendale office on July 5, 2011. Dilworth added the delivery charge to the escrow ledger and  
22 buyer's closing statement and using trust funds, paid Sarah Cox \$100.00 on July 22, 2011. Mara  
23 Escrow's OnTrac account statement for July 2011 confirmed that OnTrac delivered the documents.  
24 The examiner concluded that the client was overcharged \$100.00, which Mara Escrow refunded to  
25 the customer on December 12, 2013.

26           **D.     Escrow File Number 8217002448**

27           File number 8217002448 contained FWD Ventures invoices totaling \$181.25 for two courier  
28 delivery services from Mara Escrow's Redondo Beach office to Lending Bee, Inc.'s North

1 Hollywood office and Old Republic Title's Glendale office on May 11, 2012. Dilworth added the  
2 delivery charges to the escrow ledger and buyer's closing statement and using trust funds, paid Sarah  
3 Cox \$181.25 on May 16, 2012. OnTrac's account statement for May 2012 confirmed that the  
4 documents were delivered to Lending Bee and Old Republic Title on May 11, 2012. The examiner  
5 concluded that the client was overcharged by \$181.25, which Mara Escrow refunded to the customer  
6 on December 12, 2013.

7 **E. Escrow File Number 8217002452**

8 Escrow number 8217002452 contained FWD Ventures invoices totaling \$161.00 for two  
9 courier delivery services from Mara Escrow's Redondo Beach office to Old Republic Title's  
10 Glendale office and Sun West Mortgage's Cerritos office, on August 7, 2012. Dilworth added the  
11 delivery charges to the escrow ledger and buyer's closing statement and using escrow account funds,  
12 paid FWD Ventures \$161.00 on August 13, 2012. Based on the examiner's review, no documents  
13 were delivered, and no charges should have been rendered. Mara Escrow refunded \$161.00 to the  
14 client on December 16, 2013.

15 **F. Escrow File Number 8217002538**

16 Escrow number 8217002538 contained FWD Ventures invoices totaling \$196.50 for two  
17 courier delivery services from Mara Escrow's Redondo Beach office to Old Republic Title's  
18 Glendale, CA office on November 4, 2011 and July 9, 2012, respectively. Dilworth added the  
19 delivery charges to the escrow ledger and buyer's closing statement and using trust funds, paid Sarah  
20 Cox \$196.50 on July 9, 2012. Mara Escrow's OnTrac account statements for November 2011 and  
21 July 2012, confirm that OnTrac delivered the July 9, 2012 documents, however no documents were  
22 delivered on November 4, 2011. The examiner determined that the client was overcharged \$196.50,  
23 which Mara Escrow refunded to the customer on December 10, 2013.

24 **G. Escrow File Number 8217001356**

25 Escrow number 8217001356 contained FWD Ventures invoices totaling \$200.00 for two  
26 courier delivery services from Mara Escrow's Redondo Beach office to Old Republic Title's  
27 Glendale office on April 5, and April 22, 2011. Dilworth added the delivery charges to the escrow  
28 ledger and buyer's closing statement and using trust funds, paid Sarah Cox \$200.00 on April 28,

1 2011. The examiner concluded that the documents were delivered to Old Republic Title on April 5,  
2 2012 using FWD Ventures, and that no documents were delivered on April 22, 2011. The examiner  
3 concluded that the client was overcharged by \$100.00, which Mara Escrow refunded to the customer  
4 on December 12, 2013.

5 **H. Escrow File Number 8217001411**

6 Escrow number 8217001411 contained FWD Ventures invoices totaling \$200.00 for two  
7 courier delivery services from Mara Escrow's Redondo Beach office to Prospect Mortgage's  
8 Sherman Oaks office and Old Republic Title's Glendale office on April 25, and April 27, 2011,  
9 respectively. Dilworth added the delivery charges to the escrow ledger and buyer's closing  
10 statement, and using trust funds, paid Sarah Cox \$200.00 on April 29, 2011. The examiner  
11 concluded that the documents were delivered to Prospect Mortgage on April 25, 2011 using OnTrac,  
12 and that documents were delivered to Old Republic Title on April 27, 2011 using FWD Ventures.  
13 The examiner concluded that the client was overcharged by \$100.00, which Mara Escrow refunded  
14 to the customer on December 12, 2013.

15 **I. Escrow File Number 8217001744**

16 Escrow number 8217001744 contained FWD Ventures invoices totaling \$190.75 for two  
17 courier delivery services from Mara Escrow's Redondo Beach office to Pacific Union Financial's  
18 Santa Ana office and Old Republic Title's Glendale office on July 26, 2012. Dilworth added the  
19 delivery charges to the escrow ledger and buyer's closing statement, and using trust funds, paid  
20 FWD Ventures \$190.75 on August 1, 2012. The examiner concluded that the documents were  
21 delivered to Pacific Union Financial using FWD Ventures and that the documents were delivered to  
22 Old Republic Title using OnTrac. The examiner concluded that the client was overcharged by  
23 \$98.75, which Mara Escrow refunded to the customer on December 12, 2013.

24 **J. Escrow File Number 8217002355**

25 Escrow number 8217002355 contained FWD Ventures invoices totaling \$178.50 for two  
26 courier delivery services from Mara Escrow's Redondo Beach office to SunTrust Mortgage's  
27 Laguna Hills office and First American Title's Glendale office on May 2 and May 14, 2012,  
28 respectively. Dilworth added the delivery charges to the escrow ledger and buyer's closing

1 statement, and using trust funds, paid FWD Ventures \$178.50 on May 15, 2012. The examiner  
2 concluded that OnTrac delivered the documents to SunTrust on May 2, 2012, and that FWD  
3 Ventures delivered the documents on May 14, 2012. The examiner concluded that the client was  
4 overcharged by \$78.50, which Mara Escrow refunded to the customer on December 12, 2013.

5 7. Dilworth’s unauthorized disbursement of trust funds and misstatements in the escrow files  
6 constitute grounds under Financial Code section 17423 to bar a person from any position of  
7 employment, management, or control of any escrow agent.

8 8. On April 16, 2015, the Commissioner issued a Notice of Intention to Issue Order  
9 Pursuant to Financial Code section 17423 (Bar From Employment, Management, or Control),  
10 Accusation, and accompanying documents against Dilworth based upon the above findings, and the  
11 Commissioner served Dilworth via service by certified mail with those documents on April 29,  
12 2015. The Commissioner has not received a request for hearing from Dilworth and the time to  
13 request a hearing on the Commissioner’s Notice of Intention and Accusation expired on May 13,  
14 2015.

15 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that Respondent  
16 Kristi Dilworth is barred from any position of employment, management, or control of any escrow  
17 agent.

18 Dated: May 26, 2015  
19 Los Angeles, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

21 By \_\_\_\_\_  
22 MARY ANN SMITH  
23 Deputy Commissioner  
24 Enforcement Division

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