

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
3 ALAN S. WEINGER (CA BAR NO. 86717)  
Lead Corporations Counsel  
4 JUDY L. HARTLEY (CA BAR NO. 110628)  
Senior Corporations Counsel  
5 Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
6 Los Angeles, California 90013-2344  
Telephone: (213) 576-7604 Fax: (213) 576-7181

7 Attorneys for Complainant  
8

9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA  
11

12 In the Matter of THE CALIFORNIA ) Case No.: 963-2090  
CORPORATIONS COMMISSIONER, )  
13 )  
14 Complainant, ) ORDER APPOINTING PETER DAVIDSON  
AS CONSERVATOR PURSUANT TO  
15 vs. ) CALIFORNIA FINANCIAL CODE SECTION  
17630  
16 )  
ESCROW DIVERSIFIED, INC., )  
17 )  
18 Respondent. )  
19 )

20 I, PRESTON DuFAUCHARD, California Corporations Commissioner, pursuant to Financial  
21 Code section 17630, do hereby appoint Peter Davidson of the law firm Moldo Davidson Fraioli  
22 Seror & Sestanovich LLP, as Conservator of the trust account(s) and all bank and escrow records  
23 pertinent thereto of Escrow Diversified, Inc. (“Diversified”), including, but not limited to, all  
24 Diversified trust accounts on deposit with Union Bank of California or elsewhere, in order that he  
25 may take possession of the trust accounts and records for the protection of the escrow agent, the  
26 customers of the escrow agent, and the public.

27 The conservator, pursuant to Financial Code section 17630, shall have all the rights, powers,  
28 and privileges of Diversified, its officers and directors, and shall have the same powers and rights as

1 the California Corporations Commissioner, while he is in possession of the trust account(s) and  
2 pertinent bank and escrow records of Diversified. These rights, powers and privileges shall include  
3 all acts as are necessary or expedient to collect, conserve and protect the trust accounts and pertinent  
4 bank and escrow records of Diversified, including (a) the collection, recovery and compromise of  
5 claims, deeds, property and rights in favor of or belonging to Diversified regarding the trust  
6 account(s); (b) the execution of all deeds, conveyances, agreements, compliances and instruments of  
7 every kind and nature in connection with the trust accounts and pertinent bank and escrow records of  
8 Diversified; (c) the employment of accountants and attorneys to the extent reasonably necessary; and  
9 (d) with prior consent of the California Corporations Commissioner, the institution, maintenance and  
10 defense of suits related to the affairs of Diversified and/or the filing of petitions or applications in  
11 court or elsewhere with respect to the trust accounts and pertinent bank and escrow records of  
12 Diversified, for all purposes.

13 All expenses of the Conservatorship shall be paid out of the assets of Diversified and shall be  
14 a lien thereon which shall be prior to any other lien.

15 This Order is effective on the date hereof and may be amended or terminated upon further  
16 order of the California Corporations Commissioner.

17 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal.

18 Dated: December 5, 2007  
19 Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

20  
21 By \_\_\_\_\_  
22 Alan S. Weinger  
23 Lead Corporations Counsel  
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