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

10 In the Matter of THE CALIFORNIA) File No.: 963-1760
CORPORATIONS COMMISSIONER,)

11 Complainant,)

**ORDER TO DISCONTINUE ESCROW
ACTIVITIES PURSUANT TO FINANCIAL
CODE SECTION 17415**

12 v.)

13 MID-CITIES ESCROW, INC.,)

14 Respondent.)
15)
16)
17)

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19

20 TO: MID-CITIES ESCROW, INC.
21 10890 Paramount Blvd.
22 Downey, California 90241

23 THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

24 MID-CITIES ESCROW, INC. ("MID-CITIES") has a trust account shortage of at least \$25,000, in
25 violation of section 17414, subdivision (a)(1) of the Financial Code and California Code of
26 Regulations, title 10, sections 1738, 1738.1, and 1738.2.

27 Based upon the foregoing, MID-CITIES is conducting its escrow business in such an unsafe
28

1 and injurious manner as to render further operations hazardous to the public or to customers.

2 Financial Code section 17415 provides as follows:

3 (a) If the commissioner, as a result of any examination or from any report
4 made to him or her, shall find that any person subject to this division is in
5 an insolvent condition, is conducting escrow business in such an unsafe or
6 injurious manner as to render further operations hazardous to the public or
7 to customers, has failed to comply with the provisions of Section 17212.1
8 or 17414.1, has permitted its tangible net worth to be lower than the
9 minimum required by law, has failed to maintain its liquid assets in excess
10 of current liabilities as set forth in Section 17210, or has failed to comply
11 with the bonding requirements of Chapter 2 (commencing with Section
12 17200) of this division, the commissioner may, by an order addressed to
13 and served by registered or certified mail or by personal service on such
14 person and on any other person having in his or her possession or control
15 any escrowed funds, trust funds or other property deposited in escrow
16 with said person, direct discontinuance of the disbursement of trust funds
17 by the parties or any of them, the receipt of trust funds, the delivery or
18 recording of documents received in escrow, or other business operations.
19 No person having in his or her possession any of these funds or documents
20 shall be liable for failure to comply with the order unless he or she has
21 received written notice of the order. Subject to subdivision (b), the order
22 shall remain in effect until set aside by the commissioner in whole or in part,
23 the person is the subject of an order for relief in bankruptcy, or pursuant to
24 Chapter 6 (commencing with Section 17621) of this division the commissioner
25 has assumed possession of the escrow agent.

26 (b) Within 15 days from the date of an order pursuant to subdivision (a), the
27 person may request a hearing under the Administrative Procedure Act,
28 Chapter 5 (commencing with Section 11500) of Division 3 of Title 2 of the
Government Code. Upon receipt of a request, the matter shall be set for
hearing to commence within 30 days after such receipt unless the person
subject to this division consents to a later date. If no hearing is requested
within 15 days after the mailing or service of such notice and none is
ordered by the commissioner, the failure to request a hearing shall
constitute a waiver of the right to a hearing. Neither the request for a
hearing nor the hearing itself shall stay the order issued by the commissioner
under subdivision (a).

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NOW, THEREFORE, GOOD CAUSE APPEARING, it is hereby ORDERED, pursuant to the provisions of Financial Code section 17415, that MID-CITIES ESCROW, INC. immediately discontinue acceptance of any new escrow or joint control business, and of money, documents or other property in connection therewith. This order is to remain in full force and effect until further order of the Commissioner.

DATED: January 17, 2012
Los Angeles, CA

JAN LYNN OWEN
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

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BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the matter of) File No.: 963 1760
)
)
MID-CITIES ESCROW)
)
a licensee under the Escrow Law)
)

ORDER TO DISCONTINUE ESCROW ACTIVITIES PURSUANT
TO SECTION 17415, CALIFORNIA FINANCIAL CODE

TO: MID-CITIES ESCROW
8136 2ND Street
Downey, California 90241

THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

MID-CITIES ESCROW has failed to comply with the bonding requirements of the Escrow Law (California Financial Code, Section 17202) in that effective April 7, 2010, Bond No. 1358 issued by American Contractors Indemnity Company in favor of MID-CITIES ESCROW expired and no replacement bond has been obtained.

1 Based upon the foregoing, MID-CITIES ESCROW is conducting escrow business in
2 violation of Section 17202 of the Financial Code and is conducting business in an unsafe and
3 injurious manner as to render further operations hazardous to the public or to customers.

4 NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING
5 THEREFORE, it is hereby ORDERED, under the provisions of Section 17415 of the California
6 Financial Code, that MID-CITIES ESCROW immediately discontinue acceptance of any new
7 escrow or joint control business, and of money, documents or other property in connection
8 therewith.

9 THIS ORDER is to remain in full force and effect until further order of the Commissioner.

10 Section 17415 of the Financial Code provides as follows:

11 (a) If the commissioner, as a result of any examination or from
12 any report made to him or her, shall find that any person subject to this
13 division is in an insolvent condition, is conducting business in such an
14 unsafe or injurious manner as to render further operations hazardous to the
15 public or to customers, has failed to comply with the provisions of Section
16 17212.1 or 17414.1, has permitted its tangible net worth to be lower than
17 the minimum required by law, has failed to maintain its liquid assets in
18 excess of current liabilities as set forth in Section 17210, or has failed to
19 comply with the bonding requirements of Chapter 2 (commencing with
20 Section 17200) of this division, the commissioner may, by an order
21 addressed to and served by registered or certified mail or by personal
22 service on such person and on any other person having in his or her
23 possession or control any escrowed funds, trust funds or other property
24 deposited in escrow with said person, direct discontinuance of the
25 disbursement of trust funds by the parties or any of them, the receipt of
26 trust funds, the delivery or recording of documents received in escrow, or
27 other business operations. No person having in his or her possession any of
28 these funds or documents shall be liable for failure to comply with the
order unless he or she has written notice of the order. Subject to
subdivision (b), the order shall remain in effect until set aside by the
commissioner in whole or in part, the person has been adjudged bankrupt,
or pursuant to Chapter 6 (commencing with Section 17621) of this division
the commissioner has assumed possession of the escrow agent.

(b) Within 15 days from the date of any order pursuant to
Subdivision (a), the person may request a hearing under the Administrative
Procedure Act, Chapter 5 (commencing with Section 11500) of Division 3
or Title 2 of the Government Code. Upon receipt of a request, the matter
shall be set for hearing to commence within 30 days after such receipt
unless the person subject to this division consents to a later date. If no

1 hearing is requested 15 days after the mailing or service of such notice and
2 none is ordered by the commissioner, the failure to request a hearing shall
3 constitute a waiver of the right to a hearing. Neither the request for a
4 hearing nor the hearing itself shall stay the order issued by the
5 commissioner under subdivision (a).

6 Dated: April 7, 2010
7 Los Angeles, California

8 Preston DuFauchard
9 California Corporations Commissioner

10 By _____
11 Kathleen R. Partin
12 Special Administrator
13 (213) 576-7595
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BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of THE COMMISSIONER OF)	Case No.: 963-1760
CORPORATIONS OF THE STATE OF)	
CALIFORNIA,)	ORDER SETTING ASIDE ORDER TO
)	DISCONTINUE ESCROW ACTIVITIES
Complainant,)	PURSUANT TO CALIFORNIA FINANCIAL
)	CODE SECTION 17415
vs.)	
)	
MID-CITIES ESCROW)	
)	
)	
Respondent)	
)	

TO: MID-CITIES ESCROW
8136 2ND Street
Downey, CA 90241

NOW, THEREFORE, the California Corporations Commissioner having found MID-CITIES ESCROW as complied with bonding requirements of the Escrow Law, Financial Code Section 17202 as of April 20, 2010, the Order to Discontinue Escrow Activities Pursuant to Financial Code Section 17415 issued on April 7, 2010 is hereby set aside as of April 20, 2010.

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1 Dated: Los Angeles, California
2 April 20, 2010

3 Preston DuFauchard
4 California Corporations Commissioner

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6 By _____
7 Kathleen R. Partin
8 Special Administrator
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BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the matter of) File No.: 963 1760
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)
MID-CITIES ESCROW)
)
a licensee under the Escrow Law)
)

ORDER TO DISCONTINUE ESCROW ACTIVITIES PURSUANT
TO SECTION 17415, CALIFORNIA FINANCIAL CODE

TO: MID-CITIES ESCROW
8136 2ND Street
Downey, California 90241

THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

MID-CITIES ESCROW has failed to comply with the bonding requirements of the Escrow Law (California Financial Code, Section 17202) in that effective July 28, 2010, Bond No. 1358 issued by American Contractors Indemnity Company in favor of MID-CITIES ESCROW expired and no replacement bond has been obtained.

1 Based upon the foregoing, MID-CITIES ESCROW is conducting escrow business in
2 violation of Section 17202 of the Financial Code and is conducting business in an unsafe and
3 injurious manner as to render further operations hazardous to the public or to customers.

4 NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING
5 THEREFORE, it is hereby ORDERED, under the provisions of Section 17415 of the California
6 Financial Code, that MID-CITIES ESCROW immediately discontinue acceptance of any new
7 escrow or joint control business, and of money, documents or other property in connection
8 therewith.

9 THIS ORDER is to remain in full force and effect until further order of the Commissioner.

10 Section 17415 of the Financial Code provides as follows:

11 (a) If the commissioner, as a result of any examination or from
12 any report made to him or her, shall find that any person subject to this
13 division is in an insolvent condition, is conducting business in such an
14 unsafe or injurious manner as to render further operations hazardous to the
15 public or to customers, has failed to comply with the provisions of Section
16 17212.1 or 17414.1, has permitted its tangible net worth to be lower than
17 the minimum required by law, has failed to maintain its liquid assets in
18 excess of current liabilities as set forth in Section 17210, or has failed to
19 comply with the bonding requirements of Chapter 2 (commencing with
20 Section 17200) of this division, the commissioner may, by an order
21 addressed to and served by registered or certified mail or by personal
22 service on such person and on any other person having in his or her
23 possession or control any escrowed funds, trust funds or other property
24 deposited in escrow with said person, direct discontinuance of the
25 disbursement of trust funds by the parties or any of them, the receipt of
26 trust funds, the delivery or recording of documents received in escrow, or
27 other business operations. No person having in his or her possession any of
28 these funds or documents shall be liable for failure to comply with the
order unless he or she has written notice of the order. Subject to
subdivision (b), the order shall remain in effect until set aside by the
commissioner in whole or in part, the person has been adjudged bankrupt,
or pursuant to Chapter 6 (commencing with Section 17621) of this division
the commissioner has assumed possession of the escrow agent.

(b) Within 15 days from the date of any order pursuant to
Subdivision (a), the person may request a hearing under the Administrative
Procedure Act, Chapter 5 (commencing with Section 11500) of Division 3
or Title 2 of the Government Code. Upon receipt of a request, the matter
shall be set for hearing to commence within 30 days after such receipt
unless the person subject to this division consents to a later date. If no

1 hearing is requested 15 days after the mailing or service of such notice and
2 none is ordered by the commissioner, the failure to request a hearing shall
3 constitute a waiver of the right to a hearing. Neither the request for a
4 hearing nor the hearing itself shall stay the order issued by the
5 commissioner under subdivision (a).

6 Dated: August 3, 2010
7 Los Angeles, California

8 Preston DuFauchard
9 California Corporations Commissioner

10 By _____
11 Kathleen R. Partin
12 Special Administrator
13 (213) 576-7595
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BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of THE COMMISSIONER OF)	Case No.: 963-1760
CORPORATIONS OF THE STATE OF)	
CALIFORNIA,)	ORDER SETTING ASIDE ORDER TO
)	DISCONTINUE ESCROW ACTIVITIES
Complainant,)	PURSUANT TO CALIFORNIA FINANCIAL
)	CODE SECTION 17415
vs.)	
)	
MID-CITIES ESCROW)	
)	
)	
Respondent)	
)	

TO: MID-CITIES ESCROW
8136 2ND Street
Downey, CA 90241

NOW, THEREFORE, the California Corporations Commissioner having found MID-CITIES ESCROW has complied with bonding requirements of the Escrow Law, Financial Code Section 17202 as of September 21, 2010, the Order to Discontinue Escrow Activities Pursuant to Financial Code Section 17415 issued on August 3, 2010 is hereby set aside as of September 21, 2010.

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1 Dated: Los Angeles, California
2 September 21, 2010

3 Preston DuFauchard
4 California Corporations Commissioner

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6 By _____
7 Kathleen R. Partin
8 Special Administrator
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