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BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the matter of) File No.: 963 5091
)
)
MCGOVERN ESCROW SERVICES, INC.)
)
a licensee under the Escrow Law)
)

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

TO: MCGOVERN ESCROW SERVICES, INC.
100 Montgomery Street, Suite 1200
San Francisco, CA 94104

THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

MCGOVERN ESCROW SERVICES, INC. has failed to comply with the bonding requirements of the Escrow Law (California Financial Code, Section 17202) in that effective March 1, 2011 Bond No. 41151922 issued by PLATTE RIVER INSURANCE COMPANY in favor of MCGOVERN ESCROW SERVICES, INC. expired and no replacement bond has been obtained.

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

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

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

11 Section 17415 of the Financial Code provides as follows:

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

1 shall be set for hearing to commence within 30 days after such receipt
2 unless the person subject to this division consents to a later date. If no
3 hearing is requested 15 days after the mailing or service of such notice and
4 none is ordered by the commissioner, the failure to request a hearing shall
5 constitute a waiver of the right to a hearing. Neither the request for a
6 hearing nor the hearing itself shall stay the order issued by the
7 commissioner under subdivision (a).

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Dated: March 1, 2011
Los Angeles, California

Preston DuFauchard
California Corporations Commissioner

By _____
Kathleen R. Partin
Special Administrator
(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.: 963-5091
CORPORATIONS OF THE STATE OF)	
CALIFORNIA,)	ORDER SETTING ASIDE ORDER TO
)	DISCONTINUE ESCROW ACTIVITIES
Complainant,)	PURSUANT TO CALIFORNIA FINANCIAL
)	CODE SECTION 17415
vs.)	
)	
MCGOVERN ESCROW SERVICES, INC.)	
)	
)	
Respondent)	
)	

TO: MCGOVERN ESCROW SERVICES, INC.
100 Montgomery Street, Suite 1200
San Francisco, CA 94104

NOW, THEREFORE, the California Corporations Commissioner having found
MCGOVERN ESCROW SERVICES, INC. as complied with bonding requirements of the Escrow
Law, Financial Code Section 17202 as of March 7, 2011, the Order to Discontinue Escrow Activities
Pursuant to Financial Code Section 17415 issued on March 1, 2011 is hereby set aside as of March
7, 2011.

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Dated: Los Angeles, California
March 10, 2011

Preston DuFauchard
California Corporations Commissioner

By _____
Kathleen R. Partin
Special Administrator