

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 JUDY L. HARTLEY (CA BAR NO. 110628)
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4 Department of Corporations
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344
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6 Attorneys for Complainant

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

10
11 In the Matter of the Accusation of THE) File No.: 963-2166
CALIFORNIA CORPORATIONS)
12 COMMISSIONER,) ACCUSATION
13)
Complainant,)
14)
15 vs.)
16 LEILA PALOMARES,)
17 Respondent.)
18 _____)

19 The Complainant is informed and believes, and based upon such information and belief,
20 alleges and charges Respondent as follows:

21 I

22 On or about July 30, 2010, Escrow of the West (“EOTW”), an escrow agent licensed by the
23 Commissioner under the California Escrow Law (California Financial Code § 17000 et seq.),
24 submitted a Statement of Identity and Employment Application for Respondent Leila Palomares
25 (“Palomares”) indicating that Palomares was employed with EOTW as an escrow assistant.
26 Palomares stated in her application in response to question number 6 that she had been convicted of
27 burglary in 1998.
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II

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2 On or about November 2, 2010, Palomares was asked to explain the events that led to her
3 arrest and conviction. In a February 17, 2011 response, Palomares stated “In regards to my arrest in
4 1998, I was working at Great Western Bank, now know as Chase and I was unlawful accused of
5 signing for Atm cards. . . .” In a further response dated March 8, 2011, Palomares stated “I was
6 accused of conspiracy with another person, which name, honestly I don’t remember. We were both
7 accused of forgery of credit card/ATM cards. I used to go with her to different stores where she
8 would purchase different items at different times. And the restitution fine I had to paid was for items
9 purchased prior to my arrest. She would make me sign for some. . . .”

10 The Commissioner’s investigation into the application of Palomares confirmed that
11 Palomares, on or about May 26, 1998, was convicted of three counts of Penal Code section 484f(b)
12 (forgery re: access card transactions), a crime which is substantially related to the qualification,
13 functions and duties of a person engaged in the escrow business, and is also an offense identified in
14 subdivision (b) of California Financial Code section 17414.1. The court documents further disclosed
15 that Palomares obtained the access cards (credit/ATM cards) through her employment at Great
16 Western Bank and was almost nine years older than her accomplice, whom Palomares claimed made
17 Palomares engage in the unlawful activity. On or about May 10, 2001, Palomares obtained an order
18 expunging the conviction pursuant to Penal Code section 1203.4. Pursuant to California Financial
19 Code section 17423 (g), the court’s order expunging the conviction is not relevant with respect to bar
20 proceedings under the Escrow Law.

III

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22 California Financial Code section 17423 provides in pertinent part:

23 (a) The commissioner may, after appropriate notice and opportunity
24 for hearing, by order, . . . bar from any position of employment,
25 management, or control any escrow agent, or any other person, if the
commissioner finds either of the following:

26 (2) That the person has been convicted of or pleaded nolo contendere to
27 any crime, ... if that crime ... involved any offense specified in subdivision (b)
28 of Section 17414.1, or any other offense reasonably related to the qualifications,
functions, or duties of a person engaged in the business in accordance with the
provisions of this division.

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(f) This section shall apply to any violation, conviction, plea, or judgment occurring at any time prior to or after the enactment of this section.

(g) The provisions of Section 17414.1 exempting convictions for which a person has obtained a certificate of rehabilitation from the prohibition against serving as an officer, director, stockholder, trustee, agent, or employee of an escrow agent, or in any position involving any duties with an escrow agent, shall not apply to permit the reinstatement of any person barred by the commissioner pursuant to this section, nor to prohibit the commissioner from bringing any action pursuant to this section.

California Financial Code Section 17414.1(b)(7) provides in pertinent part:

(b)(7) Offenses involving robbery, burglary, theft, embezzlement, fraud, fraudulent conversion or misappropriation of property, forgery, bookmaking, receiving stolen property, counterfeiting, controlled substances, extortion, checks, credit cards, or computer violations specified in Section 502 of the Penal Code.

IV

The Commissioner finds, by reason of the foregoing, that Palomares has been convicted of forgery, a crime identified in subdivision (b) of Section 17414.1 of the Financial Code and reasonably related to the qualifications, functions or duties of a person engaged in the escrow business.

Therefore, the Commissioner asserts that he is justified under Financial Code section 17423 in barring Palomares from any position of employment, management or control of any escrow agent.

WHEREFORE, the Commissioner prays that Leila Palomares be barred from any position of employment, management or control of any escrow agent.

Dated: May 10, 2011
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel

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California Corporations Commissioner
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11	In the Matter of the Accusation of THE)	File No.: 963-2166
12	CALIFORNIA CORPORATIONS)	
13	COMMISSIONER,)	ORDER BARRING LEILA PALOMARES
14	Complainant,)	FROM ANY POSITION OF EMPLOYMENT,
15	vs.)	MANAGEMENT OR CONTROL OF ANY
16	LEILA PALOMARES,)	ESCROW AGENT
17	Respondent.)	
18)	

19 The California Corporations Commissioner finds that:

- 20 1. On July 30, 2010, Escrow of the West (“EOTW”), an escrow agent licensed by the
21 Commissioner under the California Escrow Law (California Financial Code § 17000 et seq.),
22 submitted a Statement of Identity and Employment Application for Respondent Leila Palomares
23 (“Palomares”) indicating that Palomares was employed with EOTW as an escrow assistant.
24 Palomares stated in her application in response to question number 6 that she had been convicted of
25 burglary in 1998.
- 26 2. On November 2, 2010, Palomares was asked to explain the events that led to her
27 arrest and conviction. In a February 17, 2011 response, Palomares stated “In regards to my arrest in
28 1998, I was working at Great Western Bank, now know as Chase and I was unlawful accused of

1 signing for Atm cards. . . .” In a further response dated March 8, 2011, Palomares stated “I was
2 accused of conspiracy with another person, which name, honestly I don’t remember. We were both
3 accused of forgery of credit card/ATM cards. I used to go with her to different stores where she
4 would purchase different items at different times. And the restitution fine I had to paid was for items
5 purchased prior to my arrest. She would make me sign for some. . . .”

6 3. The Commissioner’s investigation into the application of Palomares confirmed that
7 Palomares, on or about May 26, 1998, was convicted of three counts of Penal Code section 484f(b)
8 (forgery re: access card transactions), a crime which is substantially related to the qualification,
9 functions and duties of a person engaged in the escrow business, and is also an offense identified in
10 subdivision (b) of California Financial Code section 17414.1. The court documents further disclosed
11 that Palomares obtained the access cards (credit/ATM cards) through her employment at Great
12 Western Bank and was almost nine years older than her accomplice, whom Palomares claimed made
13 Palomares engage in the unlawful activity. On or about May 10, 2001, Palomares obtained an order
14 expunging the conviction pursuant to Penal Code section 1203.4. Pursuant to California Financial
15 Code section 17423 (g), the court’s order expunging the conviction is not relevant with respect to bar
16 proceedings under the Escrow Law.

17 4. Forgery is a crime involving moral turpitude, which is substantially related to the
18 qualification, functions and duties of a person engaged in the escrow business.

19 5. A conviction of forgery, whether or not it is expunger pursuant to Penal Code section
20 1203.4, constitutes grounds under Financial Code section 17423 to bar a person from any
21 employment, management or control of any escrow agent.

22 6. On May 10, 2011, the Commissioner issued a Notice of Intention to Issue an Order
23 Pursuant to California Financial Code Section 17423 (Bar from Employment, Management or
24 Control of Any Escrow Agent), Accusation and accompanying documents against Palomares and
25 Palomares was personally served with those documents on May 10, 2011. The Department has
26 received no request for a hearing or any other response from Palomares and the time to request a
27 hearing has expired.
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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that Leila Palomares is hereby barred from any position of employment, management or control of any escrow agent. This order is effective as of the date hereof.

Dated: May 26, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Deputy Commissioner