

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  
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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.: 963-0288  
CALIFORNIA CORPORATIONS )  
12 COMMISSIONER, ) ORDER REVOKING ESCROW AGENT’S  
13 ) LICENSE  
Complainant, )  
14 )  
15 vs. )  
16 STAR ESCROW CO., INC., CAROLE A. )  
WORRELL aka CAROLYN A. WORRELL, )  
17 ELISA WORRELL, and MARIA GOMEZ aka )  
18 MARIA ALEJANDRE, )  
19 Respondents. )

20 The California Corporations Commissioner (“Commissioner”) finds that:

- 21 1. Star Escrow Co., Inc. ("Star Escrow") is an escrow agent licensed by the California  
22 Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the  
23 State of California (California Financial Code Section 17000 et seq.). Star Escrow had its principal  
24 place of business located at 3929 Tweedy Boulevard, South Gate, California 90280.  
25 2. On December 10, 2007, the Commissioner commenced a regulatory examination of  
26 the books and records of Star Escrow. The regulatory examination revealed a trust account shortage  
27 of \$60,790.02 in violation of California Code of Regulations, title 10, section 1738.1 based upon the  
28 adjusting items noted in Star Escrow’s most recent trust account reconciliation for the period ending

1 November 30, 2007. Certain of the adjusting items dated back to June 2000 and had yet to be  
2 corrected in violation of Financial Code section 17404 and California Code of Regulations, title 10,  
3 section 1732.2. Commencing on December 11, 2007 and continuing through January 24, 2008,  
4 written demands were made to Star Escrow to correct the adjusting items and cure the trust account  
5 shortage, however, Star Escrow has failed to correct the adjusting items or cure the trust account  
6 shortage to date.

7 The adjusting items creating the trust account shortage are described as follows:

8 a. Escrow No. 37606-CW: On June 5, 2000, trust check number 111350 was  
9 issued for \$70.20 to the Los Angeles Department of Building and Safety, which check was paid by  
10 the bank on or about July 11, 2000. On May 28, 2004, trust check number 111350 was posted on the  
11 books as canceled in violation of Financial Code section 17414(a)(2) creating the appearance of an  
12 additional \$70.20 to the credit of this escrow. Thereafter, on June 16, 2004, the sum of \$70.20 was  
13 disbursed to the buyer resulting in a \$70.20 shortage in this escrow.

14 b. Escrow No. 37606-CW: On June 5, 2000, trust check number 111351 was  
15 issued for \$15.00 the Los Angeles Department of Water and Power, which check was paid by the  
16 bank on or about July 17, 2000. On May 28, 2004, trust check number 111351 was posted on the  
17 books as canceled in violation of Financial Code section 17414(a)(2) creating the appearance of an  
18 additional \$15.00 to the credit of this escrow. Thereafter, on June 16, 2004, the sum of \$15.00 was  
19 disbursed to the buyer resulting in a further shortage of \$15.00 in this escrow.

20 c. Escrow No. 40256-CW: On August 19, 2004, trust check number 127828  
21 was issued for \$59.95 to LGS Reports, which check was paid by the bank. On May 11, 2005, trust  
22 check number 127828 was posted on the books as canceled in violation of Financial Code section  
23 17414(a)(2) creating the appearance of an additional \$59.95 to the credit of this escrow. That same  
24 day, a further \$59.95 was disbursed to LGS Reports resulting in a shortage of \$59.95 in this escrow.

25 d. Escrow No. 40327-CW: On November 16, 2004, trust check number 128772  
26 was issued for \$59.95 to LGS Reports, which check was paid by the bank. On May 11, 2005, trust  
27 check number 128772 was posted on the books as canceled in violation of Financial Code section  
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1 17414(a)(2) creating the appearance of an additional \$59.95 to the credit of this escrow. That same  
2 day, a further \$59.95 was disbursed to LGS Reports resulting in a shortage of \$59.95 in this escrow.

3 e. Escrow No. 41069-MG: On November 5, 2005, trust check number 132431  
4 was issued for \$79.95 to LGS Reports, which check was paid by the bank. On October 11, 2007,  
5 trust check number 132431 was posted on the books as canceled in violation of Financial Code  
6 section 17414(a)(2) creating the appearance of an additional \$79.95 to the credit of this escrow.  
7 That same day, the sum of \$79.95 was disbursed to the sellers resulting in a shortage of \$79.95 in  
8 this escrow.

9 f. Unknown Escrow: Sometime in late January, early February 2007, trust  
10 check number 134907 was issued to an unknown person or entity with no escrow file designation for  
11 \$79.95, which check was paid by the bank on February 7, 2007. Trust check number 134907 was  
12 never posted on the books in violation of Financial Code section 17414(a)(2) resulting in a shortage  
13 of \$79.95 in the escrow trust account.

14 g. Escrow No. 40639-CM: On May 9, 2005, wire in number 40438 was issued  
15 for \$2,000.00 from Investors Title with no corresponding deposit at the bank in violation of  
16 Financial Code section 17414(a)(2). Thereafter, on June 2, 2005, the sum of \$2,000.00 was  
17 disbursed to the seller resulting in a shortage of \$2,000.00 in this escrow.

18 h. Escrow No. 40828-CM: On September 9, 2005, wire in number 40558 was  
19 issued for \$15,000.00 from Investors Title with no corresponding deposit at the bank in violation of  
20 Financial Code section 17414(a)(2). That same day, the sum of \$15,000.00 was disbursed from this  
21 escrow to the seller resulting in a shortage of \$15,000.00 in this escrow.

22 i. Escrow No. 41140-MG: On December 16, 2005, receipt number 40663 was  
23 issued for \$5,000.00 from US Bank with no corresponding deposit at the bank in violation of  
24 Financial Code section 17414(a)(2). Thereafter, on December 20, 2005, the sum of \$5,000.00 was  
25 disbursed to Pacific Financial Exchange resulting in a shortage of \$5,000.00 in this escrow.

26 j. Escrow No. 41373-CW: On June 8, 2006, receipt number 49562 was issued  
27 for \$.02 from the buyer with no corresponding deposit at the bank in violation of Financial Code  
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1 section 17414(a)(2). That same day, the sum of \$.02 was disbursed resulting in a shortage of \$.02 in  
2 this escrow.

3 k. Escrow No. 39498-CW: On July 8, 2006, receipt number 47707 was issued  
4 for \$300.00 from the buyer with no corresponding deposit at the bank in violation of Financial Code  
5 section 17414(a)(2). Thereafter, on July 10, 2006, the sum of \$300.00 was disbursed to the buyer  
6 resulting in a shortage of \$300.00 in this escrow.

7 l. Escrow No. 41522-MG: On November 1, 2006, receipt number 49760 was  
8 issued for \$2,900.00 from the borrower with no corresponding deposit at the bank in violation of  
9 Financial Code section 17414(a)(2). That same day, the sum of \$2,900.00 was disbursed to the  
10 borrower from this escrow resulting in a shortage of \$2,900.00 in this escrow.

11 m. Escrow Unknown: On December 16, 2004, a wire out was issued to a John  
12 Lanspa for \$35,225.00 with no designated escrow number and without posting such debit to the  
13 books in violation of Financial Code section 17414(a)(2). Such disbursement caused a shortage of  
14 \$35,225.00 in the trust account.

15 3. On February 21, 2008, an Order to Discontinue Escrow Activities was issued against  
16 Star Escrow for its failure to maintain a surety bond in accordance with the provisions of Financial  
17 Code section 17202. Star Escrow was personally served with the Order to Discontinue Escrow  
18 Activities on February 22, 2008. Star Escrow has never obtained a replacement surety bond.

19 4. On March 20, 2008, the Commissioner’s staff attempted a further on site visit to Star  
20 Escrow at its licensed location of 3929 Tweedy Boulevard, South Gate, California. The licensed  
21 location of Star Escrow had been vacated without notice to the Commissioner as to a possible new  
22 location or the location of the books and records in violation of Financial Code section 17213.1 and  
23 California Code of Regulations, title 10, section 1730. Further, attempts to contact Star Escrow in  
24 April 2008 revealed that Star Escrow had disconnected its telephone number. The location of the  
25 books and records of Star Escrow remained unknown.

26 5. In August 2008, the Department of Corporations (“Department”) received two letters  
27 from Elisa Worrell, the vice-president of Star Escrow. The letters were addressed to Irene Smith  
28 (“Smith”) and regarded disbursements from the trust account, which Smith was believed to be

1 involved with, along with accusations that Smith had taken over control of the Star Escrow trust and  
2 general accounts at Comerica Bank. Smith has been barred from any position of employment,  
3 management or control of any escrow agent since 1997 pursuant to an order issued by the  
4 Commissioner. Smith was the prior owner of Star Escrow and had sold Star Escrow to Carole  
5 Worrell after she was barred in 1997. Based upon this information, the Commissioner determined  
6 that it was necessary to commence a special examination of Star Escrow notwithstanding previous  
7 failed attempts to examine Star Escrow due to the unknown location of its books and records.

8           6.       On August 25, 2008, a special examination of Star Escrow was commenced. The  
9 special examination was based upon documents obtained from Comerica Bank, and included the  
10 trust account documents for the period of July 31, 2007 through July 31, 2008, the cut-off date for  
11 the special examination. Further attempts by the Commissioner's staff to locate Star Escrow's books  
12 and records led to the discovery, on or about September 16, 2008, of approximately 200 boxes of  
13 escrow files and banking records of Star Escrow in a backroom of the building where Star Escrow  
14 had been located. A cursory review of these documents disclosed escrow files and daily banking  
15 records ranging from 2001 to 2005, but no current escrow or banking documentation.

16           7.       A review of the banking records provided by Comerica Bank on the Star Escrow trust  
17 account disclosed at least forty-three (43) questionable disbursements from Star Escrow's trust  
18 account. The majority of these disbursements occurred after the business had closed its doors and  
19 totaled \$194,944.38. At least \$109,915.83 of these disbursements are linked to Smith, despite that  
20 Smith is barred from the independent escrow industry and was not an authorized signer on any Star  
21 Escrow account, trust or otherwise. The disbursements described below in paragraphs A. 1-8, 10,  
22 12, 14, 15, 16, and 17 are unauthorized disbursements from Star Escrow's trust account in violation  
23 of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738  
24 and 1738.2. The Commissioner is unable to determine whether or not the disbursements described  
25 below in paragraphs A. 9, 11, 13, 18, and 19 were authorized due to a lack of books and records.  
26 The disbursements described in paragraphs B. 1-23 below appear to be unauthorized as escrow  
27 disbursements must occur via trust check or wire transfer and would not include payment of  
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1 continuing monthly obligations for escrow customers. The disbursements described below have also  
2 caused a shortage to exist in the trust account in the same amount.

3 A. The unauthorized and/or questionable disbursements by check are described as  
4 follows:

5 1. On May 17, 2005, trust check number 131896 was issued in escrow number  
6 39797-MG in the amount of \$379.60 made payable to Maria Delores Torres. On March 7, 2008,  
7 trust check number 131896 was marked “not used for purpose intended” and deposited into the  
8 general account of Star Escrow.

9 2. On September 12, 2006, trust check number 135967 was issued in escrow  
10 number 38180-MG in the amount of \$317.20 made payable to Raymundo Perez. On March 26,  
11 2008, trust check number 135967 was marked “not used for purpose intended” and endorsed over to  
12 the Star Escrow general account and then 4-Star Services, Inc., a company owned by Smith (“4-  
13 Star”), and deposited into the account of 4-Star.

14 3. On October 30, 2006, trust check number 136395 was issued in escrow  
15 number 41523-CH in the amount of \$372.00 made payable to Asset. On March 26, 2008, trust  
16 check number 136395 was marked “not used for purpose intended” and endorsed over to the Star  
17 Escrow general account and then 4-Star and deposited into the account of 4-Star.

18 4. On October 15, 2007, trust check number 137783 was issued in escrow  
19 number 41422-CH in the amount of \$495.00 made payable to David Loyarte. On March 26, 2008,  
20 trust check number 137783 was marked “not used for purpose intended” and endorsed over to the  
21 Star Escrow general account and then 4-Star and deposited into the account of 4-Star.

22 5. On January 4, 2008, trust check number 137968 was issued in escrow number  
23 41811-MG in the amount of \$104.55 made payable to a Maria Vargas. On March 26, 2008, trust  
24 check number 136395 was marked “not used for purpose intended” and endorsed over to the Star  
25 Escrow general account and then 4-Star and deposited into the account of 4-Star.

26 6. On January 18, 2008, trust check number 138013 was issued in escrow  
27 number 40800-CH in the amount of \$1,021.08 made payable to a Rosa Garcia. On March 26, 2008,  
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1 trust check number 138013 was marked “not used for purpose intended” and endorsed over to the  
2 Star Escrow general account and then 4-Star and deposited into the account of 4-Star.

3 7. On March 14, 2008, trust check number 129248 was issued with no  
4 designated escrow number in the amount of \$242.00 made payable to Star Escrow. On March 24,  
5 2008, trust check number 129248 was endorsed over to, and deposited into the account of, 4-Star.

6 8. On March 18, 2008, trust check number 129247 was issued in escrow number  
7 31204-IS in the amount of \$290.00 made payable to Star Escrow. On March 20, 2008, trust check  
8 number 129247 was endorsed over to, and deposited into the account of, 4-Star.

9 9. On March 26, 2008, trust check number 129237 was issued in escrow number  
10 41829-MG in the amount of \$30,165.00 to purchase a cashier’s check made payable to Salvador  
11 Gutierrez. On March 26, 2008, trust check number 129237 was presented to Comerica Bank for the  
12 purchase of cashier’s check number 067633098 in the amount of \$30,165.00 made payable to  
13 Salvador Gutierrez. The cashier’s check appears to have been cashed by Gutierrez.

14 10. On April 7, 2008, trust check number 129227 was issued in escrow number  
15 40359-CW in the amount of \$344.00 made payable to Star Escrow or 4-Star. On April 14, 2008,  
16 trust check number 129227 was deposited into the account of 4-Star.

17 11. On April 18, 2008, trust check number 129224 was issued in escrow number  
18 41705-MG in the amount of \$25,319.00 to purchase a cashier’s check made payable to Rocio  
19 Merino. On April 29, 2008, trust check number 129224 was presented to Comerica Bank for the  
20 purchase of cashier’s check number 349141965 in the amount of \$25,319.00 made payable to Rocio  
21 Merino. The cashier’s check appears to have been cashed by Merino. According to a Daily Escrow  
22 Trial Balance dated December 7, 2007, given to the Department by Star Escrow during the  
23 December 10, 2007 regulatory examination, sufficient funds remained for escrow number 41705-  
24 MG to cover this disbursement. However, insufficient records exist to determine whether these  
25 funds belonged to Rocio Merino or had been otherwise disbursed between December 7, 2007 and  
26 April 18, 2008.

1           12.     On April 18, 2008, trust check number 129231 was issued in escrow number  
2 41809-MG in the amount of \$200.00 made payable to 4-Star. On April 29, 2008, trust check  
3 number 129231 was deposited into the account of 4-Star.

4           13.     On April 22, 2008, trust check number 129221 was issued in escrow number  
5 39831-EW in the amount of \$3,633.00 to purchase a cashier's check made payable to James C-nny  
6 & Assoc (sic). On April 29, 2008, trust check number 129221 was presented to Comerica Bank for  
7 the purchase of cashier's check number 349141963 in the amount of \$3,633.00 made payable to  
8 James C-nny & Assoc (sic). The cashier's check appears to have been cashed by James C-nny &  
9 Assoc (sic). According to a Daily Escrow Trial Balance dated December 7, 2007, given to the  
10 Department by Star Escrow during the December 10, 2007 regulatory examination, no funds  
11 remained for escrow number 39831-EW.

12           14.     On April 22, 2008, trust check number 129222 was issued in escrow number  
13 38592-LM in the amount of \$2,475.00 to purchase a cashier's check made payable to R. Mares &  
14 Associates, the trust account reconciler for Star Escrow. On April 29, 2008, trust check number  
15 129222 was presented to Comerica Bank for the purchase of cashier's check number 349141964 in  
16 the amount of \$2,475.00 made payable to R. Mares & Associates. According to a Daily Escrow  
17 Trial Balance dated December 7, 2007, given to the Department by Star Escrow during the  
18 December 10, 2007 regulatory examination, no funds remained for escrow number 38592-LM.  
19 Moreover, R. Mares confirmed that the payment was for reconciliation work done on behalf of Star  
20 Escrow, not for any particular escrow file.

21           15.     On April 28, 2008, trust check number 129236 was issued in escrow number  
22 41829-MG in the amount of \$845.00 made payable to Star Escrow or 4-Star. On April 29, 2008,  
23 trust check number 129236 was deposited into the account of 4-Star.

24           16.     On May 14, 2008, trust check number 129230 was issued in escrow number  
25 41832-MG in the amount of \$100,000.00 to purchase a cashier's check made payable to Unity  
26 America Fund, a company owned by John Visconti, an alleged friend of Smith. On May 15, 2008,  
27 Smith presented trust check number 129230 to Comerica Bank for the purchase of cashier's check  
28 number 349141992 in the amount of \$100,000.00 made payable to Unity America Fund. It is



1 impossible to determine who cashed this cashier's check. According to Maria Gomez, an escrow  
2 officer at Star Escrow, she had no pending escrows involving Unity America Fund at the time the  
3 check was presented to Comerica Bank. Ms. Gomez further stated that she had signed at least one  
4 blank trust check at the behest of Smith.

5           17. On May 29, 2008, trust check number 129239 was issued in escrow number  
6 41831-MG in the amount of \$784.00 made payable to Star Escrow or 4-Star. On May 30, 2008,  
7 trust check number 129239 was deposited into the account of 4-Star.

8           18. On June 9, 2008, trust check number 129207 was issued in escrow number  
9 40414-MG in the amount of \$3,901.00 to purchase a cashier's check made payable to Daniel  
10 Amavizca. On July 15, 2008, Smith presented trust check number 129207 to Comerica Bank for the  
11 purchase of cashier's check number 349144898 in the amount of \$3,901 made payable to Daniel  
12 Amavizca. The cashier's check appears to have been cashed by Amavizca. According to a Daily  
13 Escrow Trial Balance dated December 7, 2007, given to the Department by Star Escrow during the  
14 December 10, 2007 regulatory examination, no funds remained for escrow number 40414-MG.  
15 However, according to Star Escrow's outstanding check list dated December 31, 2007, there were  
16 two outstanding checks for escrow number 40414-MG totaling the amount of the cashier's check.  
17 However, these outstanding checks were issued to persons or entities other than Daniel Amavizca.  
18 Additionally, insufficient records exist to determine whether Daniel Amavizca was even a party to  
19 escrow number 40414-MG.

20           19. On June 9, 2008, trust check number 129208 was issued in escrow number  
21 41808-MG in the amount of \$1,000.00 to purchase a cashier's check made payable to Rosa Venturs  
22 (sic). On July 15, 2008, Smith presented trust check number 129208 to Comerica Bank for the  
23 purchase of cashier's check number 349144899 in the amount of \$1,000.00 made payable to Rosa  
24 Venturs (sic). The cashier's check appears to have been cashed by Rosa Venturs (sic). According to  
25 a Daily Escrow Trial Balance dated December 7, 2007, given to the Department by Star Escrow  
26 during the December 10, 2007 regulatory examination, sufficient funds remained for escrow number  
27 41808-MG to cover this disbursement. However, insufficient records exist to determine whether  
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1 these funds belonged to Rosa Venturs (sic) or had been otherwise disbursed between December 7,  
2 2007 and April 18, 2008.

3 B. The unauthorized disbursements by telephone transfer are described as follows:

4 1. A February 05, 2008 disbursement to Lowes in the amount of \$1,985.16 via  
5 Lowtelpay with no beneficiary and/or escrow number designated.

6 2. A February 05, 2008 disbursement to Sprint in the amount of \$1,336.45 via  
7 Sprint Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

8 3. A February 05, 2008 disbursement to Sprint in the amount of \$438.06 to  
9 Sprint via Sprint Achbillpay with Jorge Murga named as beneficiary, but no designated escrow  
10 number.

11 4. A February 12, 2008 disbursement to Lowes in the amount of \$1,300.00 via  
12 Lowtelpay with no beneficiary and/or escrow number designated.

13 5. A February 13, 2008 disbursement to Lowes in the amount of \$1,500.00 via  
14 Lowtelpay with no beneficiary and/or escrow number designated.

15 6. A February 13, 2008 disbursement to Mervyns in the amount of \$227.54 via  
16 Mrvtelpay with no beneficiary and/or escrow number designated.

17 7. A February 15, 2008 disbursement to Sprint in the amount of \$20.00 via  
18 Sprint Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

19 8. A February 20, 2008 disbursement to Lowes in the amount of \$1,500.00 via  
20 Lowtelpay with no beneficiary and/or escrow number designated.

21 9. A February 25, 2008 disbursement to Mervyns in the amount of \$1,200.00 via  
22 Mrvtelpay with no beneficiary and/or escrow number designated.

23 10. A February 25, 2008 disbursement to Sprint in the amount of \$533.13 via  
24 Sprint Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

25 11. A February 29, 2008 disbursement to Lowes in the amount of \$3,200.00 via  
26 Lowtelpay with no beneficiary and/or escrow number designated.

27 12. A March 03, 2008 disbursement to Lowes in the amount of \$1,677.97 via  
28 Lowtelpay with no beneficiary and/or escrow number designated.

1           13.     A March 04, 2008 disbursement to Lowes in the amount of \$3,697.00 via  
2 Lowtelpay with no beneficiary and/or escrow number designated.

3           14.     A March 04, 2008 disbursement to Lowes in the amount of \$600.00 via  
4 Lowtelpay with no beneficiary and/or escrow number designated.

5           15.     A March 11, 2008 disbursement to Linens n Things in the amount of  
6 \$1,001.17 to Linens n Things via Lnt.Epayu with no beneficiary and/or escrow number designated.

7           16.     A March 11, 2008 disbursement to Credit Report in the amount of \$11.95  
8 with Devki N. Madan named as beneficiary, but no designated escrow number.

9           17.     A March 18, 2008 disbursement to Sprint in the amount of \$441.29 via Sprint  
10 Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

11          18.     An April 02, 2008 disbursement to Lowes in the amount of \$192.38 via  
12 Lowtelpay with no beneficiary and/or escrow number designated.

13          19.     An April 09, 2008 disbursement to Credit Report in the amount of \$11.95  
14 with Devki N. Madan named as beneficiary, but no designated escrow number.

15          20.     An April 11, 2008 disbursement to Sprint in the amount of \$825.35 via Sprint  
16 Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

17          21.     An April 15, 2008 disbursement to Sprint in the amount of \$532.60 via Sprint  
18 Achbillpay with Jorge Murga named as beneficiary, but no designated escrow number.

19          22.     An April 23, 2008 disbursement to Mervyns in the amount of \$813.00 via  
20 Mrvtelpay with no beneficiary and/or escrow number designated.

21          23.     A May 09, 2008 disbursement to Credit Report in the amount of \$11.95 with  
22 Devki N. Madan named as beneficiary, but no designated escrow number.

23          8.       In addition to the lack of written authorization for the above-described electronic  
24 disbursements, such disbursements also violated Financial Code sections 17404 and California Code  
25 of Regulations, title 10, sections 1737.3 and 1738, which require escrow licensees to prepare and  
26 maintain such books and records that would properly allow the Commissioner to determine  
27 compliance with the Escrow Law.  
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1           9.       The special examination further revealed that Star Escrow was using trust checks out  
2 of numerical sequence in violation of Financial Code section 17404. According to Elisa Worrell, a  
3 box of trust checks was misplaced. Per the regulatory examination commenced on December 10,  
4 2007, the next unused trust check was trust check number 137914. In March 2008, trust checks in  
5 the 120000 series began being issued. Due to the use of misplaced trust checks with numbers prior  
6 to 137914, the Commissioner is unable to determine how many trust checks have been issued, and  
7 thus unable to determine what trust checks remain outstanding. As of March 30, 2009, trust funds in  
8 the amount of \$139,782.37 remain in the trust account.

9           10.       The adjusting items described in paragraph 2 above along with the unauthorized  
10 and/or questionable disbursements described in paragraph 7 above are believed to have caused a  
11 shortage of at least \$256,390.40 to currently exist in the trust account of Star Escrow in violation of  
12 California Code of Regulations, title 10, section 1738.1. The Commissioner is unable to determine  
13 the exact amount of the trust account shortage due to the lack of books and records.

14           11.       The trust account shortage and abandonment of Star Escrow’s escrow business  
15 caused the Commissioner, on April 1, 2009, to issue a Demand For and Order Taking Possession of  
16 the Trust Account(s) and Escrow Records of Premiere Pursuant to Financial Code Section 17621 and  
17 an Order Appointing Kathleen Partin as Conservator pursuant to Financial Code section 17630. The  
18 orders were necessary in order to offer any possible protection to the escrow customers of Star  
19 Escrow.

20           12.       The above-described violations constitute grounds under Financial Code section  
21 17608 to revoke an escrow agent’s license.

22           13.       On May 15, 2009, the Commissioner issued a Notice of Intention to Issue Order  
23 Revoking Escrow Agent’s License, Accusation and accompanying documents against Star Escrow  
24 based upon the above, and Star Escrow was served with those documents on May 18, 2009. The  
25 Department has received no request for a hearing or any other response from Star Escrow and the  
26 time to request a hearing has expired.  
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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the escrow agent's license issued by the Commissioner to Respondent Star Escrow Co., Inc. is revoked effective upon the termination of the pending conservatorship of Star Escrow Co., Inc.

Dated: June 10, 2009  
Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Deputy Commissioner