

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN M. ROONEY
Assistant Chief Counsel
3 JUDY L. HARTLEY (State Bar No. 110628)
Senior Counsel
4 Department of Business Oversight
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344
Telephone: (213) 576-7604
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of:) ESCROW LICENSE NO.: 963-2490
)
12 THE COMMISSIONER OF BUSINESS) ORDER TERMINATING
13 OVERSIGHT,) CONSERVATORSHIP
)
14 Complainant,)
)
15 v.)
)
16 VELOCITY ESCROW, INC.,)
17)
18 Respondent.)
)

19
20 The Commissioner of Business Oversight finds as follows:

21 1. Velocity Escrow, Inc., a California corporation ("Velocity"), was an escrow agent
22 licensed by the Commissioner of Business Oversight ("Commissioner"), pursuant to the Escrow Law
23 of the State of California (Fin. Code §17000, et seq.).

24 2. According to the documents filed with the Commissioner by Velocity, Mutasem Al
25 Saad ("Al Saad") was the president and fifty percent (50%) shareholder and Hali Saad ("Saad") was
26 the vice-president, manager, and fifty percent (50%) shareholder of Velocity.

27 3. For reasons stated in the documents listed below and dated April 17, 2015, the
28 Commissioner took possession of the trust and general accounts of Velocity and all bank and escrow

1 records pertinent thereto, and appointed Peter A. Davidson as Conservator over Velocity by issuing
2 the following documents:

3 A. Demand For and Order Taking Possession Pursuant to California Financial Code
4 Section 17621, and

5 B. Order Appointing Peter A. Davidson as Conservator Pursuant to Financial Code
6 Section 17630, and

7 C. Notice and Summary of Findings Pursuant to Financial Code Section 17621.

8 4. Pursuant to both the Order Taking Possession and the Conservatorship Order, all
9 persons, including Al Saad and Saad, who had possession, custody or control of any of the trust and
10 general funds and bank account and escrow records of Velocity, became obligated to turn over to the
11 Conservator such funds and records.

12 5. The Conservator took possession of the trust and general funds, and, pursuant to
13 Financial Code Section 17630, took actions to conserve those trust funds pending further disposition
14 of the trust affairs.

15 6. On May 12, 2015, pursuant to a settlement agreement entered into between Velocity,
16 Al Saad and Saad, the Commissioner issued an order revoking the escrow agent’s license of
17 Velocity.

18 7. The Conservator has performed a reconciliation of the escrow trust account(s) of
19 Velocity and obtained the approval of the Commissioner to make a distribution of the Velocity trust
20 funds to trust fund claimants.

21 8. The Conservator has distributed such escrow trust funds to the extent that the
22 person(s) could be located, escheated those funds where the claimants were known, but could not be
23 located, and interplead those funds for which the parties could not agree as to whom the funds
24 should be distributed.

25 9. The remaining assets of Velocity have been returned by the Conservator to Velocity.

26 10. The Commissioner is satisfied that termination of the conservatorship may be done
27 safely and is in the public interest.
28

1 11. The Conservator has provided to the Commissioner a final report of the
2 conservatorship.

3 12. Concurrently herewith, the Commissioner has appointed Corporations Examiner
4 Azucena Manalo to act as limited conservator over the banking and escrow records of Velocity in
5 order that such records are retained for the period required by California Code of Regulations, title
6 10, section 1737. Accordingly, the Conservator will be transferring the escrow records to the limited
7 conservator for retention.

8 Now, good cause appearing, IT IS HEREBY ORDERED that:

9 1. The April 17, 2015 conservatorship is hereby terminated pursuant to Financial Code
10 Section 17634.

11 2. The Commissioner hereby ratifies those actions taken by the Conservator with respect
12 to the trust and general account(s) and any bank and escrow records, and the Conservator, the State
13 of California and each of their respective employees and agents is hereby released from any and all
14 obligation and/or liability arising out of or relating to the conservatorship of Velocity.

15 Dated: July 1, 2016
16 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

18 By _____
19 Mary Ann Smith
20 Deputy Commissioner
21 Enforcement Division