

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
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7 Attorneys for Complainant
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
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12 In the Matter of THE CALIFORNIA) Case No.: 963-2096
CORPORATIONS COMMISSIONER,)
13) DEMAND FOR AND ORDER TAKING
Complainant,) POSSESSION OF THE TRUST FUNDS AND
14) ESCROW RECORDS OF WESTERN
vs.) ESCROW SERVICES PURSUANT TO
15) CALIFORNIA FINANCIAL CODE SECTION
16 WESTERN ESCROW SERVICES,) 17621
17)
Respondent.)
18)
19)

20 TO: WESTERN ESCROW SERVICES
21 c/o Nicholas Antoniadis, President
4499 Calavo Drive
22 La Mesa, California 91941

23 CITY NATIONAL BANK
24 Specialty Deposits
25 La Palma, California 90623

26 WHEREAS, Preston DuFauchard, the California Corporations Commissioner
27 ("Commissioner"), has found that Western Escrow Services ("Respondent"), an escrow agent subject
28 to the Escrow Law (California Financial Code sections 17000 et seq.), is unable to remedy certain
conditions found during a special examination of Respondent; and

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WHEREAS, the Commissioner finds that Respondent is conducting escrow business in an unsafe, injurious and unauthorized manner, so as to render further operations hazardous to the public and to customers in that Respondent has:

- (a) failed to properly report employees to the Commissioner in violation of Financial Code sections 17212.1, 17414.1 and 17419;
- (b) failed to monitor the activities of such unreported persons thereby allowing such unreported persons to embezzle trust funds of at least \$313,048.94; and
- (c) failed to cure the trust account shortage.

NOW, GOOD CAUSE APPEARING, pursuant to Financial Code section 17621, the Commissioner, effective this date, hereby demands and takes possession of the trust funds of Western Escrow Services, including, but not limited to, the trust account(s) and the indemnity funds to be paid by Escrow Agents' Fidelity Corporation in the sum of \$257,202.00, and all bank and escrow records pertinent thereto, and will retain possession thereof until the Commissioner appoints a conservator, has a receiver is appointed, or until its affairs are finally liquidated as provided for in Division 6, Chapter 6 of the Financial Code, or it resumes business with the consent and upon such conditions as the Commissioner may prescribe.

Dated: November 5, 2007
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel