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9  
10 **BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT**  
11 **OF THE STATE OF CALIFORNIA**

12 In the Matter of:  
13 THE COMMISSIONER OF BUSINESS  
14 OVERSIGHT,  
15 Complainant,  
16  
17 v.  
18 INLAND EMPIRE ESCROW, INC.,  
19 Respondent.  
20 ESCROW LICENSE NO.: 963-1374  
CONSENT ORDER

21 Complainant, the Commissioner of Business Oversight (Commissioner), and Respondent,  
22 Inland Empire Escrow, Inc. (Inland Empire) (hereafter the Parties), enter into this Consent Order  
23 (Order) based on the following facts:

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25 **I.**  
26 **RECITALS**

27 A. The Commissioner has jurisdiction over the licensing and regulation of persons and  
28 entities licensed under the California Escrow Law (Escrow Law) (Fin. Code, § 17000 et seq.) and the

1 regulations promulgated under title 10 of the California Code of Regulations (Cal. Code Regs., tit.  
2 10, § 1700 et seq.).

3 B. Inland Empire Escrow, Inc. is an escrow agent licensed by the Commissioner,  
4 pursuant to the Escrow Law. Inland Empire has its primary place of business at 12894 Central  
5 Avenue, Chino, California 91710.

6 C. Linda Cooper is the President of Inland Empire, and as such, is authorized to enter into  
7 this Order on behalf of Inland Empire.

8 D. On August 2, 2016, the Department commenced a regulatory examination of Inland  
9 Empire’s books and records (2016 regulatory examination), in which the Department determined that  
10 Inland Empire had collected undisclosed escrow fees on mobile home transactions for title clearance  
11 due the Department of Housing and Community Development as its own fees, without proper  
12 disclosure in the escrow instructions, in violation of Financial Code sections 17414(a)(1) & (a)(2) and  
13 Code of Regulations, title 10, section 1741.3.

14 E. On October 6, 2016, the Commissioner issued a demand letter (2016 Demand) to  
15 Inland Empire directing it to conduct a self-audit on all mobile home escrow files it closed between  
16 August 1, 2015 through July 31, 2016. Following numerous communications between Inland Empire  
17 and the Department after the 2016 Demand, including requests by the Department for additional  
18 necessary information, the self-audit was not correctly submitted and approved by the Department  
19 until August 2018. In completing the self-audit, Inland Empire exceeded deadlines set by the  
20 Commissioner to provide reports, in violation of Financial Code section 17405(b). In total, the self-  
21 audit showed that Inland Empire collected an unauthorized sum of \$47,837.84, involving a total of  
22 480 customer files. The Department directed Inland Empire to make all customer refunds and the  
23 refunds were made.

24 **II.**

25 **TERMS AND CONDITIONS**

26 1. Purpose. The Settlement Agreement is entered into for the purpose of judicial  
27 economy and expediency, and to avoid the expense of a hearing, and possible further court  
28 proceedings.

1           2.     Order to Discontinue Violations. Pursuant to Financial Code sections 17602 and  
2 17604, Inland Empire is hereby ordered to immediately discontinue violations of the Escrow Law,  
3 set forth in Paragraphs D and E above.

4           3.     Finality of Order. Inland Empire hereby agrees to comply with this Order, and further,  
5 stipulates that the Order to Discontinue Violations is hereby deemed a final and enforceable order  
6 issued pursuant to the Commissioner’s authority under Financial Code sections 17602 and 17604.

7           4.     Payment of Penalty. Inland Empire shall pay a penalty of \$10,000.00 for the violations  
8 discussed herein within seven calendar days of the Effective Date of this Consent Order, as such date  
9 is defined in Paragraph 15, made payable in the form of a cashier’s check or Automated Clearing  
10 House deposit to the “Department of Business Oversight,” and mailed to the attention of: Accounting  
11 – Litigation, at the Department of Business Oversight located at 1515 K Street, Suite 200,  
12 Sacramento, California 95814. Notice of all payments shall be sent to Robert Lux, Senior Counsel,  
13 Enforcement Division, at the Department of Business Oversight located at 1350 Front Street, Suite  
14 2034; San Diego, California 92101.

15          5.     Remedy for Breach. Inland Empire agrees that its failure to comply with the Order to  
16 Discontinue Violations, set forth in Paragraphs 1 and 2 above, shall result in the immediate  
17 revocation of Inland Empire’s escrow agent license.

18          6.     Waiver of Hearing Rights. Inland Empire acknowledges and understands its right to  
19 an administrative hearing under the Escrow Law in connection with the orders and remedies specified  
20 herein and hereby waives its right to a hearing, and to any reconsideration, appeal, or other right  
21 which may be afforded under the Escrow Law and to judicial review of this matter pursuant to Code  
22 of Civil Procedure section 1094.5 with respect to the issuance of this Order.

23          7.     Future Actions by the Commissioner. The Commissioner reserves the right to bring  
24 any future action(s) against Inland Empire or any of its partners, owners, officers, directors,  
25 shareholders, employees, or successors for all unknown or future violations of the Escrow Law. This  
26 Order shall not serve to exculpate Inland Empire or any of its partners, owners, officers, directors,  
27 shareholders, employees, or successors from liability for all unknown or future violations of the  
28 Escrow Law.

1           8.     Binding. This Order is binding on all heirs, assigns, and/or successors in interest.

2           9.     Full and Final Settlement. The Parties hereby acknowledge and agree that this Order  
3 is intended to constitute a full, final, and complete resolution of the violations of the Escrow Law  
4 identified in Paragraphs D and E above (hereafter, Released Matters). Notwithstanding this  
5 paragraph, the Commissioner may commence a proceeding or action based upon any violation which  
6 Inland Empire knowingly concealed from the Commissioner. The Parties further acknowledge and  
7 agree that nothing contained in this Order shall operate to limit the Commissioner’s ability to assist  
8 any other agency (city, county, state or federal) with any prosecution; administrative, civil or  
9 criminal, brought by any such agency against Inland Empire, based on any of the activities alleged in  
10 these matters or otherwise.

11           10.    Independent Legal Advice. Each of the Parties represents and warrants that they have  
12 received independent advice from their attorneys and/or other representatives with respect to the  
13 advisability of executing this Order.

14           11.    Reliance. Each of the Parties represents, warrants, and agrees that in executing this  
15 Order, they have placed no reliance on any statement, representation, or promise of any other party,  
16 or any person or entity not expressly set forth herein, or upon the failure of any party or any other  
17 person or entity to make any statement, representation, or disclosure of anything whatsoever. The  
18 Parties have included this clause: (1) to preclude any claim that any party was in any way  
19 fraudulently induced to execute this Order; and (2) to preclude the introduction of parol evidence to  
20 vary, interpret, supplement, or contradict the terms of this Order.

21           12.    Full Integration. This Order is the final written expression and the complete and  
22 exclusive statement of all stipulations, agreements, conditions, promises, representations, and  
23 covenants between the Parties with respect to the matter hereof, and supersedes all prior or  
24 contemporaneous agreements, discussions, negotiations, representations, and understandings between  
25 and among the Parties, their respective representatives, and any other person or entity, with respect to  
26 the subject matter covered in this Order.

27           13.    No Presumption from Drafting. In that the Parties have had the opportunity to draft,  
28 review and edit the language of this Order, no presumption for or against any party arising out of

1 drafting all or any part of this Order will be applied in any action relating to, connected to, or  
2 involving this Order. Accordingly, the Parties waive the benefit of Civil Code section 1654 and any  
3 successor or amended statute, providing that in cases of uncertainty, language of a contract should be  
4 interpreted most strongly against the party who caused the uncertainty to exist.

5 14. Waiver or Modification. The waiver of any provision of this Order shall not operate  
6 to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms  
7 of this Consent Order must be in writing and signed by the Parties. No amendment, change or  
8 modification of this Order shall be valid or binding to any extent unless it is in writing and signed by  
9 all the Parties affected by it.

10 15. Headings and Governing Law. The headings of the paragraphs of this Order are  
11 inserted for conveniences only and will not be deemed a part hereof or affect the construction or  
12 interpretation of the provisions hereof. This Order shall be construed and enforced in accordance with  
13 and governed by California law.

14 16. Effective Date. This Order shall not become effective until signed by all parties and  
15 delivered by the Commissioner’s counsel by email to Empire Empire’s president, Linda Cooper at  
16 linda@inlandempireescrow.com.

17 17. Counterparts. This Order may be executed in any number of counterparts by the  
18 Parties, and when each party has signed and delivered at least one such counterpart to the other party,  
19 each counterpart shall be deemed an original, and taken together shall constitute one and the same  
20 Order.

21 18. Public Record. Inland Empire acknowledges that this Order is a public record.

22 19. Information Willfully Withheld. This Order may be revoked, and the Commissioner  
23 may pursue all remedies available under the law against Inland Empire if the Commissioner later  
24 finds out that Inland Empire knowingly or willfully withheld information used and relied upon in this  
25 Order.

26 20. Settlement Authority. Each signatory hereto covenants that he/she possesses all  
27 necessary capacity and authority to sign and enter into this Order.

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21. Voluntary Agreement. Inland Empire enters into this Order voluntarily and without coercion and acknowledges that no promises, threats, or assurances have been made by the Commissioner or any officer, or agent thereof, about this Order.

22. Signatures. This Order may be executed by facsimile or scanned signature, and any such facsimile or scanned signature by any party hereto shall be deemed to be an original signature and shall be binding on such party to the same extent as if such facsimile or scanned signature was an original signature.

Dated: May 20, 2019

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
Mary Ann Smith  
Deputy Commissioner  
Enforcement Division

Dated: May 20, 2019

INLAND EMPIRE ESCROW, INC.

By \_\_\_\_\_  
Linda Cooper, President  
Inland Empire Escrow, Inc.