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8 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
9 OF THE STATE OF CALIFORNIA

11 In the Matter of:)
12)
13 THE COMMISSIONER OF FINANCIAL) ESCROW LICENSE NO.: 963-2570
PROTECTION AND INNOVATION,)
14) ACCUSATION
Complainant,)
15)
16 v.)
17 TONI LYNN WILLIAMS,)
18 Respondent.)
19)

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

22 I.

23 Introduction

24 1. Respondent Toni Lynn Williams (Williams) was at all times relevant herein
25 employed as an escrow officer at the main office location of Prominent Escrow Services, Inc.
26 (Prominent Escrow), an escrow agent licensed by the Commissioner of Financial Protection and
27 Innovation (Commissioner) pursuant to the Escrow Law of the State of California (California
28 Financial Code Section 17000 et seq.). Prominent Escrow has its main office located at 2601 Saturn

ACCUSATION

1 Street, Suite 350, Brea, California 92821.

2 **II.**

3 **Unauthorized Disbursements of Trust Funds**

4 2. On or about April 12, 2019, the Department of Financial Protection and Innovation
5 formerly known as the Department of Business Oversight (Department) received information that
6 Williams had made numerous unauthorized disbursements of trust funds from several escrow
7 transactions at Prominent Escrow. Based upon such information, the Commissioner, by and through
8 staff, commenced a special examination of Prominent Escrow to review the pertinent escrow files.

9 3. The special examination disclosed that Williams made and/or caused to be made, at
10 least 10 unauthorized disbursements of trust funds in violation of Financial Code section 17414,
11 subdivision (a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The
12 unauthorized disbursements occurred between May 31, 2017 and November 1, 2018 and totaled
13 \$11,635.85. The unauthorized disbursements were payable either to Williams' landlord or her ex-
14 husband. The unauthorized disbursements caused a shortage to exist in the trust account in violation
15 of California Code of Regulations, title 10, section 1738.1. Prominent Escrow has cured the trust
16 account shortage.

17 4. The unauthorized disbursements are as follows:

18 (a) Escrow Number 04-1135-TW - On or about May 31, 2017, Williams made, or caused
19 to be made, an unauthorized disbursement of trust funds via check number 6049 in the amount of
20 \$200.00 to her ex-husband for what appear to be notary fees. The disbursement was unauthorized as
21 there was no notary invoice or other instruction authorizing the disbursement.

22 (b) Escrow Number 04-1560-TW - On or about August 23, 2017, prior to close of
23 escrow, Williams made, or caused to be made, an unauthorized disbursement of trust funds via wire
24 number 1473 in the amount of \$2,310.00 to her landlord. The disbursement was unauthorized as
25 there was no instruction authorizing the disbursement. The resulting trust account shortage caused by
26 this unauthorized disbursement was corrected by Williams on or about September 8, 2017 when
27 Williams deposited \$2,310.00 via cashiers' check back into the escrow.

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1 (c) Escrow Number 04-1807-TW - On or about December 27, 2017, Williams made, or
2 caused to be made, an unauthorized disbursement of trust funds via check number 9331 in the
3 amount of \$125.00 to her ex-husband for what appeared to be notary fees. The disbursement was
4 unauthorized as there was no notary invoice or other instruction authorizing the disbursement.

5 (d) Escrow Number 104-1501380-TW – On or about April 20, 2018, Williams made, or
6 caused to be made, an unauthorized disbursement of trust funds via wire number 5331 in the amount
7 of \$2,004.45 to her landlord. The disbursement was unauthorized as there was no instruction
8 authorizing the disbursement. The trust funds Williams disbursed to her landlord consisted of a July
9 25, 2015 refund in the amount of \$2,004.45 issued by the title company to Escrow number 104-
10 1501380-TW for a duplicate tax payment and was due and owing to either the buyer and/or seller.

11 (e) Escrow Number 04-642-TW - On or about May 08, 2018, Williams made, or caused
12 to be made, an unauthorized disbursement of trust funds via check number 10945 in the amount of
13 \$250.00 to her ex-husband for what appeared to be notary fees. The disbursement was unauthorized
14 as there was no notary invoice or other instruction authorizing the disbursement. This escrow had
15 closed back on December 20, 2016.

16 (f) Escrow Number 04-641-TW - On or about May 08, 2018, Williams made, or caused
17 to be made, an unauthorized disbursement of trust funds via check number 10943 in the amount of
18 \$150.00 to her ex-husband for what appeared to be notary fees. The disbursement was unauthorized
19 as there was no notary invoice or other instruction authorizing the disbursement. This escrow had
20 closed back on February 10, 2017.

21 (g) Escrow Number 104-1501654-TW – On or about May 22, 2018, Williams made, or
22 caused to be made, an unauthorized disbursement of trust funds via wire number 5333 in the amount
23 of \$3,991.40 to her landlord. The disbursement was unauthorized as there was no instruction
24 authorizing the disbursement. This escrow had closed back on May 28, 2015 and the trust funds
25 Williams disbursed to her landlord consisted of dormant escrow funds due and owing to either the
26 buyer and/or seller.

27 (h) Escrow Number 04-2366-TW - On or about August 24, 2018, Williams made, or
28 caused to be made, an unauthorized disbursement of trust funds via check number 12355 in the

1 amount of \$150.00 to her ex-husband for what appeared to be notary fees. The disbursement was
2 unauthorized as there was no notary invoice or other instruction authorizing the disbursement.

3 (i) Escrow Number 04-1383-TW - On or about September 12, 2018, Williams made, or
4 caused to be made, an unauthorized disbursement of trust funds via check number 12590 in the
5 amount of \$250.00 to her ex-husband for what appeared to be notary fees. The disbursement was
6 unauthorized as there was no notary invoice or other instruction authorizing the disbursement. This
7 escrow had closed back on July 31, 2017.

8 (j) Escrow Number 04-2094-TW - On or about November 1, 2018, Williams made, or
9 caused to be made, an unauthorized disbursement of trust funds via wire number 2743 in the amount
10 of \$2,205.00 to her landlord. The disbursement was unauthorized as there was no instruction
11 authorizing the disbursement.

12 **III.**

13 5. Financial Code section 17423 provides in pertinent part:

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

18 (1) That the . . . bar is in the public interest and that the person has
19 committed or caused a violation of this division or rule or order of
20 the commissioner, which violation was either known or should have
21 been known by the person committing or causing it or has caused material
22 damage to the escrow agent or to the public.

23 **IV.**

24 **Conclusion**

25 6. The Commissioner finds that, by reason of the foregoing, Respondent Toni Lynn
26 Williams has repeatedly violated Financial Code section 17414, subdivision (a)(1) and California
27 Code of Regulations, title 10, sections 1738, 1738.1 and 1738.2, and based thereon, it is in the best
28 interests of the public to bar Respondent Toni Lynn Williams from any position of employment,
management or control of any escrow agent.

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V.

Prayer

WHEREFORE, IT IS PRAYED that pursuant to Financial Code section 17423, subdivision (a)(1), Respondent Toni Lynn Williams be barred from any position of employment, management or control of any escrow agent.

Dated: October 15, 2020
Los Angeles, CA

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

By _____
Judy L. Hartley
Senior Counsel
Enforcement Division