

BEFORE THE
DEPARTMENT OF BUSINESS OVERSIGHT
STATE OF CALIFORNIA

In the Matter of:

THE COMMISSIONER OF BUSINESS
OVERSIGHT,

Complainant,

v.

RIDGEGATE ESCROW, INC.,
Respondent.

Escrow License No.: 963-2226

OAH No.: 2019020097

DECISION

The attached Proposed Decision of the Administrative Law Judge of the Office of Administrative Hearings, dated August 19, 2019, is hereby adopted by the Department of Business Oversight as its Decision in the above-entitled matter.

This Decision shall become effective on January 22, 2020.
IT IS SO ORDERED this 23rd day of December, 2019.




MANUEL P. ALVAREZ
Commissioner of Business Oversight

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PROPOSED DECISION

Matthew Goldsby, Administrative Law Judge, Office of Administrative Hearings (OAH), State of California, heard this matter on July 29-30, 2019, in Los Angeles, California.

Paul Yee, Senior Counsel with the Department of Business Oversight (Department), appeared and represented complainant Jan Lynn Owen, Commissioner of Business Oversight (Commissioner).

Matthew S. Davis, Attorney at Law, appeared and represented respondent Ridgegate Escrow, Inc.

Oral and documentary evidence was received. The record was held open until August 12, 2019 for the parties to file points and authorities on the meaning of "abstraction" and "misappropriation" for purposes of Financial Code section 17414, subdivision (c). Complainant filed a timely brief, which was marked for identification as Exhibit 25. Respondent filed a timely brief, which was marked for identification as Exhibit 82.

The record was closed and the matter was submitted for decision on August 12, 2019.

FACTUAL FINDINGS

Background and Jurisdictional Facts

1. Respondent is an escrow agent licensed by the Commissioner and is subject to the Escrow Law. (Fin. Code, §§ 17000 et seq.) Respondent operates five branches, including a branch office in Northridge, California.

2. On January 7, 2019, Mary Ann Smith, acting in her official capacity as Deputy Commissioner of the Enforcement Division for the Commissioner, issued an Order to Discontinue Violations Pursuant to Financial Code section 17602 (Order to Discontinue). The Order to Discontinue was directed to respondent and was based on the following findings made by the Commissioner:

A. Respondent made unauthorized disbursements of escrow funds in violation of Financial Code section 17414 and California Code of Regulations, title 10, sections 1738 and 1738.2;

B. Respondent created a trust account shortage in a trust account in violation of California Code of Regulations, title 10, section 1731;

C. Respondent failed to immediately report a shortage of escrow funds to the Commissioner in violation of Financial Code section 17414;

D. Respondent knowingly or recklessly caused to be made a misstatement or omission of a material fact pertaining to an escrow or escrow affairs.

3. Respondent filed a timely Notice of Defense and Request for Hearing.

Transaction Detail for Escrow Number 500-101224-SH

4. On June 29, 2017, respondent's assigned escrow officer opened escrow account number 500-101224-SH for a residential real property transaction between Sergio Gomez (Seller) and Manuel Tovar (Buyer). The Seller and the Buyer executed a Residential Purchase Agreement and Joint Escrow Instructions dated June 23, 2017 (Sales Agreement) and the escrow officer issued an addendum to the Sales Agreement upon opening the escrow. Together, the Sales Agreement and addendum constituted the escrow instructions for the transaction.

5. The Seller was represented by Genaro Robles, a realtor with Pinnacle Estate Properties, Inc. Before this transaction, the escrow officer and Mr. Robles had worked together on approximately 10 residential sales and purchase transactions. Email was their primary means of communication in all prior transactions.

6. By an undated Instruction for Proceeds, completed and signed by the Seller, the escrow officer was directed to disburse the proceeds due the Seller as follows: "Check for proceeds to be picked up at your office." (Ex. 57.) The principals to the transaction agreed that escrow would close on August 25, 2017.

7. Between July 3, 2017, and August 25, 2017, the escrow officer received into escrow the total sum of \$122,581.91. Respondent deposited those funds into its trust account at Community Bank and the escrow officer credited those amounts to escrow account number 500-101224-SH. After making disbursements for all costs of sale as authorized by the escrow instructions, the escrow account had a balance of \$106,933.19, representing the net proceeds due and payable to the Seller.

8. On August 25, 2017, the closing date of escrow, the escrow officer received an email stating, "The seller just required his proceeds be wired into his personal trading account. Please advise on what you need to get this done. Thanks." (Exs. 8 and 58.) The email was "from Genaro Robles," although the actual email address was not visible on the escrow officer's computer screen. (Ex. 58.) The subject line of the email contained the property address and escrow number. The electronic signature resembled all prior emails from Genaro Robles in form and content, including his name, realtor number, website address, and association with Pinnacle Estate Properties, Inc., with an image of its logo.

9. The escrow officer testified that he believed the email came from Genaro Robles and nothing in the appearance or tone of the email gave rise to any suspicion that the request was fraudulent. If the escrow officer had hovered his cursor over the name of the sender, the email address "grahamcollins009@gmail.com" would have appeared. (See Ex. 60.) The escrow officer testified that he did not verify the sender by

this technical procedure and that he does not customarily do so in the ordinary course of business.

10. The escrow officer replied to the email, clicking his cursor on the automatic reply button and attaching an Instruction for Proceeds form to be completed and executed by the Seller. Approximately one hour later, the escrow officer received another email in the chain of correspondence, attaching an Instruction for Proceeds form with handwritten instructions to wire the funds to a specified Bank of America account number and routing number, for final credit to the account of "Sergio Gomez with God International." (Ex. 10.) The Instruction for Proceeds was signed by hand in the name "Sergio Gomez."

11. On August 28, 2017, at 10:57 a.m., the escrow officer received another email in the chain of communication with the same subject line, "Advise with an update please." (Ex. 9, p. 0041.) The escrow officer replied by email, "We tried to call the seller to verify the account info. He didn't answer and the voice mail is not set up. Can you have him call here." (Ex. 9, p. 0041.) Shortly thereafter, the escrow officer received a telephone call from an individual who represented that he was Sergio Gomez and confirmed the written instructions sent by email. (Ex. 14, p. 0052.)

12. On August 28, 2017, at 12:19 p.m., the escrow officer completed a Customer Wire Transfer Request in accordance with the Instruction for Proceeds described at Factual Finding 10. The escrow officer signed the request and transmitted it to Community Bank, authorizing Community Bank to transmit the funds to Bank of America and to debit respondent's trust account according to the instructions set forth in the request. At 12:32 p.m. the same day, Community Bank confirmed with the escrow officer by email that \$106,933.19 was "successfully sent to SERGIO GOMEZ WITH at BK AMER NYC" and that the amount was "debited from account number

ending 417 RIDGEGATE ESCROW INC." (Ex. 12.) The escrow officer debited the amount from the escrow account for the transaction, reducing the escrow balance to zero.

13. Later the same day, the escrow officer received a telephone call from the assistant to Genaro Robles, asking for the status of delivery of the net proceeds. The escrow officer informed the assistant that the funds were successfully sent by wire transmission as instructed. The realtor's assistant responded that the Seller last gave instructions to have a check held for pick-up and that he never instructed escrow to send the funds by wire. The escrow officer testified that, shortly after hanging up with the assistant, "Genaro called and said he never emailed wire instructions. I immediately called the bank to recover the funds."

14. The escrow officer referred the matter to a supervisor at respondent's Northridge branch office. On August 28, 2017, at 6:38 p.m., the supervisor filed a Complaint Referral Form with the Federal Bureau of Investigations (FBI).

15. The next day, August 29, 2017, respondent received confirmation from Community Bank that Bank of America has "a 90-Business Day waiting period," that its "Hold Harmless department has indicated that they do not generally release funds prior to that time period," and that "once released, they will mail us a Cashier's Check via US mail." (Ex. 15, p. 0054.)

16. On September 6, 2017, the Seller wrote a letter to respondent, in which he stated,

I sold my home as I need to take care of [a] very important debt that I have. I also wanted to utilize the remaining proceeds to purchase a new home. I hope you can imagine the situation I find myself right now. Not only do I no

longer own my home, I also do not have the proceeds of the sale of my home available to me.

(Ex. 17.)

17. On September 8, 2017, respondent's attorney responded to the Seller as follows:

With respect to your settlement proceeds, [an] unknown third party has fraudulently attempted to intercept your proceeds. Fortunately, escrow was able to promptly contact the bank and put a stop to this fraudulent attempt. As a result of this prompt and diligent effort, the bank has agreed to return the proceeds within 90 days so that the funds may be properly directed to you as the intended recipient.

[¶...¶]

You may pick up your funds ... on Wednesday, September 13, 2017, at 12:00 p.m.

(Ex. 18.)

18. On September 14, 2017, pending receipt of the recovered funds from Bank of America, respondent withdrew from its general operating account and deposited into its trust account at Community Bank the sum of \$106,933.19. The escrow officer credited the amount to the Seller's escrow account.

19. On September 18, 2017, the Seller and respondent executed a mutual release of any and all claims relating to the transaction. On the same date, respondent issued a check payable to the Seller from its trust account in the sum of \$106,933.19.

20. On January 30, 2018, Community Bank received from Bank of America the sum of \$106,399.19, reflecting the "fraudulent wire recovery." (Ex. 21.) The amount was made payable to respondent.

21. No evidence was presented of any past record of discipline against respondent for knowingly or recklessly disregarding a valid instruction given by a principal to an escrow. There was no evidence that respondent has made any disbursement, known or unknown to be unauthorized, or that respondent has known of any person involved in an abstraction or misappropriation of trust funds since August 28, 2017.

Escrow Instructions

22. Pursuant to regulations adopted by the Department, all money and property deposited into a trust account and credited to an escrow account must be administered only in accordance with the written escrow instructions executed by the principals to the escrow transaction. (Legal Conclusions 5.)

23. The Sales Agreement provided joint escrow instructions to respondent. (Ex. 51.) The addendum to the Sales Agreement provided, "These escrow instructions [set forth in the addendum] are not intended to supersede [the Sales Agreement]. In the event of a conflict between terms of [the Sales Agreement] and any Escrow Instructions, [the Sales Agreement] shall govern the parties and the escrow instructions shall govern the escrow holder." (Ex. 7, p. 0026.)

24. Pursuant to the escrow instructions executed by the Seller and Buyer, respondent was authorized and instructed to accept and to act upon electronic signatures, unless otherwise notified in writing. (Ex. 7, p. 0027, par. B.)

25. Pursuant to the escrow instructions executed by the Seller and Buyer, the escrow officer was not required to "verify signatures or investigate whether there is false impersonation, forgery, or fraud on documents deposited into this escrow by the parties or their agents." (Ex. 7, p. 0028, par. G, subpar. C.)

26. Pursuant to the escrow instructions executed by the Seller and Buyer, respondent was not to be held "liable or responsible for any loss that may occur by reason of forgeries, fraud or false representations made by or involving third parties." (Ex. 7, 0029, par. G, subpar. D.)

27. The escrow instructions executed by the Seller and Buyer provided, "All disbursements shall be made by check of [respondent's] account; . . . All documents and funds due respective parties shall be made by United States mail to parties' address provided to [respondent], unless otherwise instructed. . . . [Respondent] is not responsible or liable for any act by a third-party, or any injury caused by delays . . ." (Ex. 7, p. 0036, par. FF.)

Representations to the Department

28. Respondent retained an accountancy corporation to perform its required annual audit of its financial statements. Michael C. Haas, a certified public accountant (CPA), has over 40 years of experience performing audits for escrow companies.

29. On February 3, 2018, CPA Haas completed and filed an Independent Auditor's Report with the Department. To describe the circumstances described at Factual Findings 4 through 20, the audit report included the following footnote:

During the fiscal year ended October 31, 2017, the company was involved in an incoming wire transfer fraud which resulted in the company advancing \$106,933 from its operating account to the escrow trust account. The funds never were lost but the company's bank froze these funds until it completed its investigation. On January 29, 2018, the company recovered these funds in full from the bank.

(Ex. 22, p. 0070.)

30. On May 18, 2018, the Department sent respondent a letter concerning the disclosure made in the audit report about the wire transfer fraud. Noting that the Department had no record of the issue having been reported pursuant to Financial Code section 17414, the Department requested a detailed explanation within 10 days of the letter.

31. On May 21, 2018, CPA Haas wrote a brief letter in response, summarizing the circumstances as follows: "There was no theft of trust funds. The funds were in control of the bank at which the company's trust account is located and were being held by the bank pending an internal investigation." (Ex. 24.) CPA Haas testified that this representation was a mistake, and acknowledged that Community Bank did not control the funds pending Bank of America's investigation.

32. CPA Haas's May 21, 2018 letter concluded, "Based on the circumstances, the company did not believe the transaction raised to the level that mandated

reporting under Section 17414 of the Financial Code. The company understands the Department's position and will advise the Department of any such type of transaction in the future." (Ex. 24.)

33. On May 24, 2018, respondent's attorney sent the Department a nine-paragraph email "to respond to the Department's letter dated May 11, 2018 and to further detail the cyber incident at [respondent's] Northridge branch on August 28, 2017." (Ex. 80.) The attorney explained in greater detail each step of the transaction consistent with Factual Findings 4-20, accurately reporting the fact that Bank of America, and not Community Bank, controlled the funds during the period the funds were held.

LEGAL CONCLUSIONS

Burden of Proof

1. A hearing under Financial Code section 17604 is governed by the provisions of the Administrative Procedure Act. (Gov. Code, §§ 11500 et seq.; Fin. Code, § 17604.)

2. The standard of proof to be used in these proceedings is a preponderance of the evidence. (Evid. Code, § 115.) Accordingly, complainant has the burden to produce substantial evidence, contradicted or uncontradicted, which supports the finding. (*In re Shelley J.* (1998) 68 Cal.App.4th 322, 329.)

Unauthorized Disbursements

3. The Order to Discontinue alleges that respondent is making unauthorized distributions of escrow funds in violation of Financial Code section 17414.

4. Financial Code section 17414, subdivision (a)(1), provides that it is a violation for an escrow agent to “knowingly or recklessly disburse or cause the disbursement of escrow funds otherwise than in accordance with escrow instructions, or knowingly or recklessly to direct, participate in, or aid or abet in a material way, any activity which constitutes theft or fraud in connection with any escrow transaction.”

5. California Code of Regulations, title 10, section 1738 provides:

(a) All money deposited in such “trust” or “escrow” account shall be withdrawn, paid out, or transferred to other accounts only in accordance with the written escrow instructions of the principals to the escrow transaction or the escrow instructions transmitted electronically over the Internet executed by the principals to the escrow transaction or pursuant to order of a court of competent jurisdiction

6. In this case, although the actual identity of the perpetrator was not established, a preponderance of the evidence shows that the escrow officer disbursed funds pursuant to escrow instructions that were not given by any principal to the escrow transaction. The regulations do not provide an exception for disbursements made in reliance on an instruction given fraudulently by someone other than a principal to the transaction. Accordingly, respondent violated the regulations on

August 28, 2017, when the escrow officer paid out funds pursuant to the fraudulent wire instruction.

7. There is no evidence that respondent has repeated the violation since August 28, 2017. Moreover, no evidence shows that the escrow officer knew or reasonably should have known that he was acting in reliance on a fraudulent escrow instruction. The email messages from the perpetrator of the fraud were designed to resemble all prior emails from Genaro Robles in form and content, and included details such as the escrow number and property address that would reasonably deceive the escrow officer into believing the sender was the broker involved in the transaction. Because the escrow officer did not make the disbursement with actual knowledge of the fraud, or in reckless disregard of the Seller's interests, the disbursement on August 28, 2017, from escrow account number 500-101224-SH does not reasonably appear to violate Financial Code section 17414, subdivision (a).

Trust Account Shortage

8. The Order to Discontinue alleges that respondent created a trust account shortage in a trust account in violation of California Code of Regulations, title 10, section 1738.1.

9. Any debit balance in a trust or escrow account violates the regulations, which state: "An escrow agent shall not withdraw, pay out, or transfer monies from any particular escrow account in excess of the amount to the credit of such account at the time of such withdrawal, payment, or transfer." (Cal. Code Regs., tit. 10, § 1738.1.)

10. In this case, a debit balance was avoided only because the escrow officer did not follow the valid escrow instruction to deliver the net proceeds to the Seller by check on August 25, 2017. By disbursing funds pursuant to a fraudulent instruction,

the escrow officer could not follow the valid escrow instruction without creating a debit balance.

11. However, under a strict application of the regulation, no shortage occurred because the escrow officer never paid out of escrow account number 500-101224-SH any amount in excess of the amounts credited to the account. Respondent made reasonably diligent efforts to recover the funds disbursed pursuant to the fraudulent wire instruction and, pending recovery of the money, advanced from its general account the amount necessary to provide adequate funds to comply with the valid disbursement instruction. Respondent accurately accounted for these transaction and the escrow account never reflected a negative balance.

12. Whether the delay in making the authorized disbursement to the Seller violated any law or regulation and whether respondent is liable to the Seller for its reliance on a fraudulent electronic signature are not issues in this administrative proceeding. However, as a matter of law, respondent did not reasonably appear to violate California Code of Regulations, title 10, section 1738.1.

Failure to Report

13. The Order to Discontinue alleges that respondent failed to immediately report a shortage of escrow funds to the Commissioner in violation of Financial Code section 17414.

14. Financial Code section 17414, subdivision (c), does not specifically establish a duty to report a shortage. Rather, the law requires an escrow agent to report any known "abstraction or misappropriation" of money or property deposited with the escrow agent, as follows:

Any person subject to this division who knows of a person's involvement in an abstraction or misappropriation of money, funds, trust obligations, or property deposited with a licensed escrow agent shall immediately report the abstraction or misappropriation in writing to the commissioner and to Fidelity Corporation. No person shall be civilly liable for reporting as required under this subdivision, unless the information provided in the report is false and the person providing false information does so with knowledge and malice. The reports filed under this section, including the identity of the person making the filing, shall remain confidential pursuant to state law.

(Fin. Code, § 17414, subd. (c).)

15. The terms "abstraction" and "misappropriation" are not defined in the Escrow Law or in any regulation adopted by the Commissioner. Courts have held that an abstraction is a "taking from [another] with intent to injure or defraud . . . [or] an unauthorized and illegal taking or withdrawing of funds, etc., and the appropriation of such funds or securities to the benefit of the taker." (*Pacific Coast Adjustment Bur. v. Indem. Ins. Co. of North America* (1931) 115 Cal.App. 583, 585-586.)

16. Respondent argued that the facts did not give rise to a duty to report because the perpetrator of the fraud did not benefit from the scheme, and respondent was able to stop the wire transfer and recover the funds in full. Without a completed taking, respondent argued that respondent "has not violated Financial Code section 17414(c) by not reporting the *unsuccessful* attempted diversion of the Seller's proceeds." (Ex. 82, emphasis in original.)

17. Respondent distinguished the facts of this case from the facts of *Pasternak v. Boutris* (2002) 99 Cal.App.4th 907, in which the court concluded that a "loss of trust obligations held by a member [had occurred] as a result of the fraudulent or dishonest abstraction [or] misappropriation ... of trust obligations by an officer ... of a member" in violation of Financial Code section 17304. (*Id.* at p. 929.) However, *Pasternak* is not controlling on the issue presented by this case because it is undisputed that the fraudulent instruction did not result in a loss within the meaning of Financial Code section 17304.

18. Complainant's points and authorities are more persuasive in that an abstraction or misappropriation occurs upon the "separation" or "removal" of property from the rightful owner. The perpetrator did not succeed in completing the deposit into the desired Bank of America account, but the perpetrator succeeded in abstracting the funds out of respondent's dominion and control when the funds were transmitted out of the trust account at Community Bank. Although there was no evidence as to whether the perpetrator was charged or convicted as a result of the incident, one who induces another by trick or device to part with money may be properly convicted of grand theft even though the money was subsequently returned to the rightful owner. (*People v. Post* (1946) 76 Cal.App.2d 511.)

19. Accordingly, respondent knew of an abstraction or misappropriation of funds deposited with it. Its failure to immediately report the abstraction or misappropriation in writing to the commissioner violated Financial Code section 17414, subdivision (c), and was proper grounds to issue the Order to Discontinue pursuant to Financial Code section 17602.

Misrepresentations of Material Fact

20. The Order to Discontinue alleges that respondent knowingly or recklessly caused to be made a misstatement or omission of a material fact in violation of Financial Code section 17414.

21. Financial Code section 17414, subdivision (a)(2), provides that it is a violation for an escrow agent to “knowingly or recklessly make or cause to be made any misstatement or omission to state a material fact, orally or in writing, in escrow books, accounts, files, reports, exhibits, statements, or any other document pertaining to an escrow or escrow affairs.”

22. On May 21, 2018, respondent’s CPA misrepresented that “the funds were in control of the bank at which [respondent’s] trust account is located” when, in fact, the funds were transmitted out of Community Bank to Bank of America. Having reviewed and audited respondent’s financial records for the fiscal year, the CPA knew the representation was false or recklessly disregarded information available to him to accurately report the transaction. His representation, made on behalf of respondent in response to a reasonable request by the Department, was a violation of Financial Code section 17414, subdivision (a)(2).

23. However, within three days and before the Department relied on the misrepresentation made by the CPA, respondent’s attorney provided an accurate and more detailed explanation of the incident. This supplemental explanation effectively amended respondent’s response to the Department’s letter dated May 11, 2018, and cured the violation by furnishing the Department with an accurate and complete explanation of the circumstances that led to the theft, as requested.

Final Order to Discontinue

24. If it appears to the Commissioner that any licensed escrow agent has violated "any law or rule binding upon it," the Commissioner must issue a written order addressed to the agent directing the discontinuance of the violation. (Fin. Code, § 17602.)

25. No order directing the discontinuance of a violation may become final except after notice to the agent affected by the order of the Commissioner's intention to make the order final and of the reasons to make the order final. (Fin. Code, § 17604.) Financial Code section 17604 states: "If upon the hearing, it appears to the commissioner that the licensed agent is conducting business in an unsafe and injurious manner or is violating its articles of incorporation or any law of this state, or any rule binding upon it, the commissioner shall make the order of discontinuance final and the licensed escrow agent shall immediately discontinue the practices named in the order."

26. In this case, complainant failed to establish that respondent violated California Code of Regulations, title 10, section 1738.1, with respect to the accounting of the escrow balance. Moreover, the attorney's accurate and more complete disclosure of the transaction substantially cured the violation committed by the CPA. Given these facts, the Order to Discontinue exceeded the Commissioner's authority under Financial Code section 17602.

27. Nonetheless, complainant established that respondent violated California Code of Regulations, title 10, section 1738 by making an unauthorized disbursement from an escrow account and Financial Code section 17414, subdivision (c), by failing to report the abstraction and misappropriation of escrow funds. Because the Escrow Law

and regulations are binding upon respondent, the Commissioner was mandated to issue the Order to Discontinue pursuant to Financial Code section 17602 based on these past violations described above at Legal Conclusions 3-6 and 13-19.

28. However, before the Commissioner can make the Order to Discontinue final under Financial Code section 17604, the Commissioner must find that respondent "is conducting" business in an unsafe and injurious manner or "is violating" any applicable law or rule binding upon respondent. Unlike Financial Code section 17602, drafted in the past tense, Financial Code section 17604 requires evidence of a present and continuing injurious business practice or an ongoing violation of law or regulation before ordering an escrow agent to immediately discontinue the practices named in the order.

29. Each of the established violations related to an isolated instance of a scheme in which respondent was targeted by a person or group with fraudulent objectives. The facts established at hearing do not exhibit a continuing business practice that is being conducted in an unsafe or injurious manner, or an ongoing pattern of violating the law or rule. None of the violations have been repeated since the incident and respondent has given assurances to immediately report any similar incident to the Commissioner.

30. Respondent cannot reasonably be expected to give assurances that it will not be targeted by fraudulent perpetrators. Considering no evidence was presented of any past record of discipline against respondent for knowingly or recklessly disregarding a valid escrow instruction, or that respondent has made any subsequent disbursement known or unknown to be unauthorized, ordering respondent to discontinue making unauthorized disbursements is unnecessary to protect the public.


31. The task in disciplinary cases is preventative, protective and remedial, not punitive. (*In re Kelley* (1990) 52 Cal.3d 487.) Under the facts and circumstances of this case, making the Order to Discontinue final would be unduly punitive, and would serve no preventative, protective, or remedial purpose.

32. Cause does not exist to make the Order to Discontinue final or to order respondent to discontinue the practices named in the order pursuant to Financial Code section 17604. It cannot reasonably appear to the Commissioner that respondent is conducting its business in an unsafe and injurious manner or is violating its articles of incorporation or any law of this state, or any rule binding upon it.

ORDER

The Order to Discontinue Violations Pursuant to Financial Code section 17602, issued by the Commissioner against respondent Ridgeway Escrow, Inc., shall not become final pursuant to Financial Code section 17604.

DATE: August 19, 2019

DocuSigned by:

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MATTHEW GOLDSBY

Administrative Law Judge

Office of Administrative Hearings