PRESTON DuFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
Deputy Commissioner
UCHE ENENWALI (CA BAR NO.: 235832)
Corporations Counsel
Department of Corporations
320 West 4th Street, Suite 750
Los Angeles, CA 90013
Telephone: (213) 576-7591 Fax: (213) 576-7181

Attorneys for the Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, v. THE ESCROW MALL, Respondent.	Case No.: 963 - 2256 **ORDER TO DISCONTINUE VIOLATIONS PURSUANT TO CALIFORNIA FINANCIAL CODE SECTIONS 17403.2; 17404; 17405; AND CALIFORNIA CODE OF REGULATIONS SECTION 1737.3**

TO: THE ESCROW MALL
C/o Janis Willoughby-Konig, Owner
1424 Madera Road, Suite 101
Simi Valley, CA 93065

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

1. THE ESCROW MALL, a California corporation (The Escrow Mall or Respondent) is an escrow agent holding a valid and unrevoked license issued by the Commissioner of Corporations

State of California - Department of Corporations

of the State of California (Commissioner), pursuant to the Escrow Law of the State of California (§17000 et seq. of the California Financial Code) and has its main office located at 1424 Madera Road, Suite 203, Simi Valley, California 93065.

2. The Escrow Mall and its employee and escrow officer, Melissa Goelz (Goelz), accepted unilateral instructions from a seller to alter the purchase agreement in an escrow transaction without obtaining the consent of the buyer in violation of California Financial Code Section 17403.2. Specifically, The Escrow Mall and Goelz altered the contract by removing the requirement that the seller provide a home protection plan for the buyer at the request of the seller and without the buyer's approval.

3. The Escrow Mall failed to produce the escrow file that is the subject of this dispute when requested by the Commissioner in a letter dated March 30, 2010. In a telephone conversation with the Commissioner's staff on April 30, 2010, Janis Willoughby-Konig, owner and officer of The Escrow Mall stated that the file had been misplaced and that The Escrow Mall would be unable to provide the file, in violation of California Financial Code Sections 17404 and 17405; and California Code of Regulations Section 1737.3.

4. California Financial Code Section 17403.2 provides in relevant part:

> (a) No person subject to this division shall solicit or accept an escrow instruction or amended or supplemental escrow instruction containing any blank to be filled in after signing or initialing of the escrow instruction or amended or supplemental escrow instruction, nor permit any person to make any addition to, deletion from, or alteration of an escrow instruction or amended or supplemental escrow instruction, unless the addition, deletion or alteration is signed or initialed by all persons who had signed or initialed the escrow instruction or amended or supplemental escrow instruction prior to the addition, deletion or alteration.

5. California Financial Code Section 17404 provides:

> Every person subject to this division shall keep and use in its business, books, accounts, and records which will properly enable the commissioner to determine whether the escrow functions performed by such person comply with the provisions of this division and with all rules made by the commissioner under this division.

State of California - Department of Corporations

6. California Financial Code Section 17405 provides in relevant part:

> (a) The business, accounts and records of every person performing as an escrow agent, whether required to be licensed under this division or not, are subject to inspection and examination by the commissioner at any time without prior notice.
>
> (b) Any person subject to this division shall, upon request, exhibit and allow inspection and copying of any books and records by the commissioner or his or her authorized representative.

7. California Code of Regulations, Title 10, Section 1737.3 provides in relevant part:

> (a) An escrow agent shall preserve for at least five years from the close of escrow:
>
> (6) Escrow instructions and amendments thereto;

8. By reason of the foregoing, The Escrow Mall has violated California Financial Code §§17403.2, 17404, 17405 and California Code of Regulations, Title 10, §1737.3.

WHEREFORE, good cause showing, the California Corporations Commissioner is issuing an Order to Discontinue Violations and notifying The Escrow Mall of his intention to make the order final.

NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING, it is hereby ORDERED under the provisions of California Financial Code Sections 17403.2, 17404, 17405, and California Code of Regulations Section 1737.3 that THE ESCROW MALL immediately discontinue the violations set forth above.

Dated: November 15, 2010
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division