ALAN S. WEINGER
Deputy Commissioner
AFSANEH EGHBALDARI (BAR NO. 250107)
Corporations Counsel
1350 Front Street, #2034
San Diego, California 92101
Telephone: (619) 645-3166

Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. LSB ESCROW, INC., Respondent.	File No. 963-2333 **ORDER REVOKING ESCROW AGENT'S LICENSE**

The California Corporations Commissioner finds that:

1. LSB Escrow, Inc. ("Respondent") is an escrow agent licensed by the California Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the State of California (California Financial Code Section 17000 et seq.).

2. Respondent had its place of business at 5311 Topanga Canyon Blvd., #200, Woodland Hills, CA 91356.

3. Pursuant to Financial Code section 17210, all licensees under the California Escrow Law are required to maintain, at all times, liquid assets in the amount of at least $25,000 and a tangible net worth of at least $50,000.

4. The 2008 regulatory examination conducted by the Commissioner revealed that

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Respondent did not meet the liquid asset and tangible net worth requirements of Financial Code section 17210.

5. As of October 31, 2008, Respondent had a liquid asset deficiency in the amount of $67,856.40 and a tangible net worth deficiency in the amount of $75,151.97.

6. On January 30, 2009, Respondent was requested to submit proof of correction of the deficiencies.

7. On February 19, 2009, Respondent notified the Department of Corporations ("Department") that it was unable to meet the liquidity requirements and it needed more time to meet the liquidity requirements. Respondent failed to submit proof of correction of the deficiencies.

8. Respondent's 2009 and 2010 annual audit reports revealed that the liquid asset and tangible net worth deficiencies continued.

9. In 2009, the Department made at least two attempts to contact Respondent. The deficiencies remained unresolved and Respondent failed to respond to attempts to resolve these deficiencies.

10. As of August 31, 2010, Respondent had a liquid asset deficiency in the amount of at least $33,228 and a tangible net worth deficiency in the amount of at least $41,138.

11. On January 12, 2011, the Department again sent a letter to Respondent requesting proof of correction of the deficiencies within 30 days. Respondent failed to submit proof of correction of the deficiencies, and failed to respond to attempts to resolve these deficiencies.

12. On September 2, 2011, the Commissioner issued to Respondent an Order to Discontinue Escrow Activities, pursuant to Financial Code section 17415. On September 6, 2011, the Order to Discontinue Escrow Activities was served, via certified mail return receipt, to Respondent. The return receipt shows that Respondent received the Order to Discontinue Escrow Activities on September 9, 2011.

13. The Commissioner did not receive a request for a hearing from Respondent, and the time within which to request a hearing has expired.

14. To date, Respondent has failed to prove that it meets the liquid asset and tangible net worth requirements of Financial Code section 17210.

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15. Subsequent visits to Respondent's licensed location revealed that Respondent has vacated its licensed location without prior approval or notifying the Commissioner of a possible new location or the location of its books and records, in violation of Financial Code section 17213.1 and California Code of Regulations, title 10, section 1730.

16. On February 15, 2012, the Commissioner filed her Accusation In Support of Revocation of Respondent's license, Notice of Intention to Issue Order Revoking Respondent's license, and the accompanying documents (collectively, "Accusation"). On February 16, 2012, the Accusation was served, via certified mail return receipt, to Respondent. The return receipt shows that Respondent received the Accusation on March 3, 2012.

17. The Commissioner has not received a request for a hearing from Respondent, and the time within which to request a hearing has expired.

18. The Commissioner finds that, by reason of the foregoing, LSB Escrow, Inc. has violated Financial Code sections 17210 and 17213.1 and California Code of Regulations, title 10, section 1730, and it is in the best interest of the public to revoke the escrow agent's license of LSB Escrow, Inc.

NOW GOOD CAUSE APPEARING THEREFORE, pursuant to Financial Code section 17608, the escrow agent's license issued to LSB Escrow, Inc. is hereby revoked. This order is effective as of the date hereof.

Dated: March 13, 2012
Los Angeles, CA

JAN LYNN OWEN
California Corporations Commissioner

By_____
ALAN S. WEINGER
Deputy Commissioner

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