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8
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA
11

12 In the Matter of:)

13 THE COMMISSIONER OF BUSINESS)
14 OVERSIGHT,)

15 Complainant,)

16 vs.)

17 DANIELA M. SPIRIDON,)

18 a.k.a. Daniela M. Schroeder,)

19 Respondent.)
20)
21)

ORDER BARRING DANIELA M. SPIRIDON
(a.k.a. Daniela M. Schroeder) FROM ANY
POSITION OF EMPLOYMENT,
MANAGEMENT OR CONTROL OF ANY
ESCROW AGENT (FIN CODE, § 17423)

22 The California Commissioner of Business Oversight (“Commissioner” or “Complainant”)
23 hereby finds as follows:

24 At all relevant times, Respondent Daniela M. Spiridon, also known as Daniela M. Schroeder,
25 (“Respondent”) managed, owned, and/or operated CDRS ESC Investments, LLC (“CRDS”), a
26 California limited liability company using the business address of 119 Plaza Circle, Danville,
27 California 94526.

28 Since at least January, 2012, Respondent did knowingly, voluntarily and intentionally devise

1 and participate in a scheme to defraud and to obtain money and property by means of materially false
2 and fraudulent pretenses, representations and promises with the intent to defraud. Respondent's
3 scheme was to offer to buyers mechanisms to purchase certain properties, including properties that
4 were acquired by lenders through foreclosure and held in inventory, also known as Real Estate
5 Owned (REO) properties. Respondent offered to broker purchases or arrange for financing related to
6 the purchase or sale of the REO properties and other properties and represented that the funds would
7 be held in escrow with her company CDRS.

8 In or about February, 2012, as a down payment on REO properties that Respondent falsely
9 represented she had contractual control over through her company CDRS with various banks,
10 \$155,000 were wired from a purchaser's account at Wells Fargo Bank in California belonging to
11 DCM Investment Fund I, LLC, a California limited liability company, to CDRS's account at 1st
12 Financial Federal Credit Union. Respondent represented that these funds would be held in escrow
13 with CDRS. Respondent, however, had control over the funds deposited into CDRS's account.

14 Respondent did not use the \$155,000 to purchase the REO properties but used a portion of the
15 funds for her personal expenses, and used some of the funds to put toward the purchase of a 2008
16 S550 Mercedes Benz vehicle. When the sale of the properties failed to materialize, the purchaser
17 demanded that the Respondent return the funds. The anticipated loss was \$155,000. The purchaser
18 received a refund, a portion of which however was money fraudulently obtained from another
19 investor.

20 Neither Respondent nor CDRS have been licensed by the Commissioner to engage in business
21 as an escrow agent in this state. On September 26, 2013, Respondent pled guilty to six counts of wire
22 fraud in violation of 18 U.S.C. section 1343. Respondent's offense involved knowingly, voluntarily
23 and intentionally devising a scheme to defraud another of money and property by means of false
24 material representations and pretenses with the intent to defraud.

25 On February 19, 2015, Respondent was served with a Notice of Intention to Issue Order
26 Pursuant to California Financial Code Section 17423 (Bar from Employment, Management or
27 Control of Any Escrow Agent) and accompanying documents, including a Statement to Respondent
28 and a Notice of Defense pursuant to Government Code section 11505. Respondent did not request a

1 hearing to challenge the issuing of the order.

2 Financial Code section 17423 of the Escrow Law (Fin Code, § 17000 et seq.) provides in
3 pertinent part:

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

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

13 (2) That the person has been convicted of or pleaded nolo contendere to
14 any crime..., if that crime...involved any offense... reasonably related to
15 the qualifications, functions, or duties of a person engaged in the business
16 in accordance with the provisions of this division.

17 It is in the public interest to bar Respondent from any position of employment, management
18 or control of any escrow agent because she intentionally devised a scheme to defraud others of
19 money and property by means of false material representations and pretenses, and purported to hold
20 such monies in escrow through her California corporation, CDRS. Respondent's conduct caused
21 material damage to the public because it involved defrauding multiple purchasers and using monies
22 defrauded from one purchaser to pay back another defrauded purchaser.

23 Further, Respondent's guilty plea on September 26, 2013 to six counts of wire fraud in
24 violation of 18 U.S.C. section 1343 involved offenses whereby she knowingly, voluntarily and
25 intentionally devised a scheme to defraud another of money and property by means of false material
26 representations and pretenses with the intent to defraud. Respondent's offense reasonably relates to
27 the qualifications, functions and/or duties of a person engaged in the escrow business as governed by
28 the Escrow Law. The activities of an escrow agent are highly regulated by the Escrow Law which
requires strict adherence to rules on disbursements, net worth, record keeping and other regulatory
requirements which act to protect members of the public who entrust their funds to these companies.
Respondent's offenses reasonably relate to and violate such qualifications, functions and/or duties of
a licensed escrow agent.

1 Complainant finds that, by reason of the foregoing, under Financial Code section 17423,
2 subdivisions (a)(1) and (2), it is in the interest of the public to bar Respondent from any position of
3 employment, management or control of any escrow agent and that Respondent has caused material
4 damage to the public.

5 In addition, Complainant finds that, by reason of the foregoing, Respondent has been
6 convicted of or pleaded nolo contendere to a crime or offense reasonably related to the qualifications,
7 functions, or duties of a person engaged in the business in accordance with the provisions of the
8 Escrow Law.

9 Further, Complainant finds that Respondent was given appropriate notice and opportunity for
10 a hearing, and did not request a hearing to challenge the issuing of the Commissioner’s intended
11 order to bar her from any position of employment, management or control of any escrow agent
12 pursuant to Financial Code section 17423.

13 IT IS HEREBY ORDERED that Respondent Daniela M. Spiridon, also known as Daniela M.
14 Schroeder, is barred from any position of employment, management or control of any escrow agent
15 pursuant to Financial Code section 17423. This order is effective immediately.

16 Dated: March 12, 2015
17 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

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20
21 By: _____
22 MARY ANN SMITH
23 Deputy Commissioner
24 Enforcement
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