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13 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
14 OF THE STATE OF CALIFORNIA

15 In the Matter of:

16	THE COMMISSIONER OF BUSINESS OVERSIGHT,	)	ESCROW LICENSE NO.: 963-2706
17		)	
18	Complainant,	)	STATEMENT OF FACTS IN SUPPORT OF
19		)	ORDER TO DISCONTINUE VIOLATIONS
20	v.	)	PURSUANT TO FINANCIAL CODE
21		)	SECTION 17602 AND NOTICE OF INTENT
22		)	TO MAKE ORDER FINAL
23	ONTITLE ESCROW, INC.,	)	
24		)	
25	Respondent.	)	
26		)	
27		)	
28		)	

29 The Commissioner of Business Oversight (Commissioner) is informed and believes, and  
30 based upon such information and belief, alleges and charges as follows:

31 **I.**  
32 **Introduction**

33 1. The Commissioner seeks to order Ontitle Escrow, Inc. (Ontitle) to discontinue  
34 violations of Financial Code sections 17414 and 17213, pursuant to Financial Code section 17602.

35 2. Ontitle is an escrow agent licensed by the Commissioner, pursuant to the Escrow Law  
36 (Fin. Code § 17000 et seq.). Ontitle has its principal place of business located at 200 East Sandpointe

1 Avenue, Suite 510, Santa Ana, California 92707.

2 **II.**  
3 **Statement of Facts**

4 3. Dorian P. Baker, aka Dorian Young (Baker) was employed as an escrow officer at  
5 Ontitle from August 2013 to April 2016.

6 4. On or about October 11, 2016, Ontitle notified the Department of Business Oversight  
7 (DBO) that Baker had misapplied escrow funds. On or about October 13, 2016, the DBO  
8 commenced a special examination of the escrow files handled by Baker.

9 5. During the special examination, Ontitle claimed that it had terminated Baker’s  
10 employment on April 11, 2016 because Baker was uncooperative with its request for information  
11 regarding escrow files and had failed to timely disburse trust funds.

12 6. In or about May 2016, Ontitle discovered that Baker had issued and paid funds to  
13 unrelated parties to the escrow transactions.

14 7. On or about September 16, 2016, Ontitle retained RMA Accounting Services Inc.  
15 (RMA) to conduct an independent audit of the escrow files handled by Baker. RMA found  
16 misappropriations of escrow funds in several cases.

17 8. The October 2016 special examination revealed approximately eight escrow files in  
18 which Baker made unauthorized disbursements of funds from closed escrows with a balance to  
19 unrelated escrows and parties. Ontitle had failed to immediately report the unauthorized  
20 disbursements of escrow funds to the Commissioner and the Fidelity Corporation, in violation of  
21 Financial Code section 17414, subdivision (c).

22 9. In or about July 2017, the DBO also discovered that Ontitle had transacted business  
23 under the name “Ontitle Escrow, Inc. DBA Citadal,” which is different than the name set forth in its  
24 articles of incorporation that was filed with the Commissioner, in violation of Financial Code section  
25 17213, subdivision (a).

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**III.**  
**Applicable Law**

10. Financial Code section 17602 provides:

If it appears to the commissioner that any licensed escrow agent has violated its articles of incorporation, or any law or rule binding upon it, the commissioner shall, by written order addressed to the agent direct the discontinuance of such violation. The order shall be effective immediately, but shall not become final except in accordance with the provisions of Section 17604.

11. Financial Code section 17604 provides:

No order issued pursuant to Sections 17602 or 17603 may become final except after notice to any licensed escrow agent affected thereby of the intention of the commissioner to make such order final and of the reasons therefor and that upon receipt of a request the matter will be set down for hearing to commence within 15 business days after such receipt unless the licensed agent affected consents to a later date. If no hearing is requested within 30 days after the mailing of such notice and none is ordered by the commissioner, the order may become final without hearing and the licensed escrow agent shall immediately discontinue the practices named in the order. If a hearing is requested or ordered, it shall be held in accordance with the provisions of the Administrative Procedure Act, Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the commissioner shall have all of the powers granted thereunder. 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.

12. The Commissioner finds that Ontitle violated Financial Code section 17414, subdivision (c), for failing to immediately report the unauthorized disbursements of escrow funds to the Commissioner, and violated Financial Code section 17213, subdivision (a), for using an unauthorized business name.

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1           NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING, under the  
2 provisions of Financial Code sections 17602 and 17604, the Commissioner is issuing an Order to  
3 Ontitle Escrow, Inc. to Discontinue Violations. Pursuant to Financial Code section 17604, the  
4 Commissioner hereby notifies Ontitle Escrow, Inc. of her intention to make the Order final.

5 Dated: July 25, 2017  
6           San Diego, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

8 By \_\_\_\_\_  
9           Afsaneh Eghbaldari  
10           Counsel  
11           Enforcement Division