

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
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5 Department of Corporations
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7 Attorneys for Complainant
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

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12 In the Matter of THE CALIFORNIA) Case No.: 963-2090
CORPORATIONS COMMISSIONER,)
13)
14 Complainant,) ORDER APPOINTING PETER DAVIDSON
AS CONSERVATOR PURSUANT TO
15 vs.) CALIFORNIA FINANCIAL CODE SECTION
17630
16)
ESCROW DIVERSIFIED, INC.,)
17)
18 Respondent.)
19)

20 I, PRESTON DuFAUCHARD, California Corporations Commissioner, pursuant to Financial
21 Code section 17630, do hereby appoint Peter Davidson of the law firm Moldo Davidson Fraioli
22 Seror & Sestanovich LLP, as Conservator of the trust account(s) and all bank and escrow records
23 pertinent thereto of Escrow Diversified, Inc. (“Diversified”), including, but not limited to, all
24 Diversified trust accounts on deposit with Union Bank of California or elsewhere, in order that he
25 may take possession of the trust accounts and records for the protection of the escrow agent, the
26 customers of the escrow agent, and the public.

27 The conservator, pursuant to Financial Code section 17630, shall have all the rights, powers,
28 and privileges of Diversified, its officers and directors, and shall have the same powers and rights as

1 the California Corporations Commissioner, while he is in possession of the trust account(s) and
2 pertinent bank and escrow records of Diversified. These rights, powers and privileges shall include
3 all acts as are necessary or expedient to collect, conserve and protect the trust accounts and pertinent
4 bank and escrow records of Diversified, including (a) the collection, recovery and compromise of
5 claims, deeds, property and rights in favor of or belonging to Diversified regarding the trust
6 account(s); (b) the execution of all deeds, conveyances, agreements, compliances and instruments of
7 every kind and nature in connection with the trust accounts and pertinent bank and escrow records of
8 Diversified; (c) the employment of accountants and attorneys to the extent reasonably necessary; and
9 (d) with prior consent of the California Corporations Commissioner, the institution, maintenance and
10 defense of suits related to the affairs of Diversified and/or the filing of petitions or applications in
11 court or elsewhere with respect to the trust accounts and pertinent bank and escrow records of
12 Diversified, for all purposes.

13 All expenses of the Conservatorship shall be paid out of the assets of Diversified and shall be
14 a lien thereon which shall be prior to any other lien.

15 This Order is effective on the date hereof and may be amended or terminated upon further
16 order of the California Corporations Commissioner.

17 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal.

18 Dated: December 5, 2007
19 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

21 By _____
22 Alan S. Weinger
23 Lead Corporations Counsel
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