

Terms Completed

ORDER SUMMARY – Case Number: C-09-183

Name(s): CalCounties Title Nation C. dba California Counties Title Co.

Order Number: C-09-183-09-CO01

Effective Date: October 1, 2009

License Number: n/a

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
If applicable, you must specifically note the ending dates of terms.

License Effect: n/a

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

Investigation Costs	\$687.50	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$9,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
	No. of Victims:			

Comments: _____

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act of Washington by:

NO. C-09-183-09-CO01

CALCOUNTIES TITLE NATION CO. fka,
CALIFORNIA COUNTIES TITLE, CO.,

CONSENT ORDER

Respondent.

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and CalCounties Title Nation Co. fka California Counties Title, Co. (hereinafter Respondent), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 18.44 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-09-183-09-SC01 (Statement of Charges), entered July 13, 2009, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges.

Based upon the foregoing:

A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

CONSENT ORDER
C-09-183-09-CO01
CALCOUNTIES TITLE NATION CO. fka,
CALIFORNIA COUNTIES TITLE, CO.

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing
2 before an administrative law judge, and that it hereby waives its right to a hearing and any and all administrative
3 and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly,
4 Respondent, by its signature below, withdraws its appeal to the Office of Administrative Hearings.

5 **C. Fine.** It is AGREED that Respondent shall pay to the Department a fine of \$9,500, in the form of a
6 cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

7 **D. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an investigation fee
8 of \$687.50, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this
9 Consent Order.

10 **E. Authority to Execute Order.** It is AGREED that the undersigned Respondent has represented and
11 warranted that it has the full power and right to execute this Consent Order on behalf of the parties represented.

12 **F. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide
13 by the terms and conditions of this Consent Order may result in further legal action by the Director. In the
14 event of such legal action, Respondent may be responsible to reimburse the Director for the cost incurred in
15 pursuing such action, including but not limited to, attorney fees.

16 **G. Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily entered into
17 this Consent Order, which is effective when signed by the Director's designee.

18 **H. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Consent
19 Order in its entirety and fully understands and agrees to all of the same.

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1 **RESPONDENT:**
2 **CALCOUNTIES TITLE NATION CO. fka,**
3 **CALIFORNIA COUNTIES TITLE, CO**

4 **By:**

5 [Signature]
6 Individual and Title(s)

8/24/09
Date

7 Daniel J. Duffy
8 Print Name

8/24/09
Date

9 [Signature]
10 Robert Sargeant, WSBA No. 12816
11 Attorney at Law
12 Attorney for Respondent

9/17/09
Date

13 **DO NOT WRITE BELOW THIS LINE.**

14 THIS ORDER ENTERED THIS 1st DAY OF October, 2009.

15 [Signature]
16 DEBORAH BORTNER
17 Director
18 Division of Consumer Services
19 Department of Financial Institutions

20 Presented by:

21 [Signature]
22 WILLIAM HALSTEAD
23 Financial Legal Examiner



24 Approved by:

25 [Signature]
JAMES R. BRUSSELBACK
Enforcement Chief

CONSENT ORDER
C-09-183-09-CO01
CALCOUNTIES TITLE NATION CO. fka,
CALIFORNIA COUNTIES TITLE, CO.

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act of Washington
by:

CALCOUNTIES TITLE NATION CO. fka,
CALIFORNIA COUNTIES TITLE, CO.,

Respondent.

NO. C-09-183-09-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO IMPOSE FINE
AND COLLECT INVESTIGATION FEE

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INTRODUCTION

Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions (Director) is responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (the Act). After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680G-020, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Deborah Bortner, Division Director, Division of Consumer Services, institutes this proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

1.1 Respondent Calcounties Title Nation Co. fka California Counties Title Co., (Calcounties)

is headquartered in Irvine, California. Respondent Calcounties has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as an escrow agent in the State of Washington. On June 17, 2009, Respondent Calcounties filed with the Department an Agreement to Cease and Desist from performing escrow functions for Washington transactions without a license issued by the Department.

1.2 Unlicensed Activity. Between at least January 1, 2008, and May 13, 2009, Respondent Calcounties performed escrow functions in at least 72 Washington residential mortgage loan transactions.

Respondent Calcounties received approximately \$30,000 as "escrow fees" for those loans.

1 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act
2 by Respondent Calcounties continues to date.

3 **II. GROUNDS FOR ENTRY OF ORDER**

4 **2.1 Definition of Escrow.** Pursuant to RCW 18.44.011(4), "Escrow" means any transaction wherein
5 any person or persons, for the purpose of effecting and closing the sale, purchase, exchange, transfer,
6 encumbrance, or lease of real or personal property to another person or persons, delivers any written
7 instrument, money, evidence of title to real or personal property, or other thing of value to a third
8 person to be held by such third person until the happening of a specified event or the performance of a
9 prescribed condition or conditions, when it is then to be delivered by such third person, in compliance
10 with instructions under which he or she is to act, to a grantee, grantor, promisee, promisor, obligee,
11 obligor, lessee, lessor, bailee, bailor, or any agent or employee thereof.

13 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(6) "Escrow Agent" means any person
14 engaged in the business of performing for compensation the duties of the third person referred to in
15 RCW 18.44.011(4).

16 **2.3 Requirement to Obtain and Maintain License.** Based on the factual allegations set forth in
17 Section I above, Respondent Cal. Counties is in apparent violation of RCW 18.44.021 for engaging in
18 business as an escrow agent by performing escrows or any of the functions of an escrow agent within
19 the State of Washington or with respect to transactions that involve personal property or real property
20 located in the State of Washington without first obtaining a license.

22 **III. AUTHORITY TO IMPOSE SANCTIONS**

23 **3.1 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in
24 addition to or in lieu of license denial the Director may impose a fine of up to \$100 per day for each day's
25 violation of the Act.

1 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680G-
2 050, the expense of an investigation pursuant to WAC 208-680G-020 shall be borne by the entity which
3 is the subject of the investigation.

4 **IV. NOTICE OF INTENTION TO ENTER ORDER**

5 Respondent's violations of the provisions of chapter 18.44 RCW as set forth in the above Factual
6 Allegations and Grounds For Entry Of Order constitute a basis for the entry of an Order under RCW
7 18.44.410, RCW 18.44.430, RCW 18.44.301, and WAC 208-680G-030, which authorize the Director to
8 enforce all laws, rules, and regulations related to the registration of escrow agents and licensing of escrow
9 officers. Therefore, it is the Director's intention to ORDER that:

- 10 **4.1** Respondent Calcounties Title Nation Co. fka California Counties Title Co., pay a fine
11 which as of the date of these charges totals \$20,000; and
- 12 **4.2** Respondent Calcounties Title Nation Co. fka California Counties Title Co., pay an
13 investigation fee which as of the date of these charges totals \$687.50, calculated at
14 \$62.50 per hour for eleven staff hours devoted to the investigation to date; and
- 15 **4.3** Respondent Calcounties Title Nation Co. fka California Counties Title Co., its officers,
16 employees, and agents maintain all records involving Washington escrow transactions for
17 a minimum of six years following the closing or termination of the escrow transaction.

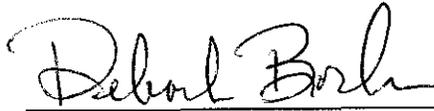
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V. AUTHORITY AND PROCEDURE

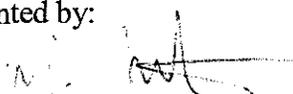
This Statement of Charges and Notice of Intent to Impose Fine and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 18.44.410 and RCW 18.44.430, and is subject to the provisions of chapter 34.05 RCW. Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

DATED this 13th day of July, 2009.



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:



WILLIAM HALSTEAD
Financial Legal Examiner



Approved by:



JAMES R. BRUSSELBACK
Enforcement Chief