

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Removal and the Prohibition of:

3 ANNA SOLIS  
4 3205 W. Paradise Dr.  
5 Phoenix, AZ 85029

6 Respondent.

No. 07F-BD054-BNK

**SUPERINTENDENT'S FINAL  
DECISION AND ORDER**

7 The Superintendent of Financial Institutions (the "Superintendent") having reviewed the record  
8 in this matter, including the transcript of the March 29, 2007 administrative hearing, and the,  
9 Administrative Law Judge Decision attached and incorporated herein by this reference, adopts the  
10 Administrative Law Judge's Findings of Fact, Conclusions of Law and Recommended Decision.

11 ORDER

12 IT IS ORDERED that Respondent is removed from further participation in any manner in the  
13 affairs of any financial institution or enterprise in the State of Arizona.

14 NOTICE

15 The parties are advised that, pursuant to A.R.S. § 41-1092.09, this Order shall be final unless  
16 Respondent submits a written motion for rehearing no later than thirty (30) days after service of this  
17 decision. The motion for rehearing or review must specify the particular grounds upon which it is  
18 based as set forth in A.A.C. R20-4-1219. A copy shall be served upon all other parties to the hearing,  
19 including the Attorney General, if the Attorney General is not the party filing the claim of error. In the  
20 alternative, the parties may seek judicial review of this decision pursuant to A.R.S. § 41-1092.08(H).

21 DATED this 25th day of April, 2007.

22 

23 Felecia Rotellini  
24 Superintendent of Financial Institutions  
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27 ...  
28 ...

1 ORIGINAL filed this 28<sup>th</sup> day of  
2 April, 2007, in the office of:

3 Felecia Rotellini  
4 Superintendent of Financial Institutions  
5 Arizona Department of Financial Institutions  
6 ATTN: June Beckwith  
7 2910 North 44th Street, Suite 310  
8 Phoenix, Arizona 85018

9 COPY of the foregoing mailed/hand delivered  
10 This same date to:

11 Dorinda M. Lang, Administrative Law Judge  
12 Office of Administrative Hearings  
13 1400 West Washington, Suite 101  
14 Phoenix, AZ 85007

15 Erin O. Gallagher, Assistant Attorney General  
16 Office of the Attorney General  
17 1275 West Washington  
18 Phoenix, AZ 85007

19 Robert D. Charlton, Assistant Superintendent  
20 Arizona Department of Financial Institutions  
21 2910 N. 44th Street, Suite 310  
22 Phoenix, AZ 85018

23 AND COPY MAILED SAME DATE by  
24 Certified Mail, Return Receipt Requested, to:

25 Anna Solis  
26 3205 W. Paradise Dr.  
27 Phoenix, AZ 85029

28 BY: June Beckwith

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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In The Matter Of:

ANNA SOLIS

No. 07F-BD054-BNK

ADMINISTRATIVE  
LAW JUDGE DECISION

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**HEARING:** March 29, 2007

**APPEARANCES:** Erin O. Gallagher; Assistant Attorney General representing the  
Department of Financial Institutions; Anna Solis, Respondent

**ADMINISTRATIVE LAW JUDGE:** Dorinda M. Lang

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**FINDINGS OF FACT**

1. The Department of Financial Institutions issued a Notice of Hearing and Intent to Remove and Prohibit from Further Participation in Any Manner in the Conduct of the Affairs of a Financial Institution or Enterprise and Complaint ("Notice of Hearing") to Anna Solis on February 5, 2007. It alleged that Anna Solis committed several violations of Arizona statutes governing escrow agents. It concluded that those alleged violations established grounds under Arizona law to remove and prohibit Ms. Solis from participating in any manner in the conduct of the affairs of any financial institution of enterprise.
2. The Notice of Hearing informed Ms. Solis that she had 20 days from the issuance of the Notice of Hearing to file a written answer. It further informed her that failure to file an answer may be deemed an admission of the allegations. If Ms. Solis did not have sufficient information to form an answer to any of the allegations, the Notice of Hearing informed her that she may say so in the answer and this would be deemed a denial.
3. Ms. Solis did not file a written answer at any time. On March 14, 2007, 16 days after the deadline for filing an answer, she submitted a motion to the Office of Administrative Hearings stating, in pertinent part, "I am kindly requesting a continuous (sic) of this

Office of Administrative Hearings  
1400 West Washington, Suite 101  
Phoenix, Arizona 85007  
(602) 542-9826

1 case, and an extension of the date to file my written answer. Need to view files I do not  
2 have or keep copies of every filed (sic) closed so enable (sic) to say anything about  
3 them cause I do not remember everything." The motion was denied on March 15, 2007  
4 because it did not constitute good cause for a continuance. Ms. Solis did not ask the  
5 Department of Financial Institutions for an extension of the time to file an answer.

6 4. On March 29, 2007, the matter came on for hearing at the Office of Administrative  
7 Hearings, an independent agency authorized to conduct hearings in matters arising out  
8 of State legislation. Ms. Solis appeared at hearing. She stated at that time that she did  
9 not yet have an attorney and would not be able to respond to the allegations until she  
10 had more time to go through the files. She did not propose any legally excusable  
11 reason for failing to file a timely answer to the Notice of Hearing.

12 5. The Assistant Attorney General representing the Department of Financial Institutions  
13 argued that she did not file a timely answer to the Notice of Hearing or contact the  
14 Department to request an extension of time to answer. It is also noted that her motion  
15 to the Office of Administrative Hearings was not made within the 20 days allowed to file  
16 an answer either. The Department asked that the failure to file an answer be deemed  
17 an admission to all of the allegations in the Notice of Hearing. When given an  
18 opportunity to make any argument against deeming her failure to answer an admission,  
19 Ms. Solis offered no additional comments or arguments.

20 6. The Administrative Law Judge ruled in favor of the Department and found that all of  
21 the allegations were deemed admitted. Ms. Solis offered no legal or factual argument  
22 or information to place in the record; therefore, no testimony was taken in the matter  
23 and the record was closed.

### 24 CONCLUSIONS OF LAW

25 1. This matter is within the jurisdiction of the Superintendent of the Arizona Department  
26 of Financial Institutions pursuant to A.R.S. §§ 6-138, 6-161, and 41-1092.02.

27 2. A.R.S. § 6-834(A) provides that escrow money must be deposited in the appropriate  
28 accounts as soon as is reasonably practicable. A.R.S. § 6-841.01(A) provides that an  
29 escrow agent is the trustee of money collected or received and held in escrow. A.R.S.  
30 § 6-161(A)(1) provides that the Superintendent may remove or suspend from office of  
prohibit from participation in affairs of financial institutions or enterprises those  
employees and others who demonstrate personal dishonesty or unfitness in a business

1 transaction. A.R.S. § 6-161(A)(6) provides that the Superintendent has the same  
2 power if an employee such as Respondent violates any other provision of that title.

3 3. Pursuant to A.A.C. R20-4-1209, Ms. Solis had 20 days to file a written answer to the  
4 allegations contained in the Notice of Hearing. A.R.S. § 6-161(B) provides that if Ms.  
5 Solis failed to answer the charges without excusable neglect, the Superintendent may  
6 issue the appropriate order. Ms. Solis failed to file an answer at any time prior to the  
7 hearing. She did not offer any reason for her failure to do so that would constitute  
8 excusable neglect either in her request for a continuance or at the time of the hearing.  
9 Since she did not file an answer at any time prior to the hearing, and since the  
10 Department has requested that the allegations be deemed admitted, it is recommended  
11 that the allegations be deemed admitted.

12 4. In addition to the time she had to file an answer, Ms. Solis was given the opportunity  
13 at hearing to make a legal argument against finding that the admitted allegations did not  
14 constitute violations of the applicable escrow statutes. She had no argument or excuse  
15 to offer at that time.

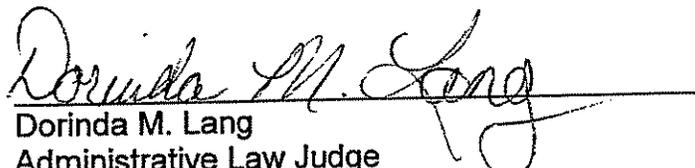
16 5. The allegations set forth several instances that would constitute violations of the  
17 escrow statutes A.R.S. §§ 6-834(A) and 6-841.01(A). Pursuant to A.R.S. §§ 6-  
18 161(A)(1), 6-161(A)(6), the Superintendent has the authority to remove and prohibit Ms.  
19 Solis from participating in any manner in the conduct of affairs of any financial institution  
20 or enterprise.

### 21 RECOMMENDED DECISION

22 Based upon the foregoing considerations, the undersigned Administrative Law Judge  
23 hereby recommends that the Superintendent of the Arizona Department of Financial  
24 Institutions remove Anna Solis from any and all positions she may hold in any financial  
25 institution or enterprise and prohibit her from participating in the affairs in any financial  
26 institution or enterprise in the future.

27 Done this day, April 6, 2007

28 OFFICE OF ADMINISTRATIVE HEARINGS

29   
30 Dorinda M. Lang  
Administrative Law Judge

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Original transmitted by mail this  
9 day of April, 2007, to:

Arizona Department of Financial Institutions  
Felecia Rotellini  
ATTN: June Beckwith  
2910 North 44th Street, Suite 310  
Phoenix, AZ 85018

By Cheri Fishler

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Removal and Prohibition of:

No. 07F-BD054-BNK

3 ANNA SOLIS  
4 1616 E. Indian School Rd.  
5 Suite 100  
6 Phoenix, AZ 85016

Respondent.

**NOTICE OF HEARING AND INTENT  
TO REMOVE AND PROHIBIT FROM  
FURTHER PARTICIPATION IN ANY  
MANNER IN THE CONDUCT OF THE  
AFFAIRS OF A FINANCIAL  
INSTITUTION OR ENTERPRISE AND  
COMPLAINT**

7  
8 PLEASE TAKE NOTICE that, under Arizona Revised Statutes ("A.R.S.") §§ 6-138, 6-161,  
9 and 41-1092.02, the above-captioned matter will be heard through the Office of Administrative  
10 Hearings, an independent agency, and is scheduled for March 29, 2007, at 9:00 a.m., at the Office of  
11 Administrative Hearings, 1400 West Washington, Suite 101, Phoenix, Arizona, (602) 542-9826 (the  
12 "Hearing").

13 The purpose of the Hearing is to determine whether grounds exist to remove or prohibit  
14 Respondent from further participation in any manner in the conduct of the affairs of a financial  
15 institution or enterprise pursuant to A.R.S. §§ 6-161(A), (B), and (C), and to prohibit Respondent,  
16 after a removal order has become final, from further participation in any manner as a director,  
17 officer, employee, agent or other person in the conduct of the affairs of any financial institution or  
18 enterprise pursuant to A.R.S. § 6-161(E).

19 Pursuant to A.R.S. § 6-138, the Superintendent of Financial Institutions for the State of  
20 Arizona (the "Superintendent") delegates the authority vested in the Superintendent, whether implied  
21 or expressed, to the Director of the Office of Administrative Hearings or the Director's designee to  
22 preside over the Hearing as the Administrative Law Judge, to make written recommendations to the  
23 Superintendent consisting of proposed Findings of Fact, Conclusions of Law, and Order. The Office  
24 of Administrative Hearings has designated Lewis Kowal, at the address and phone number listed  
25 above, as the Administrative Law Judge for these proceedings. Pursuant to Arizona Administrative  
26 Code ("A.A.C.") Rule 2-19-104 and A.R.S. §§ 41-1092.01(H)(1) and 41-1092.08, the

1 Superintendent retains authority to enter orders granting a stay, orders on motions for rehearing, final  
2 decisions pursuant to A.R.S. § 41-1092.08 or other order or process which the Administrative Law  
3 Judge is specifically prohibited from entering.

4 Motions to continue this matter shall be made in writing to the Administrative Law Judge **not**  
5 **less than fifteen (15) days** prior to the date set for the Hearing. A copy of any motion to continue  
6 shall be mailed or hand-delivered to the opposing party on the same date of filing with the Office of  
7 Administrative Hearings.

8 A.R.S. § 41-1092.07 entitles any person affected by this Hearing to appear in person and by  
9 counsel, or to proceed without counsel when submitting evidence, to have a reasonable opportunity  
10 to inspect all documentary evidence, to cross-examine witnesses, to present evidence and witnesses  
11 in support of his/her interests, and to have subpoenas issued by the Administrative Law Judge to  
12 compel attendance of witnesses and production of evidence. Pursuant to A.R.S. § 41-1092.07(B),  
13 any person may appear on his or her own behalf or by counsel.

14 Pursuant to A.R.S. § 41-1092.07(E), a clear and accurate record of the proceedings will be  
15 made by a court reporter or by electronic means. Any party that requests a transcript of the  
16 proceedings shall pay the cost of the transcript for the court reporter or other transcriber.

17 Questions concerning issues raised in this Notice of Hearing should be directed to Assistant  
18 Attorney General Erin O. Gallagher, (602) 542-7757, 1275 West Washington, Phoenix, Arizona  
19 85007.

#### 20 NOTICE OF APPLICABLE RULES

21 On February 7, 1978, the Arizona Department of Financial Institutions (the "Department")  
22 adopted A.A.C. R20-4-1201 through R20-4-1220, which were amended September 12, 2001, setting  
23 forth the rules of practice and procedure applicable in contested cases and appealable agency actions  
24 before the Superintendent. The hearing will be conducted pursuant to these rules and the rules  
25 governing procedures before the Office of Administrative Hearings, A.A.C. R2-19-101 through R2-  
26

1 19-122. A copy of the procedures to be followed is enclosed.

2 Pursuant to A.A.C. R20-4-1209, Respondent shall file a written answer within **twenty (20)**  
3 **days** after issuance of this Notice of Hearing. The answer shall briefly state the Respondent's  
4 position or defense and shall specifically admit or deny each of the assertions contained in this  
5 Notice of Hearing. If the answering Respondent is without or is unable to reasonably obtain  
6 knowledge or information sufficient to form a belief as to the truth of an assertion, Respondent shall  
7 so state, which shall have the effect of a denial. Any assertion not denied is deemed admitted.  
8 When Respondent intends to deny only a part or a qualification of an assertion, or to qualify an  
9 assertion, Respondent shall expressly admit so much of it as is true and shall deny the remainder.  
10 Any defense not raised in the answer is deemed waived.

11 **If a timely answer is not filed, pursuant to A.A.C. R20-4-1209(D), Respondent will be**  
12 **deemed in default** and the Superintendent may deem the allegations in this Notice of Hearing as  
13 true and admitted and the Superintendent may take whatever action is appropriate pursuant to A.R.S.  
14 §§ 6-123 and 6-131.

15 Respondent's answer shall be mailed or delivered to the Arizona Department of Financial  
16 Institutions, 2910 North 44th Street, Suite 310, Phoenix, Arizona 85018, with a copy mailed or  
17 delivered to the Office of Administrative Hearings, 1400 West Washington, Suite 101, Phoenix,  
18 Arizona 85007 and to Assistant Attorney General Erin O. Gallagher, Consumer Protection &  
19 Advocacy Section, Attorney General's Office, 1275 West Washington, Phoenix, Arizona 85007.

20 **Persons with disabilities may request reasonable accommodations such as interpreters,**  
21 **alternative formats, or assistance with physical accessibility.** Requests for special  
22 accommodations must be made as early as possible to allow time to arrange the accommodations. If  
23 accommodations are required, call the Office of Administrative Hearings at (602) 542-9826.

#### 24 FACTS

25 1. Respondent Anna Solis, ("Ms. Solis") was employed as an escrow officer for  
26 LandAmerica Financial Group, Inc.'s subsidiary Transnation Title Insurance Company

1 (“Transnation”) from approximately August 8, 2001 to March 14, 2003.

2 2. Ms. Solis was employed as an escrow officer at Camelback Title Agency, L.L.C.  
3 (“Camelback Title”) from approximately January of 2005 to May of 2006.

4 3. Transnation is licensed by the Department as an escrow agent, license number EA-  
5 0000106.

6 4. Camelback Title is licensed by the Department as an escrow agent, license number  
7 EA-0905654.

8 5. Transnation initiated an internal audit involving Ms. Solis’ escrow transactions on or  
9 around September 2, 2005 and completed said internal audit on or around January 19, 2006.

10 6. Transnation audited one hundred and twenty seven (127) files involving Ms. Solis  
11 and determined that she was directly involved in a defalcation in the amount of \$48,947.48, which  
12 consisted of one hundred and twenty seven (127) forged checks.

13 7. On or around April 10, 2006, the Department conducted an examination of  
14 Camelback Title’s business affairs. As a result of the examination, the Department discovered the  
15 following:

16 **1. Escrow #22534**

17 **Open Date: 11-28-05 Close Date: 01-17-06 Escrow Amount: \$300,000.00**

18 **Escrow Officer: Anna Solis**

- 19 1. Ms. Solis wrongfully issued escrow disbursement check #14282, dated 01-18-06, in  
20 the amount of \$1,000.00 (cleaning);  
21 2. There was no authorization noted in the file for the disbursement;  
22 3. Two wires were issued. One for \$53,804.56 and one for \$100,000.00. There is no  
23 documentation in the file authorizing the wires. The owner of record did not receive  
24 the \$154,804.56, including the \$1,000.00; and  
25 4. As a result of Ms. Solis’ wrongful disbursements, the Seller’s proceeds were  
26 \$154,804.56 less than shown on the HUD-1 settlement statement;  
i. Respondent failed to account properly for escrow property as required by  
the terms of the escrow;  
ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and  
iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

1 2. Escrow #27498

2 **Open Date:** 03-02-06 **Close Date:** 03-23-06 **Escrow Amount:** \$185,600.00

3 **Escrow Officer:** Anna Solis

- 4 1. Ms. Solis wrongfully issued escrow disbursement check #3231, dated 03-23-06, in  
5 the amount of \$74,239.25 (refund check cut in wife's name);  
6 2. There was no authorization noted in the file for the disbursement;  
7 3. As a result of Ms. Solis' wrongful disbursement, the Borrower's proceeds were  
8 \$74,239.25 less than shown on the HUD-1 settlement statement;  
9 4. The file lacks signed written instruction from the borrower to disburse said  
10 proceeds. According to the file, the refund check was cut in the wife's name;  
11 however, the file states that the borrower is an unmarried man. The documentation  
12 is inadequate;  
13 i. Respondent failed to account properly for escrow property as required by  
14 the terms of the escrow;  
15 ii. Respondent made unauthorized disbursements without written escrow  
16 instructions or authorization; and  
17 iii. Respondent disbursed escrow funds contrary to the provisions of the  
18 HUD-1 settlement statement;

19 3. Escrow #16297

20 **Open Date:** 08-01-05 **Close Date:** 08-29-05 **Escrow Amount:** \$150,000.00

21 **Escrow Officer:** Anna Solis

- 22 1. Ms. Solis wrongfully issued escrow disbursement check #180007934, dated 08-29-  
23 05, in the amount of \$1,000.00 (painting);  
24 2. Ms. Solis wrongfully issued escrow disbursement wire #18000508, dated 08-29-05,  
25 in the amount of \$33,650.70 (seller proceeds);  
26 3. Ms. Solis wrongfully issued escrow disbursement wire #18000509, dated 08-29-05,  
in the amount of \$10,000.00 (seller proceeds);  
4. Ms. Solis wrongfully issued escrow disbursement wire #18000510, dated 08-29-05,  
in the amount of \$10,000.00 (seller proceeds);  
5. Ms. Solis wrongfully issued escrow disbursement wire #18000511, dated 08-29-05,  
in the amount of \$5,000.00 (seller proceeds);  
6. The proceeds authorization form includes a handwritten note that states, "please  
issue check to [third party] and \$1,000.00 to [third party]." Such note is not signed  
by the Seller and is inadequate to support the above-referenced disbursements;  
7. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
\$58,650.70 less than shown on the HUD-1 settlement statement and the lenders  
disbursement proceeds were \$1,000.00 less than shown on the HUD-1 settlement  
statement;  
8. The purchase contract states that, "Seller to contribute up to 3% of sales price  
towards Buyer's closing costs." There is no seller contribution on the final HUD-1  
settlement statement (3% of \$150,000 = \$4,500). In the absence of any further  
documentation, the buyer was overcharged; and

- 1 9. Copies of wire transfer confirmations (screen prints) were missing from escrow file  
2 resulting in inadequate escrow file documentation;  
3 i. Respondent failed to account properly for escrow property as required by  
4 the terms of the escrow;  
5 ii. Respondent made unauthorized disbursements without written escrow  
6 instructions or authorization; and  
7 iii. Respondent disbursed escrow funds contrary to the provisions of the  
8 HUD-1 settlement statement;

9 **4. Escrow #23435**

10 **Open Date: 12-13-05 Close Date: 01-26-06 Escrow Amount: \$225,000.00**

11 **Escrow Officer: Anna Solis**

- 12 1. Ms. Solis wrongfully issued escrow disbursement check #180014682, dated 01-26-  
13 06, in the amount of \$45,504.63 (reimbursement);  
14 2. There was no authorization noted in the file for the disbursement;  
15 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
16 \$45,504.63 less than due;  
17 4. A third party is the listing and selling broker on this transaction. The signed "Pre-  
18 Audit" HUD-1 settlement statement did not include \$45,504.63 disbursement to said  
19 third party. The Seller also paid a 2.5% commission (\$5,635.00) on this transaction;  
20 i. Respondent failed to account properly for escrow property as required by  
21 the terms of the escrow; and  
22 ii. Respondent made unauthorized disbursements without written escrow  
23 instructions or authorization;

24 **5. Escrow #17305**

25 **Open Date: 08-19-05 Close Date: 09-21-05 Escrow Amount: \$200,000.00**

26 **Escrow Officer: Anna Solis**

- 1 Ms. Solis wrongfully issued escrow disbursement check #8855, dated 09-22-05, in  
2 the amount of \$7,200.00 (build fence);  
3 Ms. Solis wrongfully issued escrow disbursement check #8858, dated 09-22-05, in  
4 the amount of \$8,500.00 (reimbursement);  
5 Ms. Solis wrongfully issued escrow disbursement check #8857, dated 09-22-05, in  
6 the amount of \$8,300.00 (cleaning);  
7 Ms. Solis wrongfully issued escrow disbursement check #10818, dated 11-03-05, in  
8 the amount of \$6,800.79 (refund);  
9 There were no authorization noted in the file for the disbursements of (\$7,200.00),  
10 (\$8,500.00), (\$8,300.00), and (\$6,800.79); and  
11 As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
12 \$30,800.79 less than due;  
13 i. Respondent failed to account properly for escrow property as required by  
14 the terms of the escrow;  
15 ii. Respondent made unauthorized disbursements without written escrow  
16 instructions or authorization; and



1 **Open Date:** 07-22-05 **Close Date:** 08-31-05 **Escrow Amount:** \$168,000.00

2 **Escrow Officer:** Anna Solis

- 3 1. Ms. Solis wrongfully issued escrow disbursement check #8162, dated 09-01-05, in  
4 the amount of \$1,500.00 (paint). The HUD-1 settlement statement showed  
5 \$2,500.00;
- 6 2. Ms. Solis wrongfully issued escrow disbursement check #8163 (voided), dated 09-  
7 01-05, in the amount of \$1,600.00 (roof repair);
- 8 3. Ms. Solis wrongfully issued escrow disbursement check #8166, dated 09-01-05, in  
9 the amount of \$6,531.92 (yard & remodel kitchen);
- 10 4. Ms. Solis wrongfully issued escrow disbursement check #8374, dated 09-08-05, in  
11 the amount of \$605.60 (payment);
- 12 5. Ms. Solis wrongfully issued escrow disbursement check #9179, dated 09-27-05, in  
13 the amount of \$1,600.00 (refund);
- 14 6. Ms. Solis wrongfully issued escrow disbursement check #9820, dated 10-11-05, in  
15 the amount of \$394.50 (no description);
- 16 7. Ms. Solis wrongfully issued escrow disbursement wire, dated 09-01-05, in the  
17 amount of \$8,712.59 (reimbursement);
- 18 8. There were no authorizations noted in the file for the disbursements involving  
19 (\$1,500.00), (\$605.60), and (\$394.50);
- 20 9. There were questionable authorizations in Respondent's escrow file for the  
disbursements involving (\$8,712.59), (\$1,600.00), and (\$6,531.92). The  
authorization appears to have been written after the seller signed the Proceeds  
Authorization form; and
- 21 10. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
\$19,344.61 less than due;
  - 22 i. Respondent failed to account properly for escrow property as required by  
23 the terms of the escrow;
  - 24 ii. Respondent made unauthorized disbursements without written escrow  
25 instructions or authorization;
  - 26 iii. Respondents disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement; and
  - iv. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

20 **9. Escrow #15703**

21 **Open Date:** 07-21-05 **Close Date:** 08-30-05 **Escrow Amount:** \$180,000.00

22 **Escrow Officer:** Anna Solis

- 23 1. Ms. Solis wrongfully issued escrow disbursement check #8043, dated 08-30-05, in  
24 the amount of \$1,000.00 (reimbursement);
- 25 2. Ms. Solis wrongfully issued escrow disbursement check #8044, dated 08-30-05, in  
26 the amount of \$4,800.00 (paint & yard work);
3. Ms. Solis wrongfully issued escrow disbursement check #8046 (voided), dated 08-  
30-05, in the amount of \$3,000.00 (maintenance);

- 1 4. Ms. Solis wrongfully issued escrow disbursement check #8048, dated 08-30-05, in  
the amount of \$5,400.00 (payment);
- 2 5. Ms. Solis wrongfully issued escrow disbursement check #8050, dated 08-30-05, in  
the amount of \$800.00 (clean house);
- 3 6. Ms. Solis wrongfully issued escrow disbursement check #9180, dated 09-27-05, in  
the amount of \$3,000.00 (refund);
- 4 7. There were no authorizations noted in the file for any of the above disbursements;
- 5 8. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
\$15,000.00 less than due; and
- 6 9. The payoff cover letter incorrectly references the Buyer and furnishes Buyer's name  
and address for any overages in the payoff to be refunded; however, the Seller's  
name and address should be referenced;
  - 7 i. Respondent failed to account properly for escrow property as required by  
the terms of the escrow;
  - 8 ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization;
  - 9 iii. Respondents disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement; and
  - 10 iv. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

#### 12 10. Escrow #23433

13 **Open Date:** 12-13-05 **Close Date:** 03-08-06 **Escrow Amount:** \$150,000.00

14 **Escrow Officer:** Anna Solis

- 15 1. Ms. Solis wrongfully issued escrow disbursement check #2152, dated 03-08-06, in  
the amount of \$1,500.00 (payment);
- 16 2. Ms. Solis wrongfully issued escrow disbursement check #2153, dated 03-08-05, in  
the amount of \$1,500.00 (payment);
- 17 3. Ms. Solis wrongfully issued escrow disbursement check #2159, dated 03-08-05, in  
the amount of \$8,000.00 (reimbursement);
- 18 4. Ms. Solis wrongfully issued escrow disbursement check #2160, dated 03-08-05, in  
the amount of \$2,497.00 (reimbursement);
- 19 5. There were no authorizations noted in the file for the disbursements involving  
(\$1,500.00), (\$1,500.00), (\$8,000.00), and (\$2,497.00);
- 20 6. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
\$13,497.00 less than due; and
- 21 7. All disbursements were not shown on the HUD-1 settlement statement;
  - 22 i. Respondent failed to account properly for escrow property as required by  
the terms of the escrow;
  - 23 ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and
  - 24 iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

#### 25 11. Escrow #17828

1 **Open Date: 08-30-05 Close Date: 09-30-05 Escrow Amount: \$220,000.00**

2 **Escrow Officer: Anna Solis**

- 3 1. Ms. Solis wrongfully issued escrow disbursement check #9425, dated 09-30-05, in  
4 the amount of \$11,000.00 (commission);  
5 2. There was no authorization noted in the file for the disbursement.  
6 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
7 \$11,000.00 less than due; and  
8 4. The commission is only mentioned on the information sheet for opening the escrow.  
9 The Seller did not sign this document. An unsigned *Post-It* note stated that a third  
10 person was to receive 5%;  
11 i. Respondent failed to account properly for escrow property as required  
12 by the terms of the escrow; and  
13 ii. Respondent made unauthorized disbursements without written escrow  
14 instructions or authorization;

15 **12. Escrow #16675**

16 **Open Date: 08-08-05 Close Date: 09-19-05 Escrow Amount: \$175,000.00**

17 **Escrow Officer: Anna Solis**

- 18 1. Ms. Solis wrongfully issued escrow disbursement check #8784, dated 09-19-05, in  
19 the amount of \$8,106.00 (payment);  
20 2. There was no authorization noted in the file for the disbursement; and  
21 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
22 \$8,106.00 less than due;  
23 i. Respondent failed to account properly for escrow property as required  
24 by the terms of the escrow; and  
25 ii. Respondent made unauthorized disbursements without written escrow  
26 instructions or authorization;

**13. Escrow #15845**

**Open Date: 07-22-05 Close Date: 08-05-05 Escrow Amount: \$130,000.00**

**Escrow Officer: Anna Solis**

1. Ms. Solis wrongfully issued escrow disbursement check #180007148, dated 08-05-  
05, in the amount of \$650.00 (clean house);  
2. Ms. Solis wrongfully issued escrow disbursement check #180007149, dated 08-05-  
05, in the amount of \$6,991.04 (no purpose);  
3. There were no authorizations noted in the file for the disbursements involving  
(\$650.00) and (\$6,991.04); and  
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
\$6,991.04 less than shown on the HUD-1 settlement statement and the Lender's  
proceeds were \$650.00 less than shown on the HUD-1 settlement statement;  
i. Respondent failed to account properly for escrow property as required  
by the terms of the escrow;

- ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
- iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**14. Escrow #20890**

**Open Date:** 10-27-05 **Close Date:** 03-31-06 **Escrow Amount:** \$179,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #4014, dated 04-04-06, in the amount of \$1,000.00 (payment);
2. Ms. Solis wrongfully issued escrow disbursement check #4022, dated 04-04-06, in the amount of \$5,370.00;
3. There were no authorizations noted in the file for the disbursements involving (\$1,000.00) and (\$5,370.00); and
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$7,175.67 less than stated on the HUD-1 settlement statement. The HUD-1 settlement statement shows a second deposit of \$1,000.00; the disbursement report does not. Instead of receiving funds as shown on the HUD-1 settlement statement, the Buyer should have brought in \$805.67. The HUD-1 settlement statement shows a balance due to Buyer and no check was issued;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**15. Escrow #22029**

**Open Date:** 11-16-05 **Close Date:** 12-13-05 **Escrow Amount:** \$222,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #12706, dated 12-13-05, in the amount of \$1,487.00 (payment);
2. Ms. Solis wrongfully issued escrow disbursement check #12702, dated 12-13-05, in the amount of \$2,200.00 (reimbursement);
3. Ms. Solis wrongfully issued escrow disbursement check #12699, dated 12-13-05, in the amount of \$2,200.00 (reimbursement);
4. There were no authorizations noted in the file for the disbursements involving (\$1,487.00), (\$2,200.00), (\$2,200.00);
5. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$5,887.00 less than due; and
6. A notary fee (\$125.00) to an employee at Pacific Gold Mortgage violates Argent Mortgage Company's closing instructions;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow; and

- 1                   ii. Respondent made unauthorized disbursements without written escrow  
2                   instructions or authorization;

3                   **16. Escrow #22842**

4                   **Open Date:** 12-02-05 **Close Date:** 12-28-05 **Escrow Amount:** \$185,000.00

5                   **Escrow Officer:** Anna Solis

- 6                   1. Ms. Solis wrongfully issued escrow disbursement check #13576, dated 12-29-05, in  
7                   the amount of \$1,500.00 (payment);  
8                   2. Ms. Solis wrongfully issued escrow disbursement check #13573, dated 12-29-05, in  
9                   the amount of \$3,700.00 (reimbursement);  
10                  3. There were no authorizations noted in the file for the disbursements involving  
11                  (\$1,500.00) and (\$3,700.00);  
12                  4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
13                  \$5,200.00 less than due; and  
14                  5. The signing fee (\$100.00) to an employee of Pacific Gold Mortgage violates Argent  
15                  Mortgage Company's closing instructions;  
16                      i. Respondent failed to account properly for escrow property as required  
17                      by the terms of the escrow; and  
18                      ii. Respondent made unauthorized disbursements without written escrow  
19                      instructions or authorization;

20                   **17. Escrow #20340**

21                   **Open Date:** 10-17-05 **Close Date:** 11-30-05 **Escrow Amount:** \$165,000.00

22                   **Escrow Officer:** Anna Solis

- 23                   1. Ms. Solis wrongfully issued escrow disbursement check #180011931, dated 11-29-  
24                   05, in the amount of \$3,300.00 (reimbursement);  
25                   2. Ms. Solis wrongfully issued escrow disbursement check #180012175, dated 12-02-  
26                   05, in the amount of \$1,800.00 (payment to lien);  
27                   3. There were no authorizations noted in the file for the disbursements involving  
28                   (\$3,300.00) and (\$1,800.00). The file contains a *Post-It* note indicating 2% to a  
29                   third party;  
30                   4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
31                   \$5,100.00 less than due; and  
32                   5. All disbursements were not shown on the HUD-1 settlement statement;  
33                      i. Respondent failed to account properly for escrow property as required  
34                      by the terms of the escrow; and  
35                      ii. Respondent made unauthorized disbursements without written escrow  
36                      instructions or authorization;

37                   **18. Escrow #20908**

38                   **Open Date:** 10-27-05 **Close Date:** 11-09-05 **Escrow Amount:** \$165,000.00

39                   **Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #11110, dated 11-09-05, in the amount of \$3,300.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #11113 (voided), dated 11-09-05, in the amount of \$996.69 (reimbursement);
3. Ms. Solis wrongfully issued escrow disbursement check #11335, dated 11-15-05, in the amount of \$996.69 (reimbursement);
4. Ms. Solis wrongfully issued escrow disbursement check #4254, dated 04-07-06, in the amount of \$338.37;
5. There were no authorizations noted in the file for the disbursements involving (\$3,300.00), (\$996.69), (\$996.69), and (\$338.37);
6. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$4,635.06 less than due; and
7. All disbursements were not shown on the HUD-1 settlement statement;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**19. Escrow #15724**

**Open Date:** 07-22-05 **Close Date:** 08-17-05 **Escrow Amount:** \$112,000.00.

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180007547, dated 08-17-05, in the amount of \$1,000.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #180007548, dated 08-17-05, in the amount of \$3,360.00 (reimbursement);
3. There were no authorizations noted in the file for the disbursements involving (\$1,000.00) and (\$3,360.00);
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$3,360.00 less than due and the Lender's disbursement proceeds were \$1,000.00 less than due;
5. All disbursements were not shown on the HUD-1 settlement statement; and
6. The "Seller Contribution" of 3% (\$3,360.00) is appropriately credited on the final HUD-1 to the buyer; however, the identical amount is also listed as a settlement charge paid by the Seller to another third party. The 3% Seller Contribution was charged twice;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**20. Escrow #13012**

1 **Open Date:** 06-01-05 **Close Date:** 07-07-05 **Escrow Amount:** \$122,000.00

2 **Lender:** Argent Mortgage **Escrow Officer:** Anna Solis

- 3 1. Ms. Solis wrongfully issued escrow disbursement check #180006413, dated 07-07-05, in the amount of \$4,200.00 (sales tax on commission);
- 4 2. There was no authorization noted in the file for the disbursement;
- 5 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$4,200.00 less than due; and
- 6 4. The FSBO Compensation Agreement, dated 05-10-05, between (seller) and (broker) stipulates a 3.5% commission (\$4,270.00) from seller to broker if the property is sold to [third party]; however, the property was sold to the broker. There is no other agreement or written instructions in the file. Furthermore, the HUD-1 settlement statement describes this payment as "Sales Tax on Commission to [broker]." This payment description is not supported by any documentation in the file;
  - 7 i. Respondent failed to account properly for escrow property as required
  - 8 by the terms of the escrow; and
  - 9 ii. Respondent made unauthorized disbursements without written escrow
  - 10 instructions or authorization;

11 **21. Escrow #20473**

12 **Open Date:** 10-19-05 **Close Date:** 11-10-05 **Escrow Amount:** \$160,000.00

13 **Escrow Officer:** Anna Solis

- 14 1. Ms. Solis wrongfully issued escrow disbursement check #11268, dated 11-11-05, in the amount of \$2,149.07 (reimbursement);
- 15 2. Ms. Solis wrongfully issued escrow disbursement check #11334, dated 11-15-05, in the amount of \$1,834.47 (reimbursement);
- 16 3. There were no authorizations noted in the file for the disbursements involving (\$2,149.07) and (\$1,834.47);
- 17 4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$3,983.54 less than due;
- 18 5. Check #11263 for \$1,834.47 was voided and then reissued to a third party;
- 19 6. The Buyer authorized the payment with a questionable signature. The payment was taken from the Seller; and
- 20 7. The notary fee (\$100.00) to an employee at Pacific Gold Mortgage violates Argent Mortgage Company's closing instructions;
  - 21 i. Respondent failed to account properly for escrow property as required
  - 22 by the terms of the escrow;
  - 23 ii. Respondent made unauthorized disbursements without written escrow
  - 24 instructions or authorization; and
  - 25 iii. Respondent disbursed escrow funds contrary to the provisions of the
  - 26 HUD-1 settlement statement;

**22. Escrow #25609**

**Open Date:** 01-30-06 **Close Date:** 03-21-06 **Escrow Amount:** \$210,000.00

1 **Escrow Officer:** Anna Solis

- 2 1. Ms. Solis wrongfully issued escrow disbursement check #3046, dated 03-21-06, in  
3 the amount of \$2,100.00 (payoff);
- 4 2. Ms. Solis wrongfully issued escrow disbursement check #3045, dated 03-21-06, in  
5 the amount of \$1,500.00 (payoff);
- 6 3. There were no authorizations noted in the file for the disbursements involving  
7 (\$2,100.00) and (\$1,500.00); and
- 8 4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were  
9 \$3,600.00 less than due;
  - 10 i. Respondent failed to account properly for escrow property as required  
11 by the terms of the escrow; and
  - 12 ii. Respondent made unauthorized disbursements without written escrow  
13 instructions or authorization;

14 **23. Escrow #22240**

15 **Open Date:** 11-21-05 **Close Date:** 12-29-05 **Escrow Amount:** \$240,000.00

16 **Escrow Officer:** Anna Solis

- 17 1. Ms. Solis wrongfully issued escrow disbursement check #180013674, dated 12-29-  
18 05, in the amount of \$3,113.40 (reimbursement - \$3,000.00);
- 19 2. There was no authorization noted in the file for the disbursement;
- 20 3. The HUD-1 settlement statement listed the buyer to receive the \$3,000.00  
21 (reimbursement-no authorization) and \$113.40. The \$3,000.00 should have gone to  
22 the seller; and
- 23 4. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
24 \$3,113.40 less than stated on the HUD-1 settlement statement;
  - 25 i. Respondent failed to account properly for escrow property as required by  
26 the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

27 **24. Escrow #28128**

28 **Open Date:** 03-13-06 **Close Date:** 03-29-06 **Escrow Amount:** \$180,000.00

29 **Escrow Officer:** Anna Solis

- 30 1. Ms. Solis wrongfully issued escrow disbursement check #3583, dated 03-29-06, in  
31 the amount of \$3,000.00 (reimbursement);
- 32 2. There was no authorization noted in the file for the disbursement; and
- 33 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
34 \$3,000.00 less than shown on the HUD-1 settlement statement;
  - 35 i. Respondent failed to account properly for escrow property as required  
36 by the terms of the escrow;

- ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
- iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**25. Escrow #12995**

**Open Date:** 06-01-05 **Close Date:** 07-07-05 **Escrow Amount:** \$135,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180006382, dated 07-07-05, in the amount of \$1,350.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #180006510, dated 07-13-05, in the amount of \$600.00 (payment);
3. Ms. Solis wrongfully issued escrow disbursement check #180006511, dated 07-13-05, in the amount of \$750.00 (payment);
4. There were no authorizations in the file for proceeds involving (\$1,350.00), (\$600.00), and (\$750.00);
5. The HUD-1 settlement statement shows the proceeds went to a third party; and
6. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were \$2,700.00 less than due;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondents disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement; and
  - iii. Respondent made unauthorized disbursements without written escrow instructions or authorization;

**26. Escrow #11995**

**Open Date:** 05-09-05 **Close Date:** 05-27-05 **Escrow Amount:** \$139,900.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180005036, dated 05-27-05, in the amount of \$2,098.50 (no purpose);
2. There was no authorization noted in the file for the disbursement; and
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$2,098.50 less than due;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow; and
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization;

**27. Escrow #18550**

**Open Date:** 09-13-05 **Close Date:** 09-30-05 **Escrow Amount:** \$131,950.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180011904, dated 11-28-05, in the amount of \$2,000.00 (payment);
2. There was no authorization noted in the file for the disbursement.
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$2,000.00 less than stated on the HUD-1 settlement statement; and
4. A third party was paid a \$95.00 notary fee. The third party, who works for Eagle First, should not have notarized any escrow related documents. This violates Argent Mortgage Company's closing instructions;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow; and
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization;

**28. Escrow #13363**

**Open Date:** 06-07-05 **Close Date:** 07-25-05 **Escrow Amount:** \$215,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180006780, dated 07-25-05, in the amount of \$1,775.10 (payment flooring);
2. There was an inadequate authorization in the file for the disbursement;
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$1,775.10 less than shown on HUD; and
4. A copy of a letter in the file (not an original) from the Buyer, dated 7/19/05, authorized a proceeds check to go to a third party for placing tile in the home. The estimated HUD-1 settlement statement (printed on 7/19/05), signed by the Buyer, shows no cash due to the Buyer. In fact, \$10,516.63 of additional funds were due "from" the Buyer and were deposited on 7/22/05. Also, while the final total settlement charges (\$13,418.35) did not change from the original 7/22/05 estimate, certain individual line items did change (i.e., the third party payment (\$1,775.10) was added, offset by reductions in certain other charges, including prorated interest and title charges). Given these facts, the authorization letter is inadequate to support the payment to a third party;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**29. Escrow #21994**

**Open Date:** 11-16-05 **Close Date:** 12-23-05 **Escrow Amount:** \$170,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #13356, dated 12-23-05, in the amount of \$1,600.00 (cleaning fee);
2. There was no authorization noted in the file for the disbursement; and

- 1 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
2 \$1,600.00 less than due;  
3 i. Respondent failed to account properly for escrow property as required  
4 by the terms of the escrow;  
5 ii. Respondent made unauthorized disbursements without written escrow  
6 instructions or authorization; and  
7 iii. Respondent disbursed escrow funds contrary to the provisions of the  
8 HUD-1 settlement statement;

9 **30. Escrow #24796**

10 **Open Date: 01-09-06 Close Date: 03-07-06 Escrow Amount: \$185,000.00**

11 **Escrow Officer: Anna Solis**

- 12 1. Ms. Solis wrongfully issued escrow disbursement check #2047, dated 03-07-06, in  
13 the amount of \$1,695.00 (payment);  
14 2. There was no authorization noted in the file; and  
15 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
16 \$1,500.00 less than shown on the HUD-1 settlement statement and the Buyer's  
17 proceeds were \$150.00 less than shown on the HUD-1 settlement;  
18 i. Respondent failed to account properly for escrow property as required  
19 by the terms of the escrow;  
20 ii. Respondent made unauthorized disbursements without written escrow  
21 instructions or authorization; and  
22 iii. Respondent disbursed escrow funds contrary to the provisions of the  
23 HUD-1 settlement statement;

24 **31. Escrow #26453**

25 **Open Date: 02-11-06 Close Date: 03-17-06 Escrow Amount: \$319,900.00**

26 **Escrow Officer: Anna Solis**

1. Ms. Solis wrongfully issued escrow disbursement check #2865, dated 03-17-06, in  
the amount of \$1,493.81 (reimbursement);  
2. A letter in the file from the buyer, dated 4/17/06 (after the close of escrow),  
instructed that the buyer proceeds to go to a third party. However, the buyer's  
signature is suspicious, and the validity of the authorization is questionable; and  
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds would be  
\$1,493.81 less than shown on HUD;  
i. Respondent failed to account properly for escrow property as required  
by the terms of the escrow;  
ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and  
iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

**32. Escrow #25943**

**Open Date: 01-27-06 Close Date: 03-16-06 Escrow Amount: \$376,000.00**

1 **Escrow Officer:** Anna Solis

- 2 1. Ms. Solis wrongfully issued escrow disbursement check #2753, dated 03-16-06, in  
the amount of \$1,500.00 (payment);
- 3 2. There was no authorization noted in the file; and
- 4 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
\$1,436.54 less than shown on the HUD-1 settlement statement and the Buyer's  
proceeds were \$63.46 less than shown on the HUD-1 settlement statement;
  - 5 i. Respondent failed to account properly for escrow property as required  
by the terms of the escrow;
  - 6 ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and
  - 7 iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

8 **33. Escrow #25329**

9 **Open Date:** 01-25-06 **Close Date:** 02-24-06 **Escrow Amount:** \$180,000.00

10 **Escrow Officer:** Anna Solis

- 11 1. Ms. Solis wrongfully issued escrow disbursement check #1286, dated 02-24-06, in  
the amount of \$1,300.00 (no purpose);
- 12 2. There was no authorization noted in the file for the disbursement;
- 13 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
\$1,300.00 less than shown on HUD-1 settlement statement;
- 14 4. The Seller proceeds wire (\$29,334.54) was returned on 02-28-06. The funds were  
wired to a third party on 3/6/06. No written instruction/authorization is documented  
in the file; and
- 15 5. The "Seller Contribution" pursuant to a written agreement between parties states  
that the Seller is contributing 6% + Equity. The "Seller Contribution" pursuant to  
16 the HUD-1 settlement statement is \$7,625.27; "Seller Credit Equity" pursuant to the  
17 HUD-1 settlement statement is \$34,297.90. There is no documentation in the file to  
support the Credit Equity amount;
  - 18 i. Respondent failed to account properly for escrow property as required  
by the terms of the escrow;
  - 19 ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and
  - 20 iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

21 **34. Escrow #21954**

22 **Open Date:** 11-15-05 **Close Date:** 02-17-06 **Escrow Amount:** \$265,000.00

23 **Escrow Officer:** Anna Solis

- 24 1. Ms. Solis wrongfully issued escrow disbursement check #948, dated 02-17-06, in  
the amount of \$1,000.00 (painting);
- 25 2. There was no authorization noted in the file for the disbursement;
- 26

- 1 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
2 \$1,000.00 less than shown on the HUD-1 settlement statement; and  
3 4. The bill for termite treatment was not paid;  
4 i. Respondent failed to account properly for escrow property as required  
5 by the terms of the escrow;  
6 ii. Respondent made unauthorized disbursements without written escrow  
7 instructions or authorization; and  
8 iii. Respondent disbursed escrow funds contrary to the provisions of the  
9 HUD-1 settlement statement;

6 **35. Escrow #21754**

7 **Open Date:** 11-10-05 **Close Date:** 12-30-05 **Escrow Amount:** \$205,000.00

8 **Escrow Officer:** Anna Solis

- 9 1. Ms. Solis wrongfully issued escrow disbursement check #13765, dated 12-30-05, in  
10 the amount of \$1,000.00 (cleaning); and  
11 2. There was no authorization noted in the file for the disbursement;  
12 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
13 \$1,000.00 less than due;  
14 i. Respondent failed to account properly for escrow property as required  
15 by the terms of the escrow; and  
16 ii. Respondent made unauthorized disbursements without written escrow  
17 instructions or authorization;

14 **36. Escrow #20702**

15 **Open Date:** 10-19-05 **Close Date:** 11-17-05 **Escrow Amount:** \$195,000.00

16 **Escrow Officer:** Anna Solis

- 17 1. Ms. Solis wrongfully issued escrow disbursement check #180011487, dated 11-17-  
18 05, in the amount of \$1,000.00;  
19 2. There was no authorization noted in the file; and  
20 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
21 \$1,000.00 less than shown on the HUD.  
22 i. Respondent failed to account properly for escrow property as required by  
23 the terms of the escrow; and  
24 ii. Respondent made unauthorized disbursements without written escrow  
25 instructions or authorization;

22 **37. Escrow #26198**

23 **Open Date:** 02-07-06 **Close Date:** 03-17-06 **Escrow Amount:** \$122,500.00

24 **Escrow Officer:** Anna Solis

- 25 1. Ms. Solis wrongfully issued escrow disbursement check #2990, dated 3-20-06, in  
26 the amount of \$1,000.00 (reimbursement);  
2. There was no authorization noted in the file for the disbursement; and

- 1 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
2 \$1,000.00 less than shown on HUD-1 settlement statement;  
3 i. Respondent failed to account properly for escrow property as required by  
4 the terms of the escrow;  
5 ii. Respondent made unauthorized disbursements without written escrow  
6 instructions or authorization; and  
7 iii. Respondent disbursed escrow funds contrary to the provisions of the  
8 HUD-1 settlement statement;

9 **38. Escrow #21562**

10 **Open Date: 11-08-05 Close Date: 01-27-06 Escrow Amount: \$135,000.00**

11 **Escrow Officer: Anna Solis**

- 12 1. Ms. Solis wrongfully issued escrow disbursement check #180014710, dated 01-27-  
13 06, in the amount of \$1,000.00 (painting);  
14 2. There was no authorization noted in the file for the disbursement;  
15 3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were  
16 \$1,000.00 less than shown on HUD-1 settlement statement; and  
17 4. There were five (5) disbursement checks (all to separate vendors) taken from seller  
18 proceeds (totaling \$11,340.00). Although copies of related invoices are in the file,  
19 there is no written instruction or authorization from Seller. The Amendment to  
20 Escrow Instructions (dated 12/16/05) directs \$3,300.00 for repairs to be disbursed  
21 (to the Buyer) from seller proceeds. While the \$3,300.00 disbursement was made to  
22 the Buyer as instructed, the escrow agent also paid the five (5) invoices referenced  
23 above. File documentation is insufficient to determine if disbursements totaling  
24 \$11,340.00 for property repairs were authorized;  
25 i. Respondent failed to account properly for escrow property as required  
26 by the terms of the escrow;  
ii. Respondent made unauthorized disbursements without written escrow  
instructions or authorization; and  
iii. Respondent disbursed escrow funds contrary to the provisions of the  
HUD-1 settlement statement;

39. **Escrow #14974**

Open Date: 07-08-05 Close Date: 08-12-05 Escrow Amount: \$200,000.00

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180007397, dated 08-12-  
05, in the amount of \$915.13 (no purpose);  
2. There was no authorization noted in the file for the disbursement;  
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$915.13  
less than due; and  
4. There are eight (8) creditor payoffs on the HUD-1 settlement statement, totaling  
\$25,385.00, without written payoff instructions/authorization in the file;  
i. Respondent failed to account properly for escrow property as required  
by the terms of the escrow;

- ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
- iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**40. Escrow #25327**

**Open Date:** 01-25-06 **Close Date:** 03-27-06 **Escrow Amount:** \$215,000.00

**Escrow Officer:** Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #3471, dated 3-28-06, in the amount of \$500.00 (reimbursement);
2. There was no authorization noted in the file for the disbursement; and
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$500.00 less than shown on the HUD-1 settlement statement;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**41. Escrow #22014**

**Open Date:** 11-16-05 **Close Date:** 12-16-05 **Escrow Amount:** \$170,000.00

**Escrow Officer:** Anna Solis

1. Check #13181 for \$190.00 was issued for notary services. The invoice in the file was for \$95.00, resulting in an overpayment of \$95.00. An Eagle First employee should not have notarized any escrow related documents; this violates Argent Mortgage Company's closing instructions; and
2. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were \$95.00 less than due;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**42. Escrow #22586**

**Open Date:** 11-29-05 **Close Date:** 12-20-05 **Escrow Amount:** \$395,000.00

**Escrow Officer:** Anna Solis

1. A Pacific Gold Mortgage employee received a payment of \$3,950.00. The Purchase Contract shows him as a mortgage broker. Pacific Gold received \$10,470.00 in mortgage broker fees; and

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2. On both the 1<sup>st</sup> and 2<sup>nd</sup> loans, the lender required that the Deed of Trust (1<sup>st</sup>), Signature Name Affidavit (both), and Compliance Agreement (1<sup>st</sup>), needed to be resigned and notarized; the notary was backdated;

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**43. Escrow #13921**

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**Open Date:** 06-17-05 **Close Date:** 07-13-05 **Escrow Amount:** \$250,000.00

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**Escrow Officer:** Anna Solis

1. There is no authorization in the file for seller proceeds to go to a third party only;
2. There is nothing in the file explaining why \$485.00 of real estate commission went to the Seller;
3. There is nothing in the file authorizing payment to a third party (check voided) or to another third party for \$2,445.65;
4. The HUD-1 settlement statement shows that the buyer was to receive the funds; and
5. The original executed note and deed of trust for \$40,000.00 between Buyer and a third party was in the file;
  - 10 i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - 11 ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - 12 iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement; and

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**44. Escrow #27403**

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**Open Date:** 03-01-06 **Close Date:** 04-11-06 **Escrow Amount:** \$247,000.00

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**Escrow Officer:** Anna Solis

- 19 1. A Pacific Gold employee (broker) is listed as the contact. Authorization is in the file as a handwritten note from somebody else on a Proceeds Authorization form. The signature is suspicious.
- 20 2. A \$10,000 disbursement is not listed on the HUD-1 settlement statement, which results in reducing borrower proceeds by that amount; and
- 21 3. A notary fee of \$150.00 paid to a Pacific Gold Mortgage employee violates Argent Mortgage Company's closing instructions;
  - 22 i. Respondent failed to account properly for escrow property as required by the terms of the escrow;
  - 23 ii. Respondent made unauthorized disbursements without written escrow instructions or authorization; and
  - 24 iii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

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**45. Escrow #23368**

**Open Date:** 12-13-05 **Close Date:** 02-24-06 **Escrow Amount:** \$152,900.00

**Escrow Officer:** Anna Solis

1. A letter, dated 02-21-06, in the file states that the Seller owes \$61,000.00 to E.S. E.S. was not paid;
2. Check #1298 to the Buyer, in the amount of \$750.77 was still in the file;
3. The names "Jodella" and "Jochelle" were both used in the file. A driver's license copy showed Jodella. A deed showed Jochelle. This discrepancy could cloud the title. All title company documents show "Jochelle";
4. There was a Sun Devil Treatment inspection bill (not dated) in the file for \$479.00, but the HUD-1 settlement statement shows payment of only \$49.00;
5. There are issues with a \$4,000.00 hold back for repairs (line 1309 on HUD). Taxes due totaled \$2,579.00. Four of the five checks were voided and re-issued, but at a later date, resulted in an additional \$29.49 due. Instructions in the file authorize \$750.77 of Seller funds to be used towards the first monthly payment for Buyer. Payments in the amount of \$1,180.65 from Seller funds were used to make the payments. The Buyer should have brought in \$429.88 to cover the balance of the payments due. The HUD-1 settlement statement shows Buyer receiving \$750.77. The file has a balance of \$2,789.86. The total of \$750.77, \$429.88, \$2,789.86, and \$29.49 equals \$4,000.00; and
6. If the taxes should have been paid in February when the checks were originally issued, the Seller should not have been required to pay the additional \$29.49. This is in addition to the \$429.88 loss in the previous paragraph;
  - i. Respondent failed to account properly for escrow property as required by the terms of the escrow; and
  - ii. Respondent disbursed escrow funds contrary to the provisions of the HUD-1 settlement statement;

**46. Escrow #15638**

**Open Date:** 07-20-05 **Close Date:** 08-05-05 **Escrow Amount:** \$120,000.00

**Escrow Officer:** Anna Solis

1. The HUD-1 settlement statement and disbursement report show different amounts. The final HUD-1 settlement statement in the escrow file matches the figures on the final disbursement report, but not the most up-to-date printed copy of the HUD-1 settlement statement; and
2. An external audit review resulted in a \$150.00 loss to Camelback Title; and

**47. Escrow #16707**

**Open Date:** 08-09-05 **Close Date:** 09-30-05 **Escrow Amount:** \$125,000.00

**Escrow Officer:** Anna Solis

1. The escrow instructions have M.P. signing for MMCR Mortgage, LLC as Buyer. There is no amendment changing C.C. and M.P. as buyers to MMCR Mortgage, LLC. The Purchase Contract was unclear as to who the owners of MMCR Mortgage, LLC were; and
2. There was a lack of proper documentation in the escrow file.

1 LAW

2 1. Pursuant to Title 6, Chapter 7, of the Arizona Revised Statutes, the Superintendent  
3 has the authority and duty to regulate all persons engaged in the escrow agent business and with the  
4 enforcement of statutes, rules, and regulations relating to escrow agents.

5 2. By the conduct set forth above in the Complaint, Ms. Solis has violated statutes  
6 governing escrow agents as follows:

7 a. A.R.S. § 6-834(A) by failing to deposit and maintain all monies deposited in escrow  
8 to be delivered on the close of the escrow or on any other contingency in a bank,  
9 savings bank or savings and loan association doing business in this state and failing to  
10 keep all escrow monies separate, distinct and apart from monies belonging to the  
11 escrow agent; and

12 b. A.R.S. § 6-841.01(A) by breaching a fiduciary duty as a trustee to the owner of all  
13 monies received or collected and held in escrow.

14 3. Ms. Solis' conduct, as set forth above, constitutes acts, omissions, and practices  
15 which demonstrate personal dishonesty and unfitness to continue in office or to participate in the  
16 conduct of the affairs of any financial institution or enterprise and is grounds for removal and the  
17 prohibition of Ms. Solis within the meaning of A.R.S. § 6-161(A)(1).

18 4. Ms. Solis' violations of A.R.S. §§ 6-834(A) and 6-841.01(A) constitute grounds for  
19 the removal and the prohibition of Ms. Solis from participating in any manner in the conduct of the  
20 affairs of any financial institution or enterprise pursuant to A.R.S. § 6-161(A)(6).

21 5. The violations, set forth above, constitute grounds for the Superintendent to order the  
22 removal and the prohibition of Ms. Solis from further participation in any manner as a director,  
23 officer, employee, agent or other person in the conduct of the affairs of any financial institution or  
24 enterprise, pursuant to A.R.S. §6-161.

25 WHEREFORE, if after a hearing, the Superintendent makes a finding of one or more of the  
26 above-described violations, the Superintendent may remove and prohibit Ms. Solis from further

1 participation in any manner in the conduct of the affairs of any financial institution or enterprise  
2 pursuant to A.R.S. § 6-161(E) and may order any other remedy necessary or proper for the  
3 enforcement of the statutes and rules regulating escrow agents in Arizona pursuant to A.R.S.  
4 §§ 6-123, 6-131 and 6-161.

5 DATED this 5 day of February, 2007.

6 Felecia A. Rotellini  
7 Superintendent of Financial Institutions

8  
9 By Robert D. Charlton  
10 Robert D. Charlton  
Assistant Superintendent of Financial Institutions

11 ORIGINAL of the foregoing filed this 5<sup>th</sup>  
12 day of February, 2007, in the office of:

13 Felecia A. Rotellini  
14 Superintendent of Financial Institutions  
15 Arizona Department of Financial Institutions  
ATTN: June Beckwith  
16 2910 N. 44th Street, Suite 310  
17 Phoenix, AZ 85018

18 COPY mailed/delivered same date to:

19 Lewis Kowal, Administrative Law Judge  
20 Office of Administrative Hearings  
21 1400 West Washington, Suite 101  
22 Phoenix, AZ 85007

23 Erin O. Gallagher  
24 Assistant Attorney General  
25 Office of the Attorney General  
26 1275 West Washington  
Phoenix, AZ 85007

Robert D. Charlton, Assistant Superintendent  
Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

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1 COPY DELIVERED/SERVED SAME DATE by  
2 PROCESS SERVER, to:

3 Anna Solis  
4 1616 E. Indian School Rd.  
5 Suite 100  
6 Phoenix, AZ 85016  
7 Respondent.

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Sent by: Marlene Gerstman