ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

In the Matter of the Removal and Prohibition of: **ANNA SOLIS** 1616 E. Indian School Rd. Suite 100 Phoenix, AZ 85016 Respondent.	No. 07F-BD054-BNK **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**

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

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

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

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

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

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

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

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

NOTICE OF APPLICABLE RULES

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

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

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

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

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

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

FACTS

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

("Transnation") from approximately August 8, 2001 to March 14, 2003.

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

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

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

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

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

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

1. Escrow #22534

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #14282, dated 01-18-06, in the amount of $1,000.00 (cleaning);
2. There was no authorization noted in the file for the disbursement;
3. Two wires were issued. One for $53,804.56 and one for $100,000.00. There is no documentation in the file authorizing the wires. The owner of record did not receive the $154,804.56, including the $1,000.00; and
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $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;

2. Escrow #27498

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #3231, dated 03-23-06, in the amount of $74,239.25 (refund check cut in wife's name);
2. There was no authorization noted in the file for the disbursement;
3. As a result of Ms. Solis' wrongful disbursement, the Borrower's proceeds were $74,239.25 less than shown on the HUD-1 settlement statement;
4. The file lacks signed written instruction from the borrower to disburse said proceeds. According to the file, the refund check was cut in the wife's name; however, the file states that the borrower is an unmarried man. The documentation is inadequate;
    - 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;

3. Escrow #16297

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180007934, dated 08-29-05, in the amount of $1,000.00 (painting);
2. Ms. Solis wrongfully issued escrow disbursement wire #18000508, dated 08-29-05, in the amount of $33,650.70 (seller proceeds);
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

9. Copies of wire transfer confirmations (screen prints) were missing from escrow file resulting in inadequate escrow file documentation;
    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;

4. Escrow #23435

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180014682, dated 01-26-06, in the amount of $45,504.63 (reimbursement);
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 $45,504.63 less than due;
4. A third party is the listing and selling broker on this transaction. The signed "Pre-Audit" HUD-1 settlement statement did not include $45,504.63 disbursement to said third party. The Seller also paid a 2.5% commission ($5,635.00) on this transaction;
    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;

5. Escrow #17305

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #8855, dated 09-22-05, in the amount of $7,200.00 (build fence);
2. Ms. Solis wrongfully issued escrow disbursement check #8858, dated 09-22-05, in the amount of $8,500.00 (reimbursement);
3. Ms. Solis wrongfully issued escrow disbursement check #8857, dated 09-22-05, in the amount of $8,300.00 (cleaning);
4. Ms. Solis wrongfully issued escrow disbursement check #10818, dated 11-03-05, in the amount of $6,800.79 (refund);
5. There were no authorization noted in the file for the disbursements of ($7,200.00), ($8,500.00), ($8,300.00), and ($6,800.79); and
6. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $30,800.79 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;

6. Escrow #20235

Open Date: 10-14-05 **Close Date:** 11-11-05 **Escrow Amount:** $359,000.00

Escrow Officer: Anna Solis

1. Check #180011644 for $24,466.75 was made payable to a third party. A fax memo stated that a third party would receive $24,466.75. The HUD-1 settlement statement shows payment to a third party for $24,466.75. The third party is a broker for Re/Max, which received $12,565.00 for being a real estate agent in the transaction; and
2. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were $24,466.75 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;

7. Escrow #25883

Open Date: 02-02-06 **Close Date:** 02-15-06 **Escrow Amount:** $165,000.00

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #880, dated 02-16-06, in the amount of $8,250.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #882, dated 02-16-06, in the amount of $1,500.00 (payment);
3. Ms. Solis wrongfully issued escrow disbursement wire, dated 02-17-06, in the amount of $14,388.14 (no description);
4. There were no authorizations noted in the file for the disbursements involving ($8,250.00), ($1,500.00), and ($14,388.14);
5. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $24,138.14 less than due;
6. The $1,500.00 and $14,388.14 disbursements were not shown on the HUD-1 settlement statement; and
7. One of the third parties is a loan officer at Eagle First Mortgage;
   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;
   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; and

8. Escrow #15859

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #8162, dated 09-01-05, in the amount of $1,500.00 (paint). The HUD-1 settlement statement showed $2,500.00;
2. Ms. Solis wrongfully issued escrow disbursement check #8163 (voided), dated 09-01-05, in the amount of $1,600.00 (roof repair);
3. Ms. Solis wrongfully issued escrow disbursement check #8166, dated 09-01-05, in the amount of $6,531.92 (yard & remodel kitchen);
4. Ms. Solis wrongfully issued escrow disbursement check #8374, dated 09-08-05, in the amount of $605.60 (payment);
5. Ms. Solis wrongfully issued escrow disbursement check #9179, dated 09-27-05, in the amount of $1,600.00 (refund);
6. Ms. Solis wrongfully issued escrow disbursement check #9820, dated 10-11-05, in the amount of $394.50 (no description);
7. Ms. Solis wrongfully issued escrow disbursement wire, dated 09-01-05, in the amount of $8,712.59 (reimbursement);
8. There were no authorizations noted in the file for the disbursements involving ($1,500.00), ($605.60), and ($394.50);
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
10. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $19,344.61 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;
    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;

9. Escrow #15703

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #8043, dated 08-30-05, in the amount of $1,000.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #8044, dated 08-30-05, in 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);

4. Ms. Solis wrongfully issued escrow disbursement check #8048, dated 08-30-05, in the amount of $5,400.00 (payment);
5. Ms. Solis wrongfully issued escrow disbursement check #8050, dated 08-30-05, in the amount of $800.00 (clean house);
6. Ms. Solis wrongfully issued escrow disbursement check #9180, dated 09-27-05, in the amount of $3,000.00 (refund);
7. There were no authorizations noted in the file for any of the above disbursements;
8. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $15,000.00 less than due; and
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;
    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;
    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;

10. Escrow #23433

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #2152, dated 03-08-06, in the amount of $1,500.00 (payment);
2. Ms. Solis wrongfully issued escrow disbursement check #2153, dated 03-08-05, in the amount of $1,500.00 (payment);
3. Ms. Solis wrongfully issued escrow disbursement check #2159, dated 03-08-05, in the amount of $8,000.00 (reimbursement);
4. Ms. Solis wrongfully issued escrow disbursement check #2160, dated 03-08-05, in the amount of $2,497.00 (reimbursement);
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);
6. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $13,497.00 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;

11. Escrow #17828

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #9425, dated 09-30-05, in the amount of $11,000.00 (commission);
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 $11,000.00 less than due; and
4. The commission is only mentioned on the information sheet for opening the escrow. The Seller did not sign this document. An unsigned *Post-It* note stated that a third person was to receive 5%;
    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;

12. Escrow #16675

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #8784, dated 09-19-05, in the amount of $8,106.00 (payment);
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 $8,106.00 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;

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

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

16. Escrow #22842

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #13576, dated 12-29-05, in the amount of $1,500.00 (payment);
2. Ms. Solis wrongfully issued escrow disbursement check #13573, dated 12-29-05, in the amount of $3,700.00 (reimbursement);
3. There were no authorizations noted in the file for the disbursements involving ($1,500.00) and ($3,700.00);
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $5,200.00 less than due; and
5. The signing fee ($100.00) to an employee of 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
   ii. Respondent made unauthorized disbursements without written escrow instructions or authorization;

17. Escrow #20340

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180011931, dated 11-29-05, in the amount of $3,300.00 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #180012175, dated 12-02-05, in the amount of $1,800.00 (payment to lien);
3. There were no authorizations noted in the file for the disbursements involving ($3,300.00) and ($1,800.00). The file contains a *Post-It* note indicating 2% to a third party;
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $5,100.00 less than due; and
5. 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; and
   ii. Respondent made unauthorized disbursements without written escrow instructions or authorization;

18. Escrow #20908

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

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

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

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

1. Ms. Solis wrongfully issued escrow disbursement check #180006413, dated 07-07-05, in the amount of $4,200.00 (sales tax on commission);
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 $4,200.00 less than due; and
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;
    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;

21. Escrow #20473

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #11268, dated 11-11-05, in the amount of $2,149.07 (reimbursement);
2. Ms. Solis wrongfully issued escrow disbursement check #11334, dated 11-15-05, in the amount of $1,834.47 (reimbursement);
3. There were no authorizations noted in the file for the disbursements involving ($2,149.07) and ($1,834.47);
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $3,983.54 less than due;
5. Check #11263 for $1,834.47 was voided and then reissued to a third party;
6. The Buyer authorized the payment with a questionable signature. The payment was taken from the Seller; and
7. The notary fee ($100.00) 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;
    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;

22. Escrow #25609

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #3046, dated 03-21-06, in the amount of $2,100.00 (payoff);
2. Ms. Solis wrongfully issued escrow disbursement check #3045, dated 03-21-06, in the amount of $1,500.00 (payoff);
3. There were no authorizations noted in the file for the disbursements involving ($2,100.00) and ($1,500.00); and
4. As a result of Ms. Solis' wrongful disbursements, the Seller's proceeds were $3,600.00 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;

23. Escrow #22240

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180013674, dated 12-29-05, in the amount of $3,113.40 (reimbursement - $3,000.00);
2. There was no authorization noted in the file for the disbursement;
3. The HUD-1 settlement statement listed the buyer to receive the $3,000.00 (reimbursement-no authorization) and $113.40. The $3,000.00 should have gone to the seller; and
4. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were $3,113.40 less than stated 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;

24. Escrow #28128

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #3583, dated 03-29-06, in the amount of $3,000.00 (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 $3,000.00 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;

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

3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were $1,600.00 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;

30. Escrow #24796

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #2047, dated 03-07-06, in the amount of $1,695.00 (payment);
2. There was no authorization noted in the file; and
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were $1,500.00 less than shown on the HUD-1 settlement statement and the Buyer's proceeds were $150.00 less than shown on the HUD-1 settlement;
    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;

31. Escrow #26453

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

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #2753, dated 03-16-06, in the amount of $1,500.00 (payment);
2. There was no authorization noted in the file; and
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;
    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;

33. Escrow #25329

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #1286, dated 02-24-06, in the amount of $1,300.00 (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 $1,300.00 less than shown on HUD-1 settlement statement;
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
5. The "Seller Contribution" pursuant to a written agreement between parties states that the Seller is contributing 6% + Equity. The "Seller Contribution" pursuant to the HUD-1 settlement statement is $7,625.27; "Seller Credit Equity" pursuant to the HUD-1 settlement statement is $34,297.90. There is no documentation in the file to support the Credit Equity amount;
    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;

34. Escrow #21954

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #948, dated 02-17-06, in the amount of $1,000.00 (painting);
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 $1,000.00 less than shown on the HUD-1 settlement statement; and
4. The bill for termite treatment was not paid;
    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;

35. Escrow #21754

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #13765, dated 12-30-05, in the amount of $1,000.00 (cleaning); and
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 $1,000.00 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;

36. Escrow #20702

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180011487, dated 11-17-05, in the amount of $1,000.00;
2. There was no authorization noted in the file; and
3. As a result of Ms. Solis' wrongful disbursement, the Seller's proceeds were $1,000.00 less than shown on the HUD.
    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;

37. Escrow #26198

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #2990, dated 3-20-06, in the amount of $1,000.00 (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 $1,000.00 less than shown on 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;

38. Escrow #21562

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

Escrow Officer: Anna Solis

1. Ms. Solis wrongfully issued escrow disbursement check #180014710, dated 01-27-06, in the amount of $1,000.00 (painting);
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 $1,000.00 less than shown on HUD-1 settlement statement; and
4. There were five (5) disbursement checks (all to separate vendors) taken from seller proceeds (totaling $11,340.00). Although copies of related invoices are in the file, there is no written instruction or authorization from Seller. The Amendment to Escrow Instructions (dated 12/16/05) directs $3,300.00 for repairs to be disbursed (to the Buyer) from seller proceeds. While the $3,300.00 disbursement was made to the Buyer as instructed, the escrow agent also paid the five (5) invoices referenced above. File documentation is insufficient to determine if disbursements totaling $11,340.00 for property repairs were authorized;
    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;

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

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

43. Escrow #13921

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

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;
    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; and

44. Escrow #27403

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

Escrow Officer: Anna Solis

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.
2. A $10,000 disbursement is not listed on the HUD-1 settlement statement, which results in reducing borrower proceeds by that amount; and
3. A notary fee of $150.00 paid to a Pacific Gold Mortgage employee violates Argent Mortgage Company's closing instructions;
    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;

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.

LAW

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

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

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

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

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

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

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

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

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

DATED this 5 day of February, 2007.

Felecia A. Rotellini
Superintendent of Financial Institutions

By Robert D. Charlton
Robert D. Charlton
Assistant Superintendent of Financial Institutions

ORIGINAL of the foregoing filed this 5th day of February, 2007, in the office of:

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

COPY mailed/delivered same date to:

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

Erin O. Gallagher
Assistant Attorney General
Office of the Attorney General
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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COPY DELIVERED/SERVED SAME DATE by PROCESS SERVER, to:

Anna Solis
1616 E. Indian School Rd.
Suite 100
Phoenix, AZ 85016
Respondent.

Sent by: Marlene Gerstman