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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

11 In the Matter of THE COMMISSIONER OF)
BUSINESS OVERSIGHT,)
12)
13 Complainant,)
14 v.)
15 GREAT PERFORMANCE ESCROW, INC.,)
16 Respondent.)

File No.: 963-2526

**ORDER TO DISCONTINUE ESCROW
ACTIVITIES PURSUANT TO FINANCIAL
CODE SECTION 17415**

19 TO: GREAT PERFORMANCE ESCROW, INC.
20 2640 East Garvey Avenue South, Suite 107
21 West Covina, California 91791

22 THE COMMISSIONER OF THE CALIFORNIA DEPARTMENT OF BUSINESS
23 OVERSIGHT (“DEPARTMENT”) FINDS THAT:

24 A. Great Performance Escrow, Inc. (“Great Performance”) has failed to maintain, at all
25 times, liquid assets in the amount of at least \$25,000.00 and a tangible net worth of at least
26 \$50,000.00, as required by Financial Code section 17210 under the California Escrow Law (Fin.
27 Code, §§ 17000 *et seq.*) (“Escrow Law”).

28 B. The Department’s review of the Annual Report of Great Performance for the period

1 ended November 30, 2012 disclosed a liquid asset deficiency in the amount of at least \$29,998.00 and
2 a tangible net worth deficiency of at least \$24,949.00, in violation of Financial Code section 17210.

3 C. On or about April 18, 2013, the Department made a written demand upon Great
4 Performance to provide proof of correction of the liquid asset and tangible net worth deficiencies
5 within 30 days of the date of the letter.

6 D. On or about May 21, 2013, the Department granted Great Performance's request for
7 an extension to resolve the capital deficiencies and made a written demand for presentation of a plan
8 to cure the capital deficiencies not to exceed 90 days. Additionally, the Department demanded that
9 Great Performance provide a copy of its financial statement for April 2013.

10 E. On or about June 13, 2013, the Department informed Great Performance it would
11 accept the licensee's plan to cure its capital deficiencies not to exceed 90 days, or by August 31,
12 2013, provided that financial statements were submitted for June and July of 2013. Additionally, the
13 Department noted that the April 2013 financial statement remained outstanding.

14 F. On or about July 3, 2013, a regulatory examination was commenced by the
15 Department which disclosed that for the period ending June 30, 2013, Great Performance had a liquid
16 asset deficiency in the amount of at least \$29,426.00 and a tangible net worth deficiency of at least
17 \$23,216.64, in violation of Financial Code section 17210.

18 G. On or about November 20, 2013, Great Performance submitted a letter to the
19 Department acknowledging that liquid asset and tangible net worth requirements remained unmet and
20 requested "as much time as possible to comply with the minimum requirements."

21 H. To date, Great Performance has failed and continues to fail to provide the Department
22 evidence that it has cured the liquid asset and tangible net worth deficiencies and remains in violation
23 of Financial Code section 17210.

24 I. Additionally, Great Performance has failed to submit its Annual Report for the period
25 ended November 30, 2013, which was due on March 17, 2014, in violation of Financial Code section
26 17406.

27 J. Further, Great Performance has not paid its annual assessment or regulatory invoice,
28 in violation of Financial Code sections 17207 and 17405.1.

1 Based upon the foregoing, Great Performance Escrow, Inc. is conducting its escrow business
2 in such an unsafe or injurious manner as to render further operations hazardous to the public or to
3 customers.

4 NOW, BASED UPON THE FOREGING, AND GOOD CAUSE APPEARING
5 THEREFORE, it is hereby ORDERED, under the provisions of Financial Code section 17415, that
6 Great Performance Escrow, Inc. immediately discontinue acceptance of any new escrow or joint
7 control business, and of money, documents or other property in connection therewith.

8 This order is to remain in full force and effect until further order of the Commissioner.

9 Financial Code section 17415 provides:

10 (a) If the commissioner, as a result of any examination or from any report
11 made to him or her, shall find that any person subject to this division is in an
12 insolvent condition, is conducting escrow business in such an unsafe or
13 injurious manner as to render further operations hazardous to the public or to
14 customers, has failed to comply with the provisions of section 17212.1 or
15 17414.1, has permitted its tangible net worth to be lower than the minimum
16 required by law, has failed to maintain its liquid assets in excess of current
17 liabilities as set forth in Section 17210, or has failed to comply with the
18 bonding requirements of Chapter 2 (commencing with Section 17200) of this
19 division, the commissioner may, by an order addressed to and served by
20 registered or certified mail or personal service on such person and on any other
21 person having in his or her possession or control any escrowed funds, trust
22 funds or other property deposited in escrow with said person, direct
23 discontinuance of the disbursement of trust funds by the parties or any of them,
the receipt of trust funds, the delivery or recording of documents received in
escrow, or other business operations. No person having in his or her
possession any of these funds or documents shall be liable for failure to
comply with the order unless he or she has received written notice of the order.
Subject to subdivision (b), the order shall remain in effect until set aside by the
commissioner in whole or in part, the person is the subject of an order for relief
in bankruptcy, or pursuant to Chapter 6 (commencing with Section 17621) of
this division the commissioner has assumed possession of the escrow agent.

24 (b) Within 15 days from the date of an order pursuant to subdivision (a), the
25 person may request a hearing under the Administrative Procedure Act, Chapter
26 5 (commencing with Section 11500) of Division 3 of Title 2 of the
27 Government Code. Upon receipt of a request, the matter shall be set for
28 hearing to commence within 30 days after such receipt unless the person
subject to this division consents to a later date. If no hearing is requested
within 15 days after the mailing or service of such notice and none is ordered
by the commissioner, the failure to request a hearing shall constitute a waiver

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of the right to a hearing. Neither the request for a hearing nor the hearing itself shall stay the order issued by the commissioner under subdivision (a).

DATED: September 29, 2014
Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division