

MARY ANN SMITH  
Deputy Commissioner  
DANIEL P. O'DONNELL  
Assistant Chief Counsel  
WILLIAM F. HORSEY (State Bar No. 136087)  
Senior Counsel  
Department of Business Oversight  
One Sansome Street, Suite 600  
San Francisco, California 94107-4428  
Telephone: (415) 972-8547  
Facsimile: (415) 972-8550

Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

In the Matter of:	)	LICENSE NO. 9631709
	)	
THE COMMISSIONER OF BUSINESS OVERSIGHT,	)	ORG NO. 39710
	)	
Complainant,	)	CONSENT ORDER REGARDING
	)	SUSPENSION OF ESCROW LICENSE
v.	)	
	)	
LAS FLORES ESCROW, INC.,	)	
	)	
Respondents.	)	
	)	
	)	

The Commissioner of Business Oversight (Commissioner) and Las Flores Escrow, Inc., enter into this Consent Order with respect to the following facts:

**I.**

**Recitals**

A. The Commissioner as the chief officer of the Department of Business Oversight (Department) has jurisdiction over the licensing and regulation of persons and entities licensed under the California Escrow Law (Escrow Law) (Fin. Code, § 17000 et seq.) and the regulations

1 promulgated under title 10 of the California Code of Regulations (Cal. Code Regs., tit. 10, § 1700 et  
2 seq.)<sup>1</sup>

3 B. At all relevant times, Las Flores Escrow, Inc. (Las Flores) was an escrow agent  
4 licensed by the Commissioner pursuant to the Escrow Law with its principal place of business  
5 located at 10821 Paramount Boulevard, Downey, California 90241. Las Flores’s escrow agent’s  
6 license number is 9631709.

7 C. At all relevant times, Marina Flores (Flores) was President of Las Flores.

8 D. Section 17210 requires all escrow agent licensees to maintain tangible net worth of at  
9 least \$50,000, including liquid assets of at least \$25,000 in excess of current liabilities Las Flores has  
10 a long history of non-compliance with both the liquid asset and tangible net worth requirements as  
11 set forth in 17210.

12 E. Since July 2013, Las Flores has failed to comply with the requirement for financial  
13 requirements as set forth in section 17210, not only in its annual reports for five consecutive years  
14 from May 2014 to May 2018, but also in regulatory examinations conducted by the Department of  
15 Business Oversight in 2013 and 2017.

16 F. According to the May 2018 Annual Report, Las Flores had a liquid asset deficiency  
17 of \$19,443 and a tangible net worth deficiency of \$9,172.00. On November 20, 2018, the  
18 Department sent a written demand to notify Flores of the liquid asset and tangible net worth  
19 deficiencies and requested Flores to provide proof of correction of the deficiencies and a copy of the  
20 financial statements of October 2018.

21 G. On December 3, 2018, Flores provided a copy of a deposit report made on that date in  
22 the amount of \$19,500 and further advised that her Certified Public Accountant would provide the  
23 October 2018 financial statements when completed.

24 H. Las Flores never provided its October 2018 financial statements to DBO despite  
25 the Department following up with Flores on December 21, 2018 and January 30, 2019 by phone  
26 calls and emails.

27  
28  

---

<sup>1</sup> All subsequent statutory references are to the Financial Code unless otherwise note.

1 I. The Commissioner finds that this Consent Order is appropriate, in the public interest  
2 and consistent with the purposed fairly intended by the policy and provisions of the Escrow Law.

3 NOW, THEREFORE, in consideration of the foregoing and under the terms and conditions  
4 set forth herein, the Parties stipulate as follows:

5 **II.**

6 **Terms and Conditions**

7  
8 1. Purpose: This Consent Order resolves the issues before the Commissioner in a  
9 manner that avoids the expense of a hearing and possible further court proceedings, is in the public  
10 interest, protects consumers and is consistent with the purposes, policies and provisions of the  
11 Escrow Law.

12 2. Order to Discontinue Violations: Pursuant to Financial Code sections 17602 and  
13 17604, Las Flores [and Flores] is hereby ordered to immediately discontinue violations of the  
14 Escrow Law, set forth above.

15 3. Conditions of Suspension: Las Flores also agrees two a two-week suspension from  
16 any new business beginning on the effective date of the Consent Order. During the suspension, Las  
17 Flores may continue to administer and service existing escrows.

18 4. Finality of Order: Las Flores hereby agrees to comply with this Order, and further,  
19 stipulates that the Order to Discontinue Violations is hereby deemed a final and enforceable order  
20 issued pursuant to the Commissioner’s authority under Financial Code sections 17602 and 17604.

21 5. Waiver of Hearing Rights: Las Flores acknowledges that the Commissioner is  
22 ready, willing and able to proceed with the filing of an administrative enforcement action on the  
23 charges contained herein. Las Flores hereby waives any right to a hearing, and to any  
24 reconsideration, appeal, injunction, or other rights to review which may be afforded pursuant to the  
25 Corporations Code, the California Administrative Procedure Act, the Code of Civil Procedure, or  
26 any other provision of law. Las Flores further expressly waive any requirement for the filing of an  
27 Accusation that may be afforded by Government Code section 11415.60, subdivision (b), the  
28

1 California Administrative Procedure Act, the Code of Civil Procedure and any other provisions of  
2 law; and by so waiving, Las Flores effectively consent to this Consent Order herein becoming final.

3 6. Future Actions by the Commissioner: If Las Flores fails to comply with any terms of  
4 the Consent Order, the Commissioner may institute proceedings for any and all violations otherwise  
5 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions  
6 against Las Flores, or any of its partners, owners, officers, shareholders, directors, employees or  
7 successors for any and all unknown violations of the Escrow Law.

8 7. Binding: This Order is binding on all heirs, assigns, and/or successors in interest.

9 8. Independent Legal Advice: Each of the Parties represents, warrants and agrees that it  
10 has received or been advised to seek independent legal advice from its attorneys with respect to the  
11 advisability of executing this Consent Order.

12 9. No Other Representation: Each of the Parties represents, warrants and agrees that in  
13 executing this Consent Order it has relied solely on the statements set forth herein and the advice of  
14 its own counsel. Each of the Parties further warrants, represents and agrees that in executing this  
15 Consent Order it has placed no reliance on any statement, representation, or promise of any other  
16 party, or any other person or entity not expressly set forth herein, or upon any failure of any party or  
17 any other person or entity to make any statement, representation, or disclosure of anything  
18 whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in  
19 any way fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of  
20 parol evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

21 10. Modifications and Qualified Integration: No amendment, change or modification of  
22 the Consent Order shall be valid or binding to any extent unless it is in writing and signed by all of  
23 the parties affected by it.

24 11. Full Integration: This Consent Order is the final written expression and the complete  
25 and exclusive statement of all of the agreements, conditions, promises, representations, and  
26 covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or  
27 contemporaneous agreements, negotiations, representations, understandings and discussions between  
28

1 and among the Parties, their respective representatives, and any other person or entity, with respect  
2 to the subject matter covered hereby.

3 12. No Presumption from Drafting: In that the Parties have had the opportunity to draft,  
4 review and edit the language of this Consent Order, no presumption for or against any party arising  
5 out of the drafting of all or part of this Consent Order will be applied in any action relating to,  
6 connected to or involving this Consent Order. Accordingly, the Parties waive the benefit of Civil  
7 Code section 1654, or any successor or amended statute, providing that in cases of uncertainty,  
8 language of a contract should be interpreted most strongly against the party that caused the  
9 uncertainty to exist.

10 13. Counterparts: This Consent Order may be executed in any number of counterparts by  
11 the Parties, and when each party has signed and delivered at least one such counterpart to the other  
12 party, each counterpart shall be deemed an original and taken together shall constitute one and the  
13 same Consent Order.

14 14. Headings and Governing Law: The headings of paragraphs of this Consent Order are  
15 inserted for convenience only and will not be deemed a part hereof or affect the construction or  
16 interpretation of the provisions hereof. The Consent Order shall be construed and enforced in  
17 accordance with, and governed by, California law.

18 15. Settlement Authority: Each signatory hereto covenants that he/she possesses all  
19 necessary capacity and authority to sign and enter into this Consent Order on behalf of the named  
20 party.

21 16. Public Record: Las Flores hereby acknowledges that this Consent Order is and will  
22 be a matter of public record.

23 17. Voluntary Agreement: The Parties each represent and acknowledge that it is  
24 executing this Consent Order voluntarily and without any duress or undue influence of any kind  
25 from any source.  
26  
27  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

18. Effective Date: This Consent Order shall not become effective until signed by all parties and delivered by email by the Commissioner’s agent to Las Flores at Marina Flores (marinaf@lfe1993.com).

19. Signatures: A fax signature or scanned signature of the Consent Order shall be as effective as an original ink signature. executing this Consent Order voluntarily and without any duress or undue influence of any kind from any source.

Dated: April 26, 2019

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
Mary Ann Smith.  
Deputy Commissioner, Enforcement Division

Dated: April 26, 2019

\_\_\_\_\_  
Marina Flores, on behalf of Las Flores