

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 JOHNNY VUONG (CA BAR NO. 249570)
Corporations Counsel
4 DEPARTMENT OF BUSINESS OVERSIGHT
320 W. 4th St., Suite 750
5 Los Angeles, California 90013
Telephone: (213) 576-7585
6 Fax: (213) 576-7181
Attorneys for the People of the State of California
7

8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA
10

11 In the Matter of THE COMMISSIONER OF) CASE NO.: 963-1699
BUSINESS OVERSIGHT,)
12)
13 Complainant,) ORDER TERMINATING
vs.) CONSERVATORSHIP
14)
15)
16 PROVIDENCE ESCROW, INC.)
17 Respondent.)
18)
19)

20 The Commissioner of Business Oversight finds as follows:
21

22 1. Providence Escrow, Inc., a California corporation ("Providence"), is an escrow agent
23 licensed by the Commissioner of Business Oversight ("Commissioner"), pursuant to the Escrow Law
24 of the State of California (Financial Code §§ 17000, et seq.).

25 2. Elizabeth Venegas ("Venegas") is Providence's president and sole shareholder.

26 3. For reasons stated in the documents listed below and dated November 21, 2013,
27 which included failure to meet the liquid asset and tangible net worth requirements and continued
28 processing of escrows despite receiving an Accusation to bar, the Commissioner took possession of
the trust account(s) of Providence and all bank and escrow records pertinent thereto and appointed

1 Peter A. Davidson as Conservator over Providence by issuing the following documents:

2 A. Demand For and Order Taking Possession of the Trust Funds and Escrow Records of
3 Providence Escrow, Inc. Pursuant to California Financial Code Section 17621, and

4 B. Order Appointing Peter A. Davidson as Conservator Pursuant to Financial Code
5 Section 17630, and

6 C. Notice and Summary of Findings Pursuant to Financial Code Section 17621.

7 4. Pursuant to both the Order Taking Possession and the Conservatorship Order, all
8 persons, including Venegas, who had possession, custody or control of any of the trust funds and
9 bank account and escrow records of Providence, became obligated to turn over to the Conservator
10 such trust funds and records.

11 5. On November 26, 2013, the Conservator took possession of the trust funds, and,
12 pursuant to Financial Code Section 17630, took actions to conserve those trust funds pending further
13 disposition of the trust affairs.

14 6. The Conservator conducted a review of the trust accounts and the total trust shortage
15 was approximately \$8,587.50. The Conservator filed a claim on Providence's escrow agent's bond
16 on November 26, 2013 and received the full amount of the bond (\$50,000.00). The Conservator also
17 made a demand to Venegas to pay back \$5,000.00, which Venegas paid on March 4, 2014. The full
18 amount of the escrow bond and the \$5,000.00 from Venegas were sufficient to make up the trust
19 shortage.

20 7. In February 2014, Conservator obtained the approval of the Commissioner to make a
21 distribution of the Providence trust funds to claimants and was able to payout 100% of the amount
22 owed to trust fund claimants.

23 8. As of June 2014, Conservator has distributed such escrow trust funds to the extent
24 that the person(s) could be located and escheated those funds where the claimants were known, but
25 could not be located.

26 9. The Conservator will return the escrow records to the Commissioner for retention for
27 the period required by California Code of Regulations, title 10, section 1737.

28 10. The Commissioner is satisfied that termination of the conservatorship may be done

1 safely and is in the public interest.

2 11. On June 23, 2014, Conservator provided to the Commissioner a final report of the
3 conservatorship.

4 Now, good cause appearing, IT IS HEREBY ORDERED that:

5 1. The conservatorship is hereby terminated pursuant to California Financial Code
6 Section 17634.

7 2. The Commissioner hereby ratifies those actions taken by the Conservator with respect
8 to the trust account(s) and any bank and escrow records, and the Conservator, the State of California
9 and each of their respective employees and agents is hereby released from any and all obligation
10 and/or liability arising out of or relating to the conservatorship of Providence Escrow, Inc.

11
12 Dated: July 29, 2014
13 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

14
15 By _____
16 MARY ANN SMITH
17 Deputy Commissioner
18 Enforcement Division
19
20
21
22
23
24
25
26
27
28