

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Removal and Prohibition of:

No. 08F-BD017-BNK

3 **MARY LOU PIDD**
4 1210 E. Placita Ardilla
5 Tucson, AZ 85718

CONSENT ORDER

6 Respondent.

7 On October 17, 2007, the Arizona Department of Financial Institutions ("Department")
8 issued a Notice of Hearing alleging that Respondent had violated Arizona law. Wishing to resolve
9 this matter in lieu of an administrative hearing, Respondent does not contest the following Findings
10 of Fact and Conclusions of Law, and consents to entry of the following Order.

11 **FINDINGS OF FACT**

12 1. Respondent Mary Lou Pidd ("Ms. Pidd") was employed by Title Security Agency of
13 Arizona ("TSA") and subsequently by TICOR Title Agency of Arizona, Inc. ("Ticor") as an escrow
14 officer, at all times material to this proceeding.

15 2. TSA is licensed by the Department as an escrow agent, license number EA-001723.

16 3. Ticor is licensed by the Department as an escrow agent, license number EA-
17 00008050.

18 4. TSA's internal auditors conducted a random audit after Ms. Pidd left TSA's employ
19 in February of 2006. It was discovered that Ms. Pidd had used her position as an escrow officer to
20 wrongfully divert funds. Ms. Pidd had overcharged consumers at closings, and then converted those
21 funds into her personal accounts. Documentation revealed Ms. Pidd diverted sixteen thousand, one
22 hundred seventy one dollars and twenty-four cents (\$16,171.24).

23 5. Ms. Pidd immediately began working for Ticor after leaving TSA at the end of
24 February, 2006. While under the employ of Ticor, Ms. Pidd used her position as an escrow officer
25 to wrongfully divert funds. Ms. Pidd had added changes to escrow closings, and then converted
26 those funds into her personal accounts. Documentation revealed Ms. Pidd diverted one thousand,

1 forty dollars and fifty-four cents (\$1,040.54).

2 6. On February 6, 2007, an Information was filed against Ms. Pidd in *State of Arizona v.*
3 *Mary Lou Pidd*, Pima County Superior Court No. CR2007-0543, charging Mary Lou Pidd with one
4 (1) count of Theft, Class 6 Felony undesignated offense, in violation of A.R.S. §§ 13-1801, 13-1802,
5 13-701, 13-702, 13-702.02, and 13-801. The Information charged that between on or about July 18,
6 2005 to on or about October 26, 2006, Ms. Pidd, while acting in her capacity as an escrow officer for
7 Ticor and TSA, without lawful authority, knowingly: (1) controlled property of another with the
8 intent to deprive the other person of such property; or (2) converted for an authorized term or use
9 services or property of another entrusted to the defendant or placed in the defendant's possession for
10 a limited, authorized term or use. This conduct occurred when Ms. Pidd caused funds belonging to
11 Ticor and TSA to be paid toward her personal benefit.

12 7. On February 20, 2007, the Court accepted a Plea Agreement entered into by Ms.
13 Pidd, whereby Ms. Pidd plead guilty to one (1) amended count of Theft, a Class 6 undesignated
14 offense.

15 8. On March 20, 2007, the Court found Ms. Pidd guilty of one (1) count of Theft, a
16 Class 6 undesignated offense, and suspended the imposition of sentence. The Court placed Ms. Pidd
17 on supervised probation for three (3) years, ordered her to complete six hundred (600) hours of
18 community service and to participate and cooperate in any counseling as directed by the Adult
19 Probation Department. In addition, Ms. Pidd is to notify any employer about this conviction.

20 9. On March 20, 2007, Uniform Conditions of Supervised Probation were also filed in
21 *State of Arizona v. Mary Lou Pidd*, No. CR2007-0543, noting that Ms. Pidd shall not work in the
22 escrow or title business without permission from the Adult Probation Department.

23 **CONCLUSIONS OF LAW**

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

1 2. By the conduct, set forth above, Ms. Pidd violated statutes governing escrow agents
2 as follows:

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

8 b. A.R.S. § 6-841.01(A) by breaching, as an employee of an escrow agent, a fiduciary
9 duty as a trustee to the owner of all monies received or collected and held in escrow
10 and by knowingly and negligently commingling trust monies with the escrow agent's
11 own monies or with monies held in any other capacity.

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

17 4. Ms. Pidd's March 20, 2007 conviction of one (1) count of Theft, a Class 6
18 undesignated offense, constitutes grounds for the removal and the prohibition of Ms. Pidd from
19 participating in any manner in the conduct of the affairs of any financial institution or enterprise,
20 pursuant to A.R.S. § 6-161(A)(4).

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

24 6. The violations, set forth above, constitute grounds for the Superintendent to order the
25 removal and the prohibition of Ms. Pidd from further participation in any manner as a director,
26 officer, employee, agent or other person in the conduct of the affairs of any financial institution or

1 enterprise, pursuant to A.R.S. § 6-161.

2 **ORDER**

3 1. Ms. Pidd shall be prohibited from further participation in any manner in the conduct
4 of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161.

5 2. This Order shall become effective upon service, and shall remain effective and
6 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated,
7 or set aside.

8 SO ORDERED this 19th day of November, 2007.

9 
10 Felecia A. Rotellini
11 Superintendent of Financial Institutions

12 **CONSENT TO ENTRY OF ORDER**

13 1. Respondent acknowledges that she has been served with a copy of the foregoing
14 Findings of Fact, Conclusions of Law and Order in the above-referenced matter, has read the same,
15 is aware of her right to an administrative hearing in this matter, and has waived the same.

16 2. Respondent admits the jurisdiction of the Superintendent and consents to the entry of
17 the Foregoing Findings of Fact, Conclusions of Law and Order.

18 3. Respondent states that no promise of any kind or nature has been made to induce her
19 to consent to the entry of this Order, and that she has done so voluntarily.

20 4. Respondent agrees to refrain from seeking any future employment with any financial
21 institution or enterprise.

22 5. Respondent acknowledges that the acceptance of this Agreement by the
23 Superintendent is solely to settle this matter and does not preclude the Department, any other agency
24 or officer of this state or subdivision thereof from instituting other proceedings as may be
25 appropriate now or in the future.

26 6. Respondent waives all rights to seek judicial review or otherwise to challenge or

1 contest the validity of this Consent Order.

2 DATED this 12 day of Nov., 2007.

3
4 By: Mary Lou Pidd
5 Mary Lou Pidd
Respondent

6 ORIGINAL of the foregoing filed this 19
7 day of November, 2007, in the office of:

8 Felecia A. Rotellini
9 Superintendent of Financial Institutions
10 Arizona Department of Financial Institutions
ATTN: Susan Ross
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

11 COPY mailed/delivered same date to:

12 Thomas Shedden, Administrative Law Judge
13 Office of Administrative Hearings
14 1400 West Washington, Suite 101
Phoenix, AZ 85007

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

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

19 AND COPY MAILED SAME DATE by
20 Certified Mail, Return Receipt Requested, to:

21 Mary Lou Pidd
22 1210 E. Placita Ardilla
Tucson, AZ 85718
23 Respondent

24 Susan Ross
25 86988 v.2; CPA07-161

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