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California Corporations Commissioner
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Deputy Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. ESCROWS UNLIMITED, INC., Respondent.	)	File No.: 963-2174 1) **ACCUSATION**; and 2) **ORDER IMPOSING PENALTIES PURSUANT TO FINANCIAL CODE SECTION 17408**

The California Corporations Commissioner ("Commissioner") is informed and believes and based upon such information and belief, alleges and charges as follows:

I.

Escrows Unlimited, Inc. ("EU") is an escrow agent licensed by the Commissioner pursuant to the Escrow Law of the State of California (California Financial Code Section 17000 et seq.), with its principal place of business at 11823 E. Slauson Ave., Suite # 3, Santa Fe Springs, CA 90670.

II.

Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to file an annual audit report containing audited financial statements ("Annual Report") within one

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hundred and five (105) days after the close of their fiscal year. EU's fiscal year end was July 31, 2010. Accordingly, EU was required to file its Annual Report on or before November 15, 2010.

On or about June 7, 2010, the Commissioner provided advance notice to EU in writing that its 2010 Annual Report would be due on November 15, 2010. EU was notified in the June 7, 2010 letter that failure to file the Annual Report by the deadline could result in assessment of penalties, a special examination and/or administrative action. EU failed to file the 2010 Annual Report by November 15, 2010.

On or about November 29, 2010, a 10-day demand letter was sent by certified mail to EU concerning its failure to file the 2010 Annual Report. The Commissioner demanded in the letter that EU file its 2010 Annual Report within 10 days of November 29, 2010, or the Commissioner would assess penalties for each day the report is late, in addition to possibly conducting a special examination and/or taking administrative action. As of the date of this Accusation and Order, EU has still not filed its 2010 Annual Report as required by Financial Code section 17406.

III.

Financial Code section 17602.5 provides in pertinent part:

> If any licensed escrow agent fails to make any reports required by law or by the commissioner within ten (10) days from the date designated for the making of the reports, or within any extension of time granted by the commissioner, . . . such failure shall constitute grounds for the suspension or revocation of the license held by such escrow agent.

Financial Code section 17608 provides in pertinent part:

> The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if he finds that:
>
> (b) The licensee has violated any provision of this division or any rule made by the commissioner under and within the authority of this division.

Financial Code section 17408 provides in pertinent part:

> (b) The commissioner may, impose, by order, a penalty on any person who fails, within the time specified in any written demand of the commissioner, (1) to make and file with the commissioner any report required by law or requested by the commissioner, or (2) to

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furnish any material information required by the commissioner to be included in the report. The amount of the penalty may not exceed one hundred dollars ($100) for each day for the first five days the report or information is overdue and, thereafter, may not exceed five hundred dollars ($500) for each day the report or information is overdue.

(c) If, after an order has been made under subdivision (b), a request for hearing is filed in writing within 30 days of the date of service of the order by the person to whom the order was directed, a hearing shall be held in accordance with the Administrative Procedure Act, Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the commissioner shall have all the powers granted under that chapter.

(d) If the person fails to file a written request for a hearing within 30 days of the date of service of the order, the order imposing the penalty shall be deemed a final order of the commissioner, and the penalty shall be paid within five business days.

(e) If a hearing is requested, the penalty shall be paid within five business days after the effective date of any decision in the case ordering payment to be paid.

IV.

PRAYER FOR ORDER SUSPENDING ESCROWS UNLIMITED, INC.'S LICENSE PURSUANT TO FINANCIAL CODE SECTION 17608

The Commissioner finds that, by reason of the foregoing, Escrows Unlimited, Inc. has violated Financial Code section 17406, which constitutes grounds for the suspension of its escrow agent's license under Financial Code section 17602.5.

WHEREFORE, IT IS PRAYED that Escrows Unlimited, Inc.'s escrow agent's license be suspended, pursuant to Financial Code section 17608, for period of one month or until the 2010 Annual Report is filed, whichever is greater.

V.

ORDER IMPOSING PENALTIES PURSUANT TO FINANCIAL CODE SECTION 17408

The Commissioner finds that Escrows Unlimited, Inc. failed to file its 2010 Annual Report, as required by Financial Code section 17406, which are grounds for penalties under Financial Code section 17408.

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WHEREFORE, IT IS ORDERED that Escrows Unlimited, Inc. pay to the Commissioner, $50 in penalties for the first five days that the 2010 Annual Report was not submitted by the demand date and $250 per day thereafter until the 2010 Annual Report is filed, the sum of which is $11,250 as of the date of this Accusation and Order.

Dated: January 26, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
Alan S. Weinger
Deputy Commissioner

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