PRESTON DuFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
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Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. GOLDEN EMPIRE ESCROW, INC., Respondent.	File No.: 963-2377 ACCUSATION

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

I

Golden Empire Escrow, Inc. ("Respondent" or "Golden Empire Escrow") is an escrow agent licensed by the Commissioner, license number 963-2377, pursuant to the Escrow Law of the State of California (California Financial Code section 17000 *et seq.*).

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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 ("audit report") within one hundred and five (105) days after the close of their designated fiscal year. Respondent's fiscal year ends on June 30th of each calendar year. Accordingly, Respondent was required to file an audit report on or before October 13, 2009 and on or before October 13, 2010 for Respondent's fiscal year ends of June 30, 2009 and June 30, 2010.

On or about October 19, 2009 and again on October 21, 2010, Complainant notified Respondent in writing that it had ten (10) days to file its audit report for that fiscal year or be subject to potential action, including revocation of its license. Respondent, however, has yet to file both audit reports as required by Financial Code section 17406.

III

Failing to file the audit reports as required by Financial Code section 17406 constitutes grounds for action under the Escrow Law.

Financial Code section 17602.5 provides in pertinent part as follows:

> If any licensed escrow agent fails to make any reports required by law or by the commissioner within ten (10) days from the day 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.

In addition, 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.

IV

Complainant finds that, by reason of the foregoing, Respondent has violated Financial Code section 17406, by failing to file its 2009 and 2010 fiscal year audit reports, which constitutes grounds under Financial Code sections 17602.5 and 17608 for the suspension of its escrow agent's license.

WHEREFORE, IT IS PRAYED that the Respondent's escrow agent's license be revoked.

Dated: January 5, 2011
Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
Lindsay B. Herrick
Corporations Counsel

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