PRESTON DuFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
Deputy Commissioner
JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
Department of Corporations
320 West 4th Street, Ste. 750
Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. MS ESCROW SERVICES, Respondent.	File No.: 963-2473 ORDER IMPOSING PENALTIES PURSUANT TO CALIFORNIA FINANCIAL CODE SECTION 17408

TO: MS ESCROW SERVICES
11841 Parmount Boulevard, Suite E
Downey, California 90241

NOW THEREFORE the California Corporations Commissioner ("Commissioner") having found that MS Escrow Services failed to file its annual audit report containing audited financial statements for its fiscal year ended March 31, 2011 as required by Financial Code section 17406, MS Escrow Services is hereby ordered, pursuant to Financial Code section 17408, to pay to the Commissioner the sum of $27, 500.00, plus an additional $250.00 a day for each day after March 15, 2011that the annual audit report is not filed.

Pursuant to Financial Code section 17406, MS Escrow Services ("MS Escrow") was required

State of California – Department of Corporations

to submit its annual audit report for the fiscal year ended March 31, 2011 ("2011 audit report") to the Commissioner on or before July 15, 2011.

On or about February 7, 2011, Complainant notified Respondent in writing that its audit report was due July 15, 2011. Respondent failed to file the audit report by July 15, 2011.

On or about July 22, 2011, a follow up letter was sent to Respondent concerning its failure to file the audit report. Respondent was notified in the letter that failure to file to the audit report within ten days of the date of the letter could result in assessment of penalties, a special examination and/or administrative action.

Respondent has yet to file the audit report as required by Financial Code section 17406.

Financial Code Section 17408, subdivisions (b) – (e) provides as follows:

> (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.. . . The amount of the penalty shall be one hundred dollars ($100) for each day for the first five days the report or information is overdue and, thereafter, 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.

Dated: November 7, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
Alan S. Weinger
Deputy Commissioner
Enforcement Division

State of California – Department of Corporations