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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. HAVEN ESCROW, INC., Respondent.	File No.: 963-2548 ACCUSATION IN SUPPORT OF REVOCATION OF CALIFORNIA ESCROW AGENT'S LICENSE

The Complainant is informed and believes and based upon such information and belief, alleges and charges as follows:

I

Haven Escrow, Inc. ("Respondent") is an escrow agent licensed by the California Corporations Commissioner ("Commissioner" or "Complainant") of the Department of Corporations ("Department") pursuant to the Escrow Law of the State of California (California Financial Code Section 17000 *et seq*.).

II

The Commissioner received a letter from Respondent dated June 2, 2011, informing that it wished to surrender its California escrow agent's license.

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On June 17, 2011, the Commissioner sent a certified letter to Respondent at its last known address on file with the Commissioner, which was received by Respondent on June 20, 2011. This letter notified Respondent that, as a condition of license surrender pursuant to Financial Code section 17600, subdivision (b), the licensee is required to engage a certified public account to conduct a closing audit of the licensee's records ("closing audit report") and report findings of compliance with the Escrow Law to the Commissioner within 105 days from the date of the application to surrender the license.

Pursuant to Financial Code section 17600, subdivision (b), the Respondent's closing audit report was due 105 days from the date of application to surrender its escrow agent's license, which was September 18, 2011.

To date, the Commissioner has received neither a response to the June 17, 2011 letter nor the closing audit report from Respondent.

Pursuant to California Financial Code section 17406, all licensees under the Escrow Law are required to file an annual audit report containing audited financial statements ("annual audit report") within one hundred five (105) days after the close of their fiscal year. Respondent's fiscal year-end is July 31, 2010. Accordingly, Respondent was required to file its annual audit report for the fiscal year ended July 31, 2010, on or before November 15, 2010.

On June 7, 2010, the Commissioner notified Respondent in writing that its annual audit report was due by November 15, 2010. The Commissioner further notified Respondent of the fact that its failure to file its annual report by November 15, 2010 could result in the suspension or revocation of its escrow agent's license.

Respondent has yet to file the annual audit report as required under California Financial Code section 17406.

On May 30, 2011 the Commissioner sent an Assessment Notice to Respondent notifying it that the assessment of $2,800.00 required by Financial Code section 17207 of the Escrow Law was due and payable by June 30, 2011. As of this date the assessment has not been paid.

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III

Financial Code section 17600, subdivision (b), provides as follows:

> A licensee that ceases to engage in the business regulated by this division and desires to no longer be licensed shall notify the commissioner in writing and, at that time, tender the license and all other indicia of licensure to the commissioner. Within 105 days of the written notice to the commissioner, the licensee shall submit to the commissioner, at its own expense, a closing audit report as of the date the license is tendered to the commissioner for surrender, or for another period as the commissioner may specify, to be performed by an independent certified public accountant. The closing audit shall include, but not be limited to, information required by the commissioner, a bank reconciliation of the trust account, and a verified statement from a certified public accountant confirming lawful disbursement of funds. A license is not surrendered until the commissioner has reviewed and accepted the closing audit report, a determination has been made by the commissioner that acceptance of the surrender is in the public interest, and tender of the license is accepted in writing by the commissioner.

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 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 17207 provides in pertinent part:

> The commissioner shall charge and collect the following fees and assessments:

(e) (1) Each escrow agent shall pay to the commissioner for the support of this division for the ensuing year an annual license fee not to exceed two thousand eight hundred dollars ($2800) for each office or location.

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 Haven Escrow, Inc. has violated Financial Code sections 17207, 17406, and 17600, and it is in the best interests of the public to revoke Respondent's escrow agent's license pursuant to Financial Code section 17608.

WHEREFORE, IT IS PRAYED that the California escrow agent's license of Respondent Haven Escrow, Inc. be revoked.

Dated: November 1, 2011
Los Angeles, CA

California Corporations Commissioner

By_____
ALAN S. WEINGER
Deputy Commissioner

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