

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
3 ALAN S. WEINGER (CA BAR NO. 86717)  
Lead Corporations Counsel  
4 JENNIFER A. GRANAT (CA BAR NO. 199868)  
Corporations Counsel  
5 Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
6 Los Angeles, California 90013-2344  
Telephone: (213) 576-7518 Fax: (213) 576-7181

7 Attorneys for Complainant  
8

9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of the Order of THE ) File No.: 963-1634  
12 CALIFORNIA CORPORATIONS )  
13 COMMISSIONER, ) ORDER IMPOSING PENALTIES PURSUANT  
 ) TO CALIFORNIA FINANCIAL CODE  
14 Complainant, ) SECTION 17408  
 )  
15 v. )  
 )  
16 MICHAEL-THOMAS ESCROW, )  
17 )  
18 Respondent. )  
 )

19  
20 TO: MICHAEL-THOMAS ESCROW  
2659 Townsgate Road, Suite 138  
21 Westlake Village, CA 91361

22 THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA FINDS

23 THAT:

24 Pursuant to California Financial Code section 17406, Michael-Thomas Escrow  
25 (“Respondent”) was required to submit its annual audit report containing audited financial  
26 statements (“Audit Report”) for the fiscal year ended February 28, 2007 to the California  
27 Corporations Commissioner (“Commissioner”) on or before June 15, 2007.  
28

1 On or about January 25, 2007, the Commissioner notified Respondent in writing of the due  
2 date of the Audit Report and the penalties for failure to file the Audit Report by such date.

3 On June 28, 2007, Respondent filed its audit report with the Commissioner, twelve (12) days  
4 late.

5  
6 Financial Code section 17408, subdivisions (b) - (e) provide as follows:

7 (b) The commissioner may impose, by order, a penalty on any  
8 person who fails, within the time specified in any written demand of  
9 the commissioner, (1) to make and file with the commissioner any  
10 report required by law or requested by the commissioner . . . The  
11 amount of the penalty may not exceed one hundred dollars (\$100)  
12 for each day for the first five days the report or information is  
13 overdue, and thereafter may not exceed five hundred dollars (\$500)  
14 for each day the report or information is overdue.

15 (c) If, after an order has been made under subdivision (b), a  
16 request for hearing is filed in writing within 30 days of the date of  
17 service of the order by the person to whom the order was directed, a  
18 hearing shall be held in accordance with the Administrative  
19 Procedure Act, Chapter 5 (commencing with Section 11500) of Part  
20 1 of Division 3 of Title 2 of the Government Code, and the  
21 commissioner shall have all the powers granted under that chapter.

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

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

29 NOW, THEREFORE, the Commissioner having found that Michael-Thomas Escrow failed  
30 to timely file its Audit Report for fiscal year ended February 28, 2007 as required by Financial  
31 Code section 17406, it is hereby ordered pursuant to Financial Code section 17408 that Michael-  
32 Thomas Escrow pay the Commissioner the sum of \$1200.00.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Dated: November 5, 2007  
Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Lead Corporations Counsel  
Enforcement Division