

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 MARISA I. URTEAGA-WATKINS (CA BAR NO. 236398)
4 Corporations Counsel
Department of Corporations
5 1515 K Street, Suite 200
6 Sacramento, California 95814
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8 Attorneys for Complainant

9
10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA
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14)
14 In the Matter of the Accusation of THE) File No.: 963-1969
15 CALIFORNIA CORPORATIONS)
15 COMMISSIONER,) ORDER IMPOSING PENALTIES PURSUANT
16) TO CALIFORNIA FINANCIAL CODE
16 Complainant,) SECTION 17408
17)
18 vs.)
19 DIAMOND QUALITY ESCROW, INC.,)
20 Respondent.)
21)

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23 TO: DIAMOND QUALITY ESCROW, INC.
24 15325 Fairfield Ranch Road, Suite 160
25 Chino Hills, California 91709
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27 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
28 found that DIAMOND QUALITY ESCROW, INC. failed to file its annual audit report containing
audited financial statements for its fiscal year ended January 31, 2009 (herein “Annual Report”) as

1 required by Financial Code section 17406, DIAMOND QUALITY ESCROW, INC. is hereby
2 ordered, pursuant to Financial Code section 17408, to pay to the Commissioner the sum of
3 \$13,500.00, plus an additional \$100.00 per calendar day for each day after the date of this Order that
4 the Annual Report is not filed.

5 Pursuant to Financial Code section 17406, DIAMOND QUALITY ESCROW, INC.
6 (“DIAMOND”) was required to submit its Annual Report for the fiscal year ended January 31, 2009
7 to the Commissioner on or before May 15, 2009.

8 On or about December 3, 2008, Complainant notified Respondent in writing that its Annual
9 Report was due on or before May 15, 2009. Respondent failed to file the Annual Report by May 15,
10 2009. On or about June 24, 2009, a follow up letter was sent to Respondent concerning its failure to
11 file the Annual Report. Respondent was notified in the letter that failure to file to the Annual
12 Report could result in assessment of penalties, a special examination and/or administrative action.
13 DIAMOND has yet to file the Annual Report as required by Financial Code section 17406.

14 DIAMOND has yet to file the Audit Report as required by Financial Code section 17406.

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

17 (b) The commissioner may impose, by order, a penalty on any person
18 who fails, within the time specified in any written demand of the
19 commissioner, (1) to make and file with the commissioner any report
20 required by law or requested by the commissioner. . . . The amount of the
21 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.

22 (c) If, after an order has been made under subdivision (b), a request for
23 hearing is filed in writing within 30 days of the date of service of the order
24 by the person to whom the order was directed, a hearing shall be held
25 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.

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

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(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 17, 2009
Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Deputy Commissioner