

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
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4 Department of Corporations
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11 CALIFORNIA CORPORATIONS) File No.: 963-2327
12 COMMISSIONER,)
13 Complainant,) ORDER IMPOSING PENALTIES PURSUANT
14 vs.) TO CALIFORNIA FINANCIAL CODE
15 NORTHWEST ESCROW SERVICES CORP.,) SECTION 17408
16 Respondent.)
17)
18)

19 TO: NORTHWEST ESCROW SERVICES CORP.
20 2901 W. Coast Highway, Suite 200
21 Newport Beach, CA 92663

22 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
23 found that Northwest Escrow Services Corp. failed to file its annual audit report containing audited
24 financial statements for its fiscal year ending June 30, 2009, as required by Financial Code section
25 17406, Northwest Escrow Services Corp. is hereby ordered, pursuant to Financial Code section
26 17408, to pay to the Commissioner the sum of \$8,900.00, plus an additional \$100.00 a day for each
27 day after January 28, 2010, that the annual audit report is not filed.
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1 Pursuant to Financial Code section 17406, Northwest Escrow Services Corp. (“Northwest
2 Escrow”) was required to submit its annual audit report for the fiscal year ending on June 30, 2009
3 (“2007 audit report”) to the Commissioner on or before October 15, 2009.

4 On or about May 12, 2009, the Commissioner notified Northwest Escrow in writing that its
5 audit report was due October 15, 2009. Northwest Escrow failed to file the audit report by October
6 15, 2009.

7 On or about October 21, 2009, a follow up letter was sent to Northwest Escrow demanding
8 that it file the audit report. Northwest Escrow was notified in the letter that failure to file to the audit
9 report could result in assessment of penalties, a special examination and/or administrative action.
10 Northwest Escrow was told in the letter that if its annual report was not received by the
11 Commissioner by October 31, 2009, the Commissioner would assess penalties of \$100 per day for
12 the first five days, and up to \$500 per day for each day thereafter until the report was received.
13 Northwest Escrow received the Commissioner’s letter, sent via certified mail, on October 23, 2009.

14 Northwest Escrow has yet to file the 2009 audit report as required by Financial Code section
15 17406.

16 Financial Code Section 17408, subdivisions (b) through (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
22 days the report or information is overdue, and thereafter may not exceed five
23 hundred dollars (\$500) for each day the report or information is overdue.

24 (c) If, after an order has been made under subdivision (b), a request for
25 hearing is filed in writing within 30 days of the date of service of the order
26 by the person to whom the order was directed, a hearing shall be held
27 in accordance with the Administrative Procedure Act, Chapter 5 (commencing
28 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.

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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 made.

Dated: January 28, 2010
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan Weinger
Deputy Commissioner