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California Corporations Commissioner
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

11 In the Matter of THE CALIFORNIA) File No.: 963-2001
12 CORPORATIONS COMMISSIONER,)
13) 1) ACCUSATION; and
14 Complainant,) 2) ORDER IMPOSING PENALTIES
15 vs.) PURSUANT TO FINANCIAL CODE
16 ORACLE ESCROW, INC.,) SECTION 17408
17 Respondent.)

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19 The California Corporations Commissioner (“Commissioner”) is informed and believes and
20 based upon such information and belief, alleges and charges as follows:

21 I.

22 Oracle Escrow, Inc. (“Respondent” or “Oracle”) is an escrow agent licensed by the
23 Commissioner pursuant to the Escrow Law of the State of California (California Financial Code
24 Section 17000 et seq.) with its principal place of business at 8043 2nd Street, Suite 102, Downey, CA
25 90241.

26 II.

27 Pursuant to Financial Code section 17406; all licensees under the Escrow Law are required to file an
28 annual report containing audited financial statements (“Annual Report”) within one hundred and five

1 (105) days after the close of their fiscal years. Oracle's fiscal year end was July 31, 2010.

2 Accordingly, Oracle was required to file its Annual Report on or before November 15, 2010.

3 On or about June 7, 2010, the Commissioner provided advance notice to Oracle in writing
4 that its 2010 Annual Report would be due on November 15, 2010. Oracle was notified in a June 7,
5 2010 letter that failure to file the Annual Report by the deadline could result in assessment of
6 penalties, a special examination and/or administrative action. Oracle failed to file the 2010 Annual
7 Report by November 15, 2010.

8 On or about November 29, 2010, a 10-day demand letter was sent by certified mail to Oracle
9 concerning its failure to file the 2010 Annual Report. The commissioner demanded in the letter that
10 Oracle file its 2010 Annual Report within 10 days of November 29, 2010, or the Commissioner
11 would assess penalties for each day the report is late, in addition to possibly conducting a special
12 examination and/or taking administrative action. As of the date of the Accusation and Order, Oracle
13 has still not filed its 2010 Annual Report as required by Financial Code section 17406. Oracle has
14 previously failed to file its Annual Report for 2006 and 2007. The Department initiated an
15 administrative action, and a hearing was held and an Order was adopted on March 13, 2009, which
16 suspended the escrow agent's license of Oracle unless the reports were filed, and if the reports were
17 not filed by May 1, 2009, then the license was to be revoked. Oracle did subsequently file the two
18 reports.

19 III

20 Financial Code section 17602.5 provides in pertinent part:

21 If any licensed escrow agent fails to make any reports required by law
22 or by the commissioner within ten (10) days from the date designated
23 for the making of the reports, or within any extension of time granted
24 by the commissioner, . . . such failure shall constitute grounds for
the suspension or revocation of the license held by such escrow agent.

25 Financial Code section 17608 provides in pertinent part:

26 The commissioner may, after notice and a reasonable opportunity to
be heard, suspend or revoke any license if he finds that:

27 (b) The licensee has violated any provision of this division or any
28 rule made by the commissioner under and within the authority of this
division.

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Financial Code section 17408 provides in pertinent part:

(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, or (2) to furnish any material information required by the commissioner to be included in the report. The amount of the penalty may not exceed one hundred dollars (\$100) for each day for the first five days the report or information is overdue and, thereafter, may not exceed 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.

IV.
PRAYER FOR ORDER REVOKING ORACLE ESCROW, INC.’S LICENSE PURSUANT TO FINANCIAL CODE SECTION 17608

The Commissioner finds that, by reason of the foregoing, Oracle Escrow, Inc. has violated Financial Code section 17406, which constitutes grounds for the revocation of its escrow agent’s license under Financial Code section 17602.5

WHEREFORE, IT IS PRAYED that Oracle Escrow, Inc.’s escrow agent’s license be revoked.

V.
ORDER IMPOSING PENALTIES PURSUANT TO FINANCIAL CODE SECTION 17408

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The Commissioner finds that Oracle Escrow, Inc. failed to file its 2010 Annual Report as required by Financial Code section 17406, which are grounds for penalties under Financial Code section 17408.

WHEREFORE IT IS ORDERED that Oracle Escrow, Inc. pay to the Commissioner as provided for in Financial Code section 17408, \$100 in penalties for the first five days that the 2010 Annual Report was not submitted by the demand date of December 9, 2010 and \$500 per day thereafter until the 2010 Annual Report is filed, the sum of which is 58 days times \$500 for a total of \$29,000, plus \$500 to equal a total of \$29,500. This is the amount due as of the date of this Order, and this sum will continue to accrue on a daily basis until such time as the penalties are paid in full.

Dated: February 10, 2011
San Francisco, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner