

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
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7 Attorneys for Complainant
8

9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
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12 In the Matter of THE CALIFORNIA) File No.: 963-2148
CORPORATIONS COMMISSIONER,)
13) ORDER IMPOSING PENALTIES PURSUANT
Complainant,) TO CALIFORNIA FINANCIAL CODE
14) SECTION 17408
15 v.)
16 R & R ESCROW, INC.,)
17)
Respondent.)
18)
19)

20 TO: R & R ESCROW, INC.
21 40 West Cochran Street, Ste.208
Simi Valley, CA 93065

22 THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA FINDS
23

24 THAT:

25 Pursuant to California Financial Code section 17406, R & R ESCROW, INC. (“R & R
26 Escrow”) was required to submit its annual audit report for fiscal year ended May 31, 2006 to the
27 California Corporations Commissioner (“Commissioner”) on or before September 15, 2006.
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1 On or about April 10, 2006, R & R Escrow was notified in writing of the due date of the
2 annual audit report, as well as the possibility of the imposition of fines if the annual audit report was
3 filed late. However, R & R Escrow failed to file its annual audit report for fiscal year ended May 31,
4 2006 until November 13, 2006 — fifty-nine (59) days late.
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6 California Financial Code section 17408(b) – (e) provides as follows:

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

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

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

 NOW, THEREFORE, the Commissioner having found that R & R Escrow failed to file its
annual audit report by the September 15, 2006 due date, and instead filed the report on November
13, 2006, R & R ESCROW, INC. is hereby ordered, pursuant to Financial Code section 17408, to
pay to the Commissioner the sum of \$27,500.

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Dated: August 28, 2007 at Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel