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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
9 OF THE STATE OF CALIFORNIA

10  
11 In the Matter of the Accusation of THE ) File No.: 963-2287  
COMMISSIONER OF BUSINESS )  
12 OVERSIGHT, ) ACCUSATION  
13 )  
Complainant, )  
14 )  
vs. )  
15 )  
16 TOPLINE ESCROW SERVICE, INC., )  
Respondent. )  
17 )  
18 )

19 The Complainant is informed and believes, and based upon such information and belief,  
20 alleges and charges Respondent as follows:

21 I

22 Respondent Topline Escrow Service, Inc. ("Topline") is an escrow agent licensed by the  
23 Commissioner of Business Oversight ("Commissioner" or "Complainant") pursuant to the Escrow  
24 Law of the State of California (California Financial Code Section 17000 et seq.). Topline had its  
25 principal place of business located at 563 S. Brand Boulevard, San Fernando, California 91340.

26 II

27 On or about February 19, 2013, Topline submitted its escrow agent's license to the  
28 Commissioner for surrender. On or about February 28, 2013, a letter was sent to Topline outlining

1 all the requirements for surrender of an escrow agent’s license, including submission to the  
2 Commissioner of a closing audit prepared by a certified public accountant within 105 days of receipt  
3 of the surrender request as required by Financial Code sections 17406(c) and 17600(b).

4 On or about May 24, 2013, Topline submitted a request for an unspecified extension. On or  
5 about June 24, 2013, when no closing audit had still been received, the Commissioner gave written  
6 notification to Topline that failure to file the closing audit within 10 days would result in an action to  
7 revoke its escrow agent’s license. The Commissioner has yet to receive a closing audit from Topline  
8 as required by Financial Code sections 17406(c) and 17600(b).

9 III

10 Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to  
11 file an annual audit report containing audited financial statements (“audit report”) within one  
12 hundred and five (105) days after the close of their fiscal year. The fiscal year end for Topline is  
13 October 31. Accordingly, Topline was required to file its audit report on or before February 15,  
14 2013.

15 On or about September 10, 2012, the Commissioner notified Topline in writing that its audit  
16 report was due February 15, 2013. Topline failed to file the audit report by February 15, 2013.

17 On or about February 19, 2013, Topline submitted its license for surrender as described in  
18 Section II above. Topline has never submitted a closing audit pursuant to Financial Code sections  
19 17406(c) and 17600(b). As such, Topline was obligated to submit an audit report for the fiscal year  
20 end October 31, 2012 pursuant to Financial Code section 17406(a).

21 Respondent has yet to submit the audit report as required by Financial Code section 17406.

22 IV

23 California Financial Code section 17608 provides in pertinent part:

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

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

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V

Complainant finds that, by reason of the foregoing, Respondent Topline Escrow Service, Inc. has violated Financial Code sections 17406(a), 17406(c) and 17600(c), which constitutes grounds for the revocation of its escrow agent’s license.

WHEREFORE, IT IS PRAYED that the escrow agent’s license of Respondent Topline Escrow Service, Inc. be revoked.

Dated: October 4, 2013  
Los Angeles, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
Judy L. Hartley  
Senior Corporations Counsel  
Enforcement Division