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8

9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

11
12 In the Matter of THE CALIFORNIA) File No.: 963-2287
CORPORATIONS COMMISSIONER,)
13) ORDER IMPOSING PENALTIES PURSUANT
Complainant,) TO CALIFORNIA FINANCIAL CODE
14) SECTION 17408
15 vs.)
16)
TOPLINE ESCROW SERVICE, INC.,)
17)
Respondent.)
18)
19)

20 TO: TOPLINE ESCROW SERVICE, INC.
21 15924 Nordoff Street, Suite 16
22 Northridge, California 91324

23 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
24 found that Topline Escrow Service, Inc. failed to file its annual audit report containing audited
25 financial statements for its fiscal year ended October 31, 2007 as required by Financial Code section
26 17406, Topline Escrow Service, Inc. is hereby ordered, pursuant to Financial Code section 17408, to
27 pay to the Commissioner the sum of \$9,500.00, plus an additional \$100.00 a day for each day after
28 May 18, 2008 that the annual audit report is not filed.

1 Pursuant to Financial Code section 17406, Topline Escrow Service, Inc. (“Topline”) was
2 required to submit its annual audit report for the fiscal year ended October 31, 2007 (“2007 audit
3 report”) to the Commissioner on or before February 15, 2008.

4 On or about September 10, 2007, the Commissioner notified Topline in writing that its 2007
5 audit report was due February 15, 2008. Topline failed to file the 2007 audit report by February 15,
6 2008.

7 On or about February 21, 2008, a follow up letter was sent to Topline concerning its failure
8 to file the 2007 audit report. Topline was notified in the letter that failure to file to the 2007 audit
9 report could result in assessment of penalties, a special examination and/or administrative action.

10 Topline has yet to file the 2007 audit report as required by Financial Code section 17406.

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

12 (b) The commissioner may impose, by order, a penalty on any person
13 who fails, within the time specified in any written demand of the
14 commissioner, (1) to make and file with the commissioner any report
15 required by law or requested by the commissioner. . . . The amount of the
16 penalty shall be one hundred dollars (\$100) for each day for the first five
17 days the report or information is overdue and, thereafter, five hundred dollars
18 (\$500) for each day the report or information is overdue.

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

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

Dated: May 19, 2008
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger, Lead Corporations Counsel