

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 JOYCE TSAI (CA BAR NO. 241908)
Corporations Counsel
4 Department of Corporations
1350 Front Street, Suite 2034
5 San Diego, CA 92101
Telephone: (619) 525-4043 Fax: (619) 525-4045
6 Attorneys for Complainant

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

10
11 CALIFORNIA CORPORATIONS) File No.: 963-2272
COMMISSIONER,)
12)
13 Complainant,) ORDER IMPOSING PENALTIES PURSUANT
14 vs.) TO CALIFORNIA FINANCIAL CODE
SECTION 17408
15 AMERICAN LIBERTY ESCROW, INC.,)
16 Respondent.)
17)
18)

19
20 TO: AMERICAN LIBERTY ESCROW, INC.
21 18231 Irvine Blvd., #203
22 Tustin, CA 92780

23 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
24 found that American Liberty Escrow, Inc. failed to file its annual audit report containing audited
25 financial statements for its fiscal year ending on December 31, 2008, as required by Financial Code
26 section 17406, American Liberty Escrow, Inc. is hereby ordered, pursuant to Financial Code section
27 17408, to pay to the Commissioner the sum of \$11,300.00, plus an additional \$100.00 a day for each
28 day after October 27, 2009, that the annual audit report is not filed.

1 Pursuant to Financial Code section 17406, American Liberty Escrow, Inc. (“American
2 Liberty”) was required to submit its annual audit report for the fiscal year ending on December 31,
3 2008 (“2008 audit report”) to the Commissioner on or before April 15, 2009.

4 On or about November 17, 2008, Complainant notified Respondent in writing that its 2008
5 audit report was due April 15, 2009. Respondent failed to file the audit report by April 15, 2009.

6 On or about June 26, 2009, a follow up letter was sent to Respondent concerning its failure to
7 file the audit report. Respondent was notified in the letter that failure to file the 2008 audit report
8 within ten (10) days could result in assessment of penalties, a special examination and/or
9 administrative action. Respondent received Complainant’s letter on June 30, 2009.

10 American Liberty has yet to file the 2008 audit report as required by Financial Code section
11 17406.

12 Financial Code Section 17408, subdivisions (b) through (e), provides as follows:

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

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

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

///

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: October 27, 2009
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Deputy Commissioner