

1 PRESTON DUFAUCHARD
California Corporations Commissioner
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

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In the Matter of THE CALIFORNIA
11 CORPORATIONS COMMISSIONER,

) File No.: 963-0873

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Complainant,

) **ORDER IMPOSING PENALTIES**
) **PURSUANT TO CALIFORNIA FINANCIAL**
) **CODE SECTION 17408**

13

v.

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DEPENDABLE ESCROW CO.,

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Respondent.

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TO: DEPENDABLE ESCROW CO.
2001 West Beverly Blvd.
20 Montebello, California 90640

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NOW THEREFORE the California Corporations Commissioner ("Commissioner") having
22 found that Dependable Escrow Co. ("Dependable Escrow") failed to timely file its annual audit report
23 containing audited financial statements ("annual audit report") for its fiscal year ended December 31,
24 2007 as required by Financial Code section 17406, it is hereby ordered, pursuant to Financial Code
25 section 17408, that Dependable Escrow pay the Commissioner the sum of \$76,500.00, plus an
26 additional \$500.00 for each day after September 19, 2008 that the annual audit report is not filed.

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1 Pursuant to Financial Code section 17406, Dependable Escrow was required to submit its
2 audit report for the fiscal year ended December 31, 2007 to the Commissioner on or before April 15,
3 2008.

4 The Commissioner notified Dependable Escrow in writing on or about November 13, 2007 of
5 the due date of the annual audit report as well as the possibility of the imposition of fines if the
6 annual audit report was filed late.

7 On or about April 14, 2008, Dependable Escrow's principal wrote to the Commissioner's
8 special administrator, requesting a filing extension for the annual audit report. On or about April 15,
9 2008, the Commissioner's special administrator granted Dependable Escrow a two-week filing
10 extension. Accordingly, Dependable Escrow had until April 30, 2008 to file its annual audit report
11 for its fiscal year ended December 31, 2007. The Commissioner's special administrator specifically
12 warned Dependable Escrow in writing, that should it fail to file its annual audit report by the April
13 30th date, penalties would accrue from the original filing deadline of April 15, 2008.

14 Dependable Escrow failed to file its annual audit report by April 30, 2008.

15 Finally on or about May 7, 2008, the Commissioner again notified Dependable Escrow in
16 writing of the due date of its annual audit report and the possibility of the imposition of fines if the
17 report was filed late. To date, Dependable Escrow has yet to file its annual audit report with the
18 Commissioner.

19 Financial Code section 17408, subdivisions (b) - (e) provide as follows:

20 (b) The commissioner may impose, by order, a penalty on any person who
21 fails, within the time specified in any written demand of the commissioner, (1)
22 to make and file with the commissioner any report required by law or
23 requested by the commissioner . . . The amount of the penalty may not exceed
24 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.

25 (c) If, after an order has been made under subdivision (b), a request for
26 hearing is filed in writing within 30 days of the date of service of the order by
27 the person to whom the order was directed, a hearing shall be held in
28 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.

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(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 made.

DATED: September 19, 2008
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Acting Deputy Commissioner