

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
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4 Department of Corporations
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11 CALIFORNIA CORPORATIONS) File No.: 963-0205
12 COMMISSIONER,)
13 Complainant,) ORDER IMPOSING PENALTIES PURSUANT
14 vs.) TO CALIFORNIA FINANCIAL CODE
15 MONROVIA ESCROWS,) SECTION 17408
16 Respondent.)
17)
18)

20 TO: MONROVIA ESCROWS
21 346 West Foothill Boulevard
22 Monrovia, CA 91016

24 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
25 found that Monrovia Escrows failed to file its annual audit report containing audited financial
26 statements for its fiscal year ending December 31, 2009, as required by Financial Code section
27 17406, Monrovia Escrows is hereby ordered, pursuant to Financial Code section 17408, to pay to the
28 Commissioner the sum of \$29,500.00, plus an additional \$250.00 a day for each day after September

1 27, 2010, that the annual audit report is not filed.

2 Pursuant to Financial Code section 17406, Monrovia Escrows (“Monrovia”) was required to
3 submit its annual audit report for the fiscal year ending on December 31, 2009 (“2009 audit report”)
4 to the Commissioner on or before April 15, 2010.

5 On or about November 2, 2009, the Commissioner notified Monrovia in writing that its audit
6 report was due on April 15, 2010. Monrovia failed to file the audit report by April 15, 2010.

7 On or about May 19, 2010, a follow up letter was sent to Monrovia demanding that it file the
8 audit report. Monrovia was notified in the letter that failure to file to the audit report could result in
9 assessment of penalties, a special examination and/or administrative action. Monrovia was told in
10 the letter that if its annual report was not received by the Commissioner within 10 days of the date of
11 the letter, the Commissioner would assess penalties of \$100 per day for the first five days, and up to
12 \$500 per day for each day thereafter until the report was received. Monrovia received the
13 Commissioner’s letter, sent via certified mail, on May 20, 2010.

14 Monrovia has yet to file the 2009 audit report as required by Financial Code section 17406.

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

16 (b) The commissioner may impose, by order, a penalty on any person
17 who fails, within the time specified in any written demand of the
18 commissioner, (1) to make and file with the commissioner any report
19 required by law or requested by the commissioner. . . . The amount of the
20 penalty shall be 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.

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

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
five business days.

28 (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

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made.

Dated: September 27, 2010
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan Weinger
Deputy Commissioner