

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 JOHNNY VUONG (State Bar No. 249570)
Senior Counsel
4 Department of Business Oversight
5 320 W. 4th Street, Suite 750
6 Los Angeles, California 90013
7 Telephone: (213) 576-7585
8 Facsimile: (213) 576-7181
Attorneys for Complainant

10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
11 OF THE STATE OF CALIFORNIA

13 In the Matter of:) ESCROW LICENSE NO. 963-2552
14 THE COMMISSIONER OF BUSINESS)
15 OVERSIGHT,)
16 Complainant,) ORDER REVOKING NORTHERN
17 v.) CALIFORNIA ESCROW SERVICES, INC.'S
18 NORTHERN CALIFORNIA ESCROW) ESCROW AGENT LICENSE
19 SERVICES, INC.)
20 Respondent.)

23 The Commissioner of Business Oversight (“Commissioner”) finds that:

24 1. Northern California Escrow Services, Inc. (“NCES”) is an escrow agent licensed by
25 the Commissioner pursuant to the Escrow Law of the State of California (Financial Code Section
26 17000 et seq.), with its principal place of business at 5540 Almaden Expressway, #A, San Jose, CA
27 95118.

I

Failure to File Annual Report

2. Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to file an annual audit report containing audited financial statements (“Annual Report”) within 105 days after the close of their fiscal year. NCES’s fiscal year end for 2013 was June 30, 2013. Accordingly, NCES was required to file its 2013 Annual Report on or before October 15, 2013.

3. On October 21, 2013, the Commissioner demanded in a letter served by certified mail on NCES that their 2013 Annual Report was due within 10 days of October 21, 2013, or the Commissioner would assess penalties for each day the report is late, in addition to possibly conducting a special examination and/or taking administrative action. To date, NCES has not filed its 2013 Annual Report and the 2013 Annual Report.

II

Failure to Pay Penalties

4. Pursuant to Financial Code section 17408, the Commissioner may issue an order imposing penalties based on the failure to file reports demanded by the Commissioner. Pursuant to Financial Code section 17408, subdivision (e), if a hearing is requested upon the order imposing penalties and a final decision is made, the penalties are due within 5 business days after the effective date of any decision ordering the penalty payments.

5. On or about August 25, 2014, an administrative hearing was held at the Office of Administrative Hearings on the Commissioner’s Accusation and Order Imposing Penalties issued against NCES on February 4, 2014.

6. On or about August 28, 2014, a proposed decision in the matter was issued by the Administrative Law Judge (“Proposed Decision”).

7. On or about December 11, 2014, the Commissioner adopted the Proposed Decision as her Decision (“Final Decision”) on the matter. The Final Decision became effective on January 10, 2015.

8. Pursuant to the Final Decision, the following Orders were issued:

Order Revoking Northern California Escrow Services, Inc.’s Escrow Agent License Pursuant to Financial Code section 17608

13. On March 13, 2015, the Commissioner issued a Notice of Intention to Issue Order Revoking Northern California Escrow Services, Inc.’s Escrow Agent License, Accusation and accompanying documents against NCES and NCES was served with those documents on March 16, 2015. There has been no request for a hearing received by the Commissioner and the statutory time period to request a hearing has expired.

14. The above-described violations constitute grounds under California Financial Code section 17608 to revoke an escrow agent’s license.

THEREFORE, it is hereby ordered that Respondent Northern California Escrow Services, Inc.’s escrow agent license is hereby revoked.

Dated: May 5, 2015
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division