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California Corporations Commissioner
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8

9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
11

12 CALIFORNIA CORPORATIONS) File No.: 963-2314
COMMISSIONER,)
13) ORDER IMPOSING PENALTIES PURSUANT
Complainant,) TO CALIFORNIA FINANCIAL CODE
14) SECTION 17408
15 vs.)
16 NORTHWEST ESCROW SERVICES CORP.,)
17 Respondent.)
18)
19)

20 TO: NORTHWEST ESCROW SERVICES CORP.
21 2901 W. Coast Highway, Suite 200
22 Newport Beach, CA 92663

23 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having
24 found that Northwest Escrow Services Corp. failed to file its annual audit report containing audited
25 financial statements for its fiscal year ending June 30, 2007, as required by Financial Code section
26 17406, Northwest Escrow Services Corp. is hereby ordered, pursuant to Financial Code section
27 17408, to pay to the Commissioner the sum of \$16,100.00, plus an additional \$100.00 a day for each
28 day after March 24, 2008, that the annual audit report is not filed.

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2 Pursuant to Financial Code section 17406, Northwest Escrow Services Corp. (“Northwest
3 Escrow”) was required to submit its annual audit report for the fiscal year ending on June 30, 2007
4 (“2007 audit report”) to the Commissioner on or before October 15, 2007.

5 On or about May 21, 2007, the Commissioner notified Northwest Escrow in writing that its
6 audit report was due October 15, 2007. Northwest Escrow failed to file the audit report by October
7 15, 2007.

8 On or about October 25, 2007, a follow up letter was sent to Northwest Escrow concerning
9 its failure to file the audit report. Northwest Escrow was notified in the letter that failure to file to
10 the audit report could result in assessment of penalties, a special examination and/or administrative
11 action. Northwest Escrow received the Commissioner’s letter on October 26, 2007.

12 Northwest Escrow has yet to file the 2007 audit report as required by Financial Code section
13 17406.

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

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

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

28 (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.

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Dated: March 24, 2008
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel