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California Corporations Commissioner
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
11

12 CALIFORNIA CORPORATIONS) OAH Case No. 2008040765
13 COMMISSIONER,)
14 Complainant,) SUSPENSION ORDER
15 vs.)
16 NORTHWEST ESCROW SERVICES CORP.,)
17 Respondent.)
18)
19)

20 Pursuant to the Settlement Agreement entered into between the California Corporations
21 Commissioner (“Commissioner”) and Northwest Escrow Services Corp. (“Northwest Escrow”) on
22 May 8, 2008, attached and incorporated herein as Exhibit 1, it is hereby ordered that the escrow
23 agent’s license issued to Northwest Escrow is suspended for a period of fourteen (14) calendar days,
24 commencing on May 19, 2008 and ending on June 1, 2008, during which period Northwest Escrow
25 shall not accept any new escrow business, but may continue to service prior and open escrows, in
26 accordance with Financial Code section 17609.

27 It is further ordered that Northwest Escrow shall file with the Department of Corporations
28 (“Department”) at close of business on May 18, 2008, a list of all open escrows with escrow

1 numbers and escrow party names along with a copy of the signed escrow instructions and signed
2 deposit receipt(s) for the last opened escrow, signed by the president of Northwest Escrow under
3 penalty of perjury. Open escrow means an escrow wherein the parties to such escrow have already
4 entered into a binding agreement and monies and/or escrow instructions have been submitted to
5 Northwest Escrow regarding the transaction. Additionally, Northwest Escrow is ordered to
6 immediately engage its certified public accountant (“CPA”) firm to review the records of Northwest
7 Escrow after the suspension has been completed to determine Northwest Escrow’s compliance with
8 this Order and report its findings to the Department within 30 days of completion of the suspension
9 period. Northwest Escrow’s CPA shall file its report with the Department directly. The
10 Commissioner reserves the right to audit Northwest Escrow for compliance with the suspension
11 notwithstanding the findings of the CPA review.

12 Pursuant to the terms of the Settlement Agreement, Northwest Escrow admits the following
13 for purposes of this Order and any future proceedings initiated by or brought before the California
14 Corporations Commissioner only:

15 1. Northwest Escrow is, and was at all relevant times, an escrow agent licensed by the
16 Commissioner pursuant to the Escrow Law of the State of California, California Financial Code
17 section 17000 *et seq.* Northwest Escrow’s principal place of business is located at 2901 W. Coast
18 Highway, Suite 200, Newport Beach, CA 92663.

19 2. Northwest Escrow’s fiscal year end for 2007 was June 30. Pursuant to California
20 Financial Code section 17406, subdivision (a), Northwest Escrow’s 2007 annual audit report was to
21 have been received by the Commissioner within 105 days after the close of its fiscal year, or October
22 15, 2007.

23 3. The Commissioner served Northwest Escrow at its address of record with written
24 demands for its annual audit report on May 21, 2007 and again on October 25, 2007.

25 4. On April 11, 2008, Northwest Escrow filed its annual audit report with the
26 Commissioner, one hundred seventy-eight days after the October 15, 2007 filing deadline, in
27 violation of Financial Code section 17406, subdivision (a).
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DATED: May 18, 2008
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____
Alan S. Weinger
Lead Corporations Counsel