

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER  
Acting Deputy Commissioner  
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Corporations Counsel  
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS  
9 OF THE STATE OF CALIFORNIA

11 In the Matter of THE CALIFORNIA )  
CORPORATIONS COMMISSIONER, )

File No.: 963-1982

13 Complainant,

) **DEMAND FOR AND ORDER TAKING**  
) **POSSESSION OF THE TRUST FUNDS AND**  
) **ESCROW RECORDS OF PLATINUM**  
) **COAST ESCROW, INC. PURSUANT TO**  
) **FINANCIAL CODE SECTION 17621**

14 v.

15 PLATINUM COAST ESCROW, INC., )

16 Respondent. )  
17 )

18 TO: PLATINUM COAST ESCROW, INC.  
4500 Campus Drive, Suite #127-A  
19 Newport Beach, California 92660

20 3 Longboat  
21 Newport Coast, California 92657

22 COMMERCE WEST BANK  
23 4685 Macarthur Court  
24 Newport Beach, California 92660

25 WHEREAS, Preston DuFauchard, the California Corporations Commissioner  
26 ("Commissioner"), has found that Platinum Coast Escrow, Inc. ("Platinum Coast"), an escrow agent  
27 subject to the Escrow Law (Fin. Code, §§ 17000 et seq.), is unable to remedy certain conditions set  
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1 forth in the Notice and Summary of Findings Pursuant to section 17621 of the Financial Code issued  
2 by the Commissioner on October 9, 2008; and

3 WHEREAS, Respondent is conducting escrow business in an unsafe, injurious and  
4 unauthorized manner, so as to render further operations hazardous to the public and to customers in  
5 that Respondent has:

6 (a) engaged in unauthorized and unsafe practices by removing its escrow agent's business  
7 from the premises or address shown on its license without the prior approval of the Commissioner in  
8 violation of section 17213.1 of the Financial Code;

9 (b) failed to perform monthly bank reconciliations on the trust account since at least  
10 January 31, 2008 in violation of Financial Code section 17404 and Code of Regulations, title 10,  
11 section 1732.2;

12 (c) failed to maintain its books and records, including escrow files, for a period of at least  
13 five (5) years from the close of escrow in violation of Code of Regulations, title 10, section 1737.3;

14 (d) refused to submit its books, papers, and affairs to the inspection of the Commissioner's  
15 examiner in violation of 17405 of the Financial Code;

16 (e) failed to comply with the bonding requirements of Financial Code section 17202 in  
17 that effective May 29, 2008, Bond Number 41106275 issued by Platte River Insurance Company in  
18 favor of Platinum Coast has expired and no replacement bond has been obtained in violation of  
19 section 17202 of the Financial Code;

20 (f) failed to submit its annual audit report ("annual report") for its fiscal year ended  
21 December 31, 2007. Platinum Coast's annual report was due to the Commissioner on or before April  
22 15, 2008. Despite having sent two reminder letters, the Commissioner has not received Platinum  
23 Coast's annual report for its year ended December 31, 2007 in violation of section 17406 of the  
24 Financial Code.

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1 NOW, GOOD CAUSE APPEARING, pursuant to Financial Code section 17621, the  
2 Commissioner, effective this date, hereby demands and takes possession of the trust accounts of  
3 Platinum Coast Escrow, Inc. and all bank and escrow records pertinent thereto, and will retain  
4 possession thereof until the Commissioner appoints a conservator, or until its affairs are finally  
5 liquidated as provided for in Division 6, Chapter 6 of the Financial Code, or it resumes business with  
6 the consent and upon such conditions as the Commissioner may prescribe.

7 Dated: October 9, 2008

8 PRESTON DuFAUCHARD  
9 California Corporations Commissioner

10 By: \_\_\_\_\_  
11 ALAN S. WEINGER  
12 Acting Deputy Commissioner  
13 Enforcement Division  
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