

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
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Deputy Commissioner  
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Attorneys for Complainant

10 BEFORE THE DEPARTMENT OF CORPORATIONS  
11 OF THE STATE OF CALIFORNIA  
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14 In the Matter of the Accusation of THE ) File No.: 963-2395  
CALIFORNIA CORPORATIONS )  
15 COMMISSIONER, ) FIRST AMENDED ORDER IMPOSING  
16 Complainant, ) PENALTIES PURSUANT TO CALIFORNIA  
17 ) FINANCIAL CODE SECTION 17408  
18 vs. )  
19 ROCK & ROLL ESCROW, INC., )  
20 Respondent. )  
21 \_\_\_\_\_ )

22 TO: ROCK & ROLL ESCROW, INC.  
23 12631 E. Imperial Hwy Ste. 20413  
24 Santa Fe Springs CA 90670

25 NOW THEREFORE the California Corporations Commissioner (“Commissioner”,  
26 “Complainant”) having found that ROCK & ROLL ESCROW, INC. failed to file its annual audit  
27 report containing audited financial statements for its original fiscal year ending June 30, 2007, with a  
28 revised fiscal year ending date of November 30, 2007 as required by Financial Code section 17406,

1 ROCK & ROLL ESCROW, INC. is hereby ordered, pursuant to Financial Code section 17408, to  
2 pay to the Commissioner the sum of \$18,500.00 plus an additional \$100.00 per calendar day for each  
3 day after the date of this Order that the Annual Report is not filed.

4 Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to  
5 file an annual audit report containing audited financial statements (“Annual Report”) within one  
6 hundred and five (105) days after the close of their fiscal year.

7 ROCK AND ROLL ESCROW, INC.’s (“Respondent”) original fiscal year end was June 30,  
8 2007 (“Original Fiscal Year End Date”). Accordingly, Respondent was originally required to file its  
9 Annual Report on or before October 15, 2007 (“Original Annual Report Due Date”).

10 On or about May 21, 2007, Complainant notified Respondent in writing of Respondent’s  
11 Original Annual Report Due Date. Respondent failed to file the Annual Report by the Original  
12 Annual Report Due Date. On or about October 25, 2007, a follow up letter was sent to Respondent  
13 concerning its failure to file the Annual Report. Respondent was notified in the letter that failure to  
14 file to the Annual Report could result in assessment of penalties, a special examination and/or  
15 administrative action.

16 Respondent subsequently notified the Commissioner that their fiscal year ending date had  
17 changed. Respondents’ notice, dated March 13, 2008 and received by the Commissioner on March  
18 19, 2008, stated that Respondents revised fiscal year end date was November 30, 2007 (“Revised  
19 Fiscal Year End Date”). Respondent was therefore required to file its Annual Report on or before  
20 March 15, 2008 (“Revised Annual Report Due Date”).

21 To date, Respondent has yet to file the Original Fiscal Year End Date Annual Report or the  
22 Revised Fiscal Year End Date Annual Report as required by Financial Code section 17406.

23 Financial Code Section 17408, subdivisions (b) – (e) provides as follows:

24 (b) The commissioner may impose, by order, a penalty on any person  
25 who fails, within the time specified in any written demand of the  
26 commissioner, (1) to make and file with the commissioner any report  
27 required by law or requested by the commissioner. . . . The amount of the  
28 penalty shall be one hundred dollars (\$100) for each day for the first five  
days the report or information is overdue and, thereafter, five hundred dollars  
(\$500) for each day the report or information is overdue.

(c) If, after an order has been made under subdivision (b), a request for

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hearing is filed in writing within 30 days of the date of service of the order by the person to whom the order was directed, a hearing shall be held 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.

(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 paid.

Dated: April 17, 2008  
Sacramento, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_

Alan S. Weinger, Lead Corporations Counsel