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10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA
12

13 In the Matter of the Accusation of THE) File No.: 963-2395
14 CALIFORNIA CORPORATIONS)
15 COMMISSIONER,) ACCUSATION
16)
Complainant,)
17)
vs.)
18)
ROCK & ROLL ESCROW, INC.,)
19)
Respondent.)
20)
_____)

21
22 The Complainant is informed and believes and based upon such information and belief,
23 alleges and charges as follows:

24 I

25 ROCK & ROLL ESCROW, INC. (“Respondent” or “ROCK & ROLL”) is an escrow agent
26 licensed by the California Corporations Commissioner ("Commissioner" or "Complainant") pursuant
27 to the Escrow Law of the State of California (California Financial Code Section 17000 et seq.).
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II

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 one hundred and five (105) days after the close of their fiscal year. ROCK & ROLL’s fiscal year end is June 30, 2007. Accordingly, Respondent was required to file its Annual Report on or before October 15, 2007.

On or about May 21, 2007, Complainant notified Respondent in writing that its Annual Report was due on or before October 15, 2007. Respondent failed to file the Annual Report by October 15, 2007.

On or about October 25, 2007, a follow up letter was sent to Respondent concerning its failure to file the Annual Report. Respondent was notified in the letter that failure to file to the Annual Report could result in assessment of penalties, a special examination and/or administrative action.

Respondent has yet to file the Annual Report as required by Financial Code section 17406.

III

Financial Code section 17602.5 provides in pertinent part as follows:

If any licensed escrow agent fails to make any reports required by law or by the commissioner within ten (10) days from the date designated for the making of the reports, or within any extension of time granted by the commissioner, . . . such failure shall constitute grounds for the suspension or revocation of the license held by such escrow agent.

Financial Code section 17608 provides in pertinent part:

The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if he finds that:

(b) The licensee has violated any provision of this division or any rule made by the commissioner under and within the authority of this division.

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IV.

Complainant finds that, by reason of the foregoing, ROCK & ROLL has violated Financial Code section 17406, which constitutes grounds for the suspension of its escrow agent’s license.

WHEREFORE, IT IS PRAYED that the Respondent's escrow agent’s license be suspended until such time as Respondent files its Annual Report for the fiscal year end June 30, 2007 or for a period of one month, whichever period is greater.

Dated: March 25, 2008
Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Marisa I. Urteaga-Watkins
Corporations Counsel