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

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12 In the Matter of the Accusation of THE ) File No.: 963-2086  
CALIFORNIA CORPORATIONS )  
13 COMMISSIONER, ) ACCUSATION  
14 )  
Complainant, )  
15 )  
16 vs. )  
17 SAGE CREDIT ESCROW, INC., )  
18 )  
Respondent. )  
19 )  
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21 The Complainant is informed and believes and based upon such information and  
22 belief, alleges and charges as follows:

23 I

24 Sage Credit Escrow, Inc. (“Respondent” or “Sage Credit”) is an escrow agent licensed  
25 by the California Corporations Commissioner ("Commissioner" or "Complainant") pursuant  
26 to the Escrow Law of the State of California (California Financial Code Section 17000 et  
27 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 (“audit report”) within one hundred and five (105) days after the close of their fiscal year. Respondent’s fiscal year end is May 31. Accordingly, Respondent was required to file its audit report on or before September 15, 2007.

On or about April 2, 2007, Complainant notified Respondent in writing that its audit report was due September 15, 2007. Respondent failed to file the audit report by September 15, 2007.

On or about September 27, 2007, a follow up phone call was made to Respondent concerning its failure to file the audit report. Respondent was notified that failure to file to the audit report could result in assessment of penalties, a special examination and/or administrative action. Another phone call was made on December 18, 2007.

Respondent has yet to file the audit 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, Respondent 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 audit report for the fiscal year end May 31, 2007 or for a period of one month, whichever period is greater.

Dated: March 26, 2008  
Sacramento, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Brent S.B. Lindgren  
Senior Corporations Counsel