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7 Attorneys for Complainant

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

12 CALIFORNIA CORPORATIONS) File No.: 963-2267
COMMISSIONER,)
13) ACCUSATION
Complainant,)
14)
15 vs.)
16 SIMPLY ESCROW, INC.,)
17)
Respondent.)
18)
19)

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

22 I

23 Simply Escrow, Inc. (“Respondent” or “Simply Escrow”) is an escrow agent licensed by the
24 California Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow
25 Law, California Financial Code Section 17000 et seq. Respondent’s license was issued on October
26 25, 2005.

27 II

28 Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to

1 file an annual audit report containing audited financial statements (“audit report”) within one
2 hundred and five (105) days after the close of their fiscal year. Respondent’s fiscal year end is
3 December 31. Accordingly, Respondent was required to file its audit report on or before April 15,
4 2007.

5 On or about November 14, 2006, Complainant notified Respondent in writing that its audit
6 report was due April 15, 2007. Respondent failed to file the audit report by April 15, 2007.

7 On or about May 15, 2007, a follow up letter was sent to Respondent concerning its failure to
8 file the audit report. Respondent was notified in the letter that failure to file to the audit report could
9 result in assessment of penalties, a special examination and/or administrative action. Respondent
10 received Complainant’s letter on May 16, 2007.

11 Respondent has yet to file the audit report as required by Financial Code section 17406.

12 III

13 Financial Code section 17602.5 provides in pertinent part as follows:

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

18 Financial Code section 17608 provides in pertinent part:

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

21 ...

22 (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.

23 IV

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

26 WHEREFORE, IT IS PRAYED that the Respondent's escrow agent’s license be suspended
27 until such time as Respondent files its audit report for the fiscal year ending on December 31, 2006,
28 or for a period of one month, whichever period is greater.

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Dated: March 24, 2008
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Joyce Tsai
Corporations Counsel