

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
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8

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

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12 CALIFORNIA CORPORATIONS ) File No.: 963-2267  
COMMISSIONER, )  
13 ) ORDER IMPOSING PENALTIES PURSUANT  
Complainant, ) TO CALIFORNIA FINANCIAL CODE  
14 ) SECTION 17408  
15 vs. )  
16 SIMPLY ESCROW, INC., )  
17 Respondent. )  
18 )  
19 )

20 TO: SIMPLY ESCROW, INC.  
21 13400 Sabre Springs Parkway #170  
22 San Diego, CA 92128

23 NOW THEREFORE the California Corporations Commissioner (“Commissioner”) having  
24 found that Simply Escrow, Inc. failed to file its annual audit report containing audited financial  
25 statements for its fiscal year ending on December 31, 2006, as required by Financial Code section  
26 17406, Simply Escrow, Inc. is hereby ordered, pursuant to Financial Code section 17408, to pay to  
27 the Commissioner the sum of \$34,400.00, plus an additional \$100.00 a day for each day after March  
28 24, 2008, that the annual audit report is not filed.

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2 Pursuant to Financial Code section 17406, Simply Escrow, Inc. (“Simply Escrow”) was  
3 required to submit its annual audit report for the fiscal year ending on December 31, 2006 (“2006  
4 audit report”) to the Commissioner on or before April 15, 2007.

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

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

12 Simply Escrow has yet to file the 2006 audit report as required by Financial Code section  
13 17406.

14 Financial Code Section 17408, subdivisions (b) through (e), provides as follows:

15 (b) The commissioner may impose, by order, a penalty on any person  
16 who fails, within the time specified in any written demand of the  
17 commissioner, (1) to make and file with the commissioner any report  
18 required by law or requested by the commissioner. . . . The amount of the  
19 penalty shall be one hundred dollars (\$100) for each day for the first five  
20 days the report or information is overdue, and thereafter may not exceed five  
21 hundred dollars (\$500) for each day the report or information is overdue.

22 (c) If, after an order has been made under subdivision (b), a request for  
23 hearing is filed in writing within 30 days of the date of service of the order  
24 by the person to whom the order was directed, a hearing shall be held  
25 in accordance with the Administrative Procedure Act, Chapter 5 (commencing  
26 with Section 11500) of Part 1 of Division 3 of Title 2 of the Government  
27 Code, and the commissioner shall have all the powers granted under that chapter.

28 (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  
made.

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Dated: March 24, 2008  
Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Lead Corporations Counsel