

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Lead Corporations Counsel
4 JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
5 Department of Corporations
320 West 4th Street, Ste. 750
6 Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

7 Attorneys for Complainant
8

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

12 In the Matter of the Accusation of THE) File No.: 963-2287
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) SUSPENSION ORDER
14)
Complainant,)
15)
16 vs.)
17 TOPLINE ESCROW SERVICE, INC.,)
18 Respondent.)
19 _____)

20 Pursuant to the Settlement Agreement entered into between the California Corporations
21 Commissioner ("Commissioner") and Topline Escrow Service, Inc. ("Topline") on October 2, 2008,
22 attached and incorporated herein as Exhibit A, it is hereby ordered that the escrow agent's license
23 issued to Topline is suspended for a period of fourteen (14) calendar days to be served in two seven
24 (7) consecutive day periods as follows: October 26, 2008 through November 1, 2008 and November
25 24, 2008 through November 30, 2008, during which periods Respondent shall not accept any new
26 escrow business, but may continue to process existing and open escrows, in accordance with
27 California Financial Code section 17609.
28

1 It is further ordered that Topline shall provide the Commissioner, attention Judy L. Hartley,
2 Senior Corporations Counsel, at close of business on October 24, 2008 and November 21, 2008 a list
3 of all open escrows with escrow numbers and escrow party names along with a copy of the signed
4 escrow instructions and/or signed deposit receipt(s) for the last opened escrow. Open escrow means
5 an escrow wherein the parties to such escrow have already entered into a binding agreement and
6 monies and/or escrow instructions have been submitted to Topline regarding the transaction.

7 Pursuant to the terms of the Settlement Agreement, Topline admits the following for
8 purposes of this Order and any future proceedings initiated by or brought before the California
9 Corporations Commissioner only:

10 1. Topline is an escrow agent licensed by the Commissioner pursuant to the Escrow
11 Law of the State of California (California Financial Code Section 17000 et seq.).

12 2. Pursuant to Financial Code section 17406, all licensees under the Escrow Law are
13 required to file an annual audit report containing audited financial statements (“audit report”) within
14 one hundred and five (105) days after the close of their fiscal year. Topline’s fiscal year end is
15 October 31. Accordingly, Topline was required to file its audit report on or before February 15,
16 2008.

17 3. On September 10, 2007, the Commissioner notified Topline in writing that its audit
18 report was due February 15, 2008. Topline failed to file the audit report by February 15, 2008.

19 4. On February 21, 2008, a follow up letter was sent to Topline concerning its failure to
20 file the audit report. Topline was notified in the letter that failure to file to the audit report could
21 result in assessment of penalties, a special examination and/or administrative action.

22 5. Topline did not file its audit report until June 3, 2008.

23 Dated: October 8, 2008
24 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

25
26 By _____
27 Alan S. Weinger
28 Acting Deputy Commissioner