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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.: 963-2287
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) ACCUSATION
14)
Complainant,)
15)
16 vs.)
17 TOPLINE ESCROW SERVICE, INC.,)
18 Respondent.)
19 _____)

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

22 I

23 Topline Escrow Service, Inc. (“Respondent” or “Topline”) is an escrow agent licensed by the
24 California Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow
25 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 (“audit report”) within one hundred and five (105) days after the close of their fiscal year. Respondent’s fiscal year end is October 31. Accordingly, Respondent was required to file its audit report on or before February 15, 2008.

On or about September 10, 2007, Complainant notified Respondent in writing that its audit report was due February 15, 2008. Respondent failed to file the audit report by February 15, 2008.

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

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.

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

1 until such time as Respondent files its audit report for the fiscal year end October 31, 2007 or for a
2 period of one month, whichever period is greater.

3 Dated: May 16, 2008
4 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

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By _____
Judy L. Hartley
Senior Corporations Counsel