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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of:)
) ESCROW LICENSE NO.: 963-2636
12 THE COMMISSIONER OF BUSINESS)
13 OVERSIGHT,) ACCUSATION
)
14 Complainant,)
)
15 v.)
)
16 NEVAEH’S ESCROW, INC.,)
17)
18 Respondent.)
19)

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

22 I.

23 **Introduction**

24 1. Respondent Nevaeh’s Escrow, Inc. (NEI) is an escrow agent licensed by the
25 Commissioner of Business Oversight (Commissioner) pursuant to the Escrow Law of the State of
26 California (Fin. Code § 17000 et seq.) (Escrow Law). NEI has its principal place of business located
27 at 12139 Mt. Vernon Avenue, Suite 102, Grand Terrace, California 92313.
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1 II.

2 **Failure to File Annual Audit Report**

3 2. Pursuant to Financial Code section 17406, all licensees under the Escrow Law are
4 required to file an annual audit report containing audited financial statements (annual audit report)
5 within one hundred and five (105) days after the close of their fiscal year. NEI’s fiscal year end is
6 September 30. Accordingly, NEI was required to file its audit report for the fiscal year end
7 September 30, 2018 (2018 annual audit report) on or before January 15, 2019.

8 3. On or about August 27, 2018, the Commissioner notified NEI in writing that its 2018
9 annual audit report was due January 15, 2019. NEI failed to file the 2018 annual audit report by
10 January 15, 2019.

11 4. On or about January 24, 2019, a follow up letter was sent to NEI concerning its
12 failure to file the 2018 annual audit report. NEI was notified in the letter that failure to file to the
13 2018 annual audit report within ten days of the date of the letter could result in assessment of
14 penalties, a special examination and/or administrative action.

15 5. On or about February 8, 2019, an email was sent to NEI at its designated email
16 address notifying NEI once again that the Department of Business Oversight (Department) had not
17 received NEI’s 2018 annual audit report. A copy of the January 24, 2019 letter was attached to the
18 email.

19 6. On or about February 8, 2019, NEI responded that it would get together with its CPA
20 and bookkeeper. NEI was urged to file the 2018 annual audit report as soon as possible as NEI was
21 being assessed penalties in the amount of \$100.00 a day for the first 5 days the annual audit report
22 was overdue and thereafter, at a rate of \$500.00 a day for each day the annual audit report was
23 overdue.

24 7. On or about February 21, 2019, NEI requested an extension until April 1, 2019 to
25 submit its 2018 annual audit report. On or about February 22, 2018, the Department notified NEI in
26 writing that its request for an extension was denied because NEI had already been allowed an
27 extension to February 4, 2019.

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1 8. NEI has yet to file its 2018 annual audit report as required by Financial Code section
2 17406.

3 **III.**

4 **Revocation Statute**

5 9. California Financial Code section 17608 provides in pertinent part:

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

8 (b) The licensee has violated any provision of this division or any
9 rule made by the commissioner under and within the authority of this
10 division.

11 **IV.**

12 **Conclusion**

13 10. The Commissioner finds that, by reason of the foregoing, Nevaeh’s Escrow, Inc. has
14 violated Financial Code section 17406, and based thereon, it is in the best interests of the public to
15 revoke the escrow agent license of Nevaeh’s Escrow, Inc. pursuant to Financial Code section 17608.

16 **V.**

17 **Prayer**

18 WHEREFORE, IT IS PRAYED that:

19 Pursuant to Financial Code section 17608, the escrow agent license of Nevaeh’s Escrow, Inc.
20 be revoked.

21 Dated: April 4, 2019
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

22 By _____
23 Judy L. Hartley
24 Senior Counsel
25 Enforcement Division
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27
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