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

11 In the Matter of:)
) ESCROW LICENSE NO.: 963-7063
12 THE COMMISSIONER OF BUSINESS)
13 OVERSIGHT,) ORDER REVOKING ESCROW AGENT
) LICENSE
14 Complainant,)
)
15 v.)
)
16 TUOLUMNE COUNTY ESCROW, INC.,)
17)
18 Respondent.)
)
19)

20 The Commissioner of Business Oversight (Commissioner) finds that:

21 I.

22 **Introduction**

23 1. Respondent Tuolumne County Escrow, Inc. (Tuolumne) is an escrow agent licensed
24 by the Commissioner pursuant to the Escrow Law of the State of California (Fin. Code § 17000 et
25 seq.) (Escrow Law). Tuolumne had its licensed place of business located at 19889 Panorama Place
26 South, Sonora, 95370.

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II.

Failure to File Annual Audit Report

2. Pursuant to Financial Code section 17406, all licensees under the Escrow Law are required to file an annual audit report containing audited financial statements (annual audit report) within 105 days after the close of their fiscal year. Tuolumne’s fiscal year end is December 31. Accordingly, Tuolumne was required to file its audit report for the fiscal year end December 31, 2017 (2017 annual audit report) on or before April 16, 2018.

3. On November 17, 2017, the Commissioner notified Tuolumne in writing that its 2017 annual audit report was due to the Department of Business Oversight (Department) by April 16, 2018. Tuolumne failed to file the 2017 annual audit report by April 16, 2018.

4. On April 24, 2018, a follow-up letter was sent to Tuolumne concerning its failure to file the 2017 annual audit report. Tuolumne was notified in the letter that failure to file the 2017 annual audit report within ten days of the date of the letter could result in assessment of penalties, a special examination and/or administrative action.

5. On May 7, 2018, an email was sent to Tuolumne at its designated email address notifying Tuolumne once again that the Department had not received Tuolumne’s 2017 annual audit report.

6. On May 9, 2018, Tuolumne contacted the Department and was informed of the 10-day demand letter concerning the failure of Tuolumne to file its 2017 annual audit report. Tuolumne stated that its certified public accountant (CPA) was too busy to prepare the 2017 annual audit report and it was planning to surrender its escrow agent license to the Department.

7. On May 16, 2018, a further email was sent to Tuolumne at its designated email address attaching the 10-day demand letter regarding the 2017 annual audit report.

8. On July 16, 2018, Tuolumne applied to the Department to surrender its escrow agent license.

9. On August 6, 2018, the Department notified Tuolumne in writing of the requirements for approval of its surrender application, which included a closing audit performed by a CPA to be filed within 105 days of the date of its surrender application.

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IV.

Revocation Order

NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the escrow agent’s license of Respondent Tuolumne County Escrow, Inc. is revoked effective this date.

Dated: December 11, 2019
Los Angeles, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner