PRESTON DuFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
Deputy Commissioner
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Department of Corporations
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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. WEST AMERICAN ESCROW, INC., Respondent.	File No.: 963-2415 ORDER IMPOSING PENALTIES PURSUANT TO CALIFORNIA FINANCIAL CODE SECTION 17408

TO: WEST AMERICAN ESCROW, INC.
15720 Ventura Blvd. #405
Encino, California 91436

NOW THEREFORE the California Corporations Commissioner ("Commissioner") having found that West American Escrow, Inc. failed to file its annual audit report containing audited financial statements for its fiscal years ended February 28, 2009 and February 28, 2010 as required by Financial Code section 17406, West American Escrow, Inc. is hereby ordered, pursuant to Financial Code section 17408, to pay to the Commissioner the sum of $387,500.00, plus an additional $1,000.00 a day for each day after January 31, 2011that the 2009 and 2010 annual audit reports are not filed.

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Pursuant to Financial Code section 17406, West American Escrow, Inc. ("West") was required to submit its annual audit report for the fiscal year ended February 28, 2009 ("2009 audit report") to the Commissioner on or before June 15, 2009.

On or about January 23, 2009, Complainant notified Respondent in writing that its audit report for the period ending February 28, 2009 was due June 15, 2009. Respondent failed to file the 2009 audit report by June 15, 2009.

On or about June 29, 2009, a follow up letter was sent to Respondent demanding the 2009 audit report be filed no later than July 9, 2009, and notifying Respondent that failure to file the 2009 audit report by July 9, 2009 would result in the company being assessed penalties in the amount of $100.00 per day for the first five days and $500.00 per day for each day thereafter that the 2009 audit report was late. Respondent has yet to submit the 2009 audit report as required by Financial Code section 17406. The 2010 audit report is 570 days late as of the date of this Order.

On or about January 11, 2010, Complainant notified Respondent in writing that its audit report for the period ending February 28, 2010 ("2010 audit report") was due June 15, 2010. Respondent failed to file the 2010 audit report by June 15, 2010.

On or about June 21, 2010, a follow up letter was sent to Respondent demanding the 2010 audit report be filed no later than July 1, 2009, and notifying Respondent that failure to file the 2010 audit report by July 1, 2010 would result in the company being assessed penalties in the amount of $100.00 per day for the first five days and $500.00 per day for each day thereafter that the 2010 audit report was late.

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

> (b) The commissioner may impose, by order, a penalty on any person who fails, within the time specified in any written demand of the commissioner, (1) to make and file with the commissioner any report required by law or requested by the commissioner.. . . The amount of the penalty shall be one hundred dollars ($100) for each day for the first five days the report or information is overdue and, thereafter, five hundred dollars ($500) for each day the report or information is overdue.
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> (c) If, after an order has been made under subdivision (b), a request for hearing is filed in writing within 30 days of the date of service of the order by the person to whom the order was directed, a hearing shall be held in accordance with the Administrative Procedure Act, Chapter 5 (commencing

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with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the commissioner shall have all the powers granted under that chapter.

(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 paid.

Dated: January 31, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
Alan S. Weinger
Deputy Commissioner

State of California – Department of Corporations