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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

**TO:** Escrowamerica.net  
Escrow USA  
501 Stadium Drive, Room 118  
Lincoln, Nebraska 68588

Escrow America, Inc.  
21 Garlick Hill  
London, United Kingdom  
EC4V 2AU

**DESIST AND REFRAIN ORDER**

**(For violations of sections 17200, 17210.2 and 17403 of the California Financial Code)**

The California Corporations Commissioner finds that:

1. Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK)<sup>1</sup>, have engaged in the business of an escrow agent by advertising escrow services over the internet at [www.escrowamerica.net](http://www.escrowamerica.net) from 2004 to the present as follows:

a) Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), represent on the Escrowamerica.net website that their process protects both the buyer and the seller from fraud.

b) Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), have represented themselves to be licensed escrow agents by advertising that the company holds Department of Corporations escrow agents' license number 963-2109. In fact, the Department of Corporations issued escrow license number 963-2109 to Escrow America, Inc., in Los Angeles,

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<sup>1</sup> Respondent Escrow America, Inc., of the United Kingdom is hereinafter referenced as "Escrow America, Inc. (UK)" to distinguish it from the California company Escrow America, Inc., which holds a legitimate escrow agent's license from the California Department of Corporations; see ¶ 1.b).

1 California, on April 1, 2004. Escrowamerica.net is not a website of Escrow America, Inc.

2 c) Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), have  
3 represented that Escrowamerica.net is affiliated with Internet Escrow Services (IES). In fact, IES is  
4 an affiliate of Escrow.com and neither Escrowamerica.net, Escrow USA, nor Escrow America, Inc.  
5 (UK), is affiliated with either IES or Escrow.com.

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7 2. Neither Escrowamerica.net, Escrow USA, nor Escrow America, Inc. (UK), has been issued  
8 a license from the Commissioner authorizing them to conduct business as an escrow agent, as  
9 required by California Financial Code section 17200.

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11 3. Neither Escrowamerica.net, Escrow USA, nor Escrow America, Inc. (UK), is exempt from  
12 the licensing requirements of Section 17200.

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14 4. Neither Escrowamerica.net, Escrow USA, nor Escrow America, Inc. (UK), has been issued  
15 a license from the Commissioner authorizing them to use words indicating that they are in the escrow  
16 business, as required by California Financial Code section 17403.

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18 5. Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), have disseminated or  
19 caused to be disseminated false, misleading and/or deceptive statements or representations which  
20 refer to Escrowamerica.net's affiliation with IES, when, in fact, neither Escrowamerica.net, Escrow  
21 USA, nor Escrow America, Inc. (UK), is affiliated with IES or Escrow.com.

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23 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that  
24 Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), and their officers directors,  
25 partners, agents, employees and/or servants are in violation of California Financial Code sections  
26 17200, 17210.2(a) and 17403(a). Pursuant to California Financial Code section 17416,  
27 Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), are hereby ordered to desist and  
28 refrain from engaging in the business of receiving escrows for deposit or delivery without first

1 obtaining a license from the Commissioner. Pursuant to California Financial Code section 17403(b),  
2 Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK), are further ordered to  
3 immediately desist and refrain from issuing, circulating, or publishing any advertisement by means of  
4 any communication, including any website, or making use of or circulating any letterheads, billheads,  
5 blank notes, blank receipts, blank escrow instructions, certificates, circulars, or any written or printed  
6 paper containing any fictitious or corporate name or other words indicating that they are in the  
7 escrow business. Pursuant to California Financial Code section 17210.2(c), Escrowamerica.net,  
8 Escrow USA, and Escrow America, Inc. (UK), are further ordered to immediately desist and refrain  
9 from disseminating, or causing or permitting to be disseminated, in any manner whatsoever, any  
10 statement or representation which is false, misleading, or deceptive, or which omits to state material  
11 information, or which refers to the supervision of that agent by the State of California or any  
12 department or official thereof. Escrowamerica.net, Escrow USA, and Escrow America, Inc. (UK),  
13 are further ordered to immediately desist and refrain from disseminating or causing or permitting to  
14 be disseminated, in any manner whatsoever, any statement or representation that Escrowamerica.net  
15 is in any manner associated with IES.

16  
17 This Order is necessary, in the public interest, for the protection of investors and consistent with the  
18 purposes, policies and provisions of the California Escrow Law. This order shall remain in full force  
19 and effect until further order of the California Corporations Commissioner.

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21 Dated: February 11, 2005  
Sacramento, California

22  
23 WILLIAM P. WOOD  
California Corporations Commissioner

24  
25 By: \_\_\_\_\_  
26 WAYNE STRUMPFER  
27 Acting Deputy Commissioner  
28 Enforcement Division