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

TO: California Escrow Service
Escrow-california.com
David Allen, Manager
618 South Serrano Avenue, 2nd Floor
Los Angeles, CA 90005

DESIST AND REFRAIN ORDER

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

The California Corporations Commissioner (“Commissioner”) finds that:

1. California Escrow Service has engaged in business as an escrow agent by advertising escrow services over the Internet at www.escrow-california.com, from at least July 2, 2008 as follows:

a) California Escrow Service and escrow-california.com represent on their website that the process works as follows: The buyer and seller agree to the terms of the transaction. The buyer submits a payment to escrow-california.com. [Escrow-california.com](http://escrow-california.com) notifies the seller to ship its merchandise and then verifies that the buyer receives the shipment. The buyer accepts the goods. [Escrow-california.com](http://escrow-california.com) then pays the seller and the transaction is complete.

b) California Escrow Service and escrow-california.com claim to protect both the buyer and the seller from fraud with this process.

c) California Escrow Service and escrow-california.com have represented themselves to be operating out of a location of 618 South Serrano Avenue, 2nd Floor, Los Angeles, California 90005. This address, however, is the former address of California Escrow Service, Inc., a company currently licensed by the Department of Corporations to engage in business as an escrow agent within

1 this state, holding license number 963-1948, but which does not maintain a website, nor is authorized
2 to receive escrows for deposit or delivery over the Internet, and which has no relation to California
3 Escrow Service or escrow-california.com.

4 2. David Allen is the Manager of California Escrow Service and escrow-california.com.

5 3. Neither David Allen, California Escrow Service nor escrow-california.com has been issued
6 a license from the Commissioner authorizing either to conduct business as an escrow agent, as
7 required by California Financial Code section 17200.

8 4. Neither David Allen, California Escrow Service nor escrow-california.com is exempt from
9 the licensing requirements of Section 17200.

10 5. Neither David Allen, California Escrow Service nor escrow-california.com has been issued
11 a license from the Commissioner authorizing either to use words indicating that it is in the escrow
12 business, as required by California Financial Code section 17403.

13 Based upon the foregoing findings, the California Corporations Commissioner is of the
14 opinion that David Allen, California Escrow Service and escrow-california.com, and their officers,
15 directors, partners, agents, employees and/or servants are in violation of California Financial Code
16 sections 17200 and 17403(a). Pursuant to California Financial Code section 17416, David Allen,
17 California Escrow Service and escrow-california.com are hereby ordered to desist and refrain from
18 engaging in the business of receiving escrows for deposit or delivery without first obtaining a license
19 from the Commissioner. Pursuant to California Financial Code section 17403(b), David Allen,
20 California Escrow Service and escrow-california.com are further ordered to immediately desist and
21 refrain from issuing, circulating, or publishing any advertisement by means of any communication,
22 including any website, or making use of or circulating any letterheads, billheads, blank notes, blank
23 receipts, blank escrow instructions, certificates, circulars, or any written or printed paper containing
24 any fictitious or corporate name or other words indicating that it is in the escrow business.

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