

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS
4

5 TO: Apple-escrow.com
6 858 W. Armitage, #299
7 Chicago, IL 60139

8 DESIST AND REFRAIN ORDER
9 (For violations of sections 17200, 17210.2 and 17403 of the California Financial Code)
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11 The California Corporations Commissioner finds that:
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13 1. Apple-escrow.com has engaged in the business of an escrow agent by advertising escrow
14 services over the Internet at www.apple-escrow.com, from 2005 to the present as follows:

15 a) Apple-escrow.com represents on its website that the process works as follows: The
16 buyer and seller agree to the terms of the transaction. The buyer submits a payment to Apple-
17 escrow.com, which verifies the payment. Apple-escrow.com notifies the seller to ship its
18 merchandise and then verifies that the buyer receives the shipment. The buyer accepts the goods.
19 Apple-escrow.com then pays the seller and the transaction is complete.

20 b) Apple-escrow.com claims to protect both the buyer and the seller from fraud with
21 this process.

22 c) Apple-escrow.com has represented itself to be a licensed escrow agent by
23 advertising that the company is Apple Escrow, Inc., located in Whittier, California, and that it holds
24 Department of Corporations escrow agents' license number 963-1201. In fact, the Department of
25 Corporations issued escrow license number 963-1201 to Apple Escrow, in Whittier, California, on
26 April 24, 1985. However, Apple-escrow.com is not a website of Apple Escrow.

27 d) Apple-escrow.com has represented that the "on-line" escrow services provided by
28 Apple-escrow.com are provided by Internet Escrow Services (IES), and that IES is "fully licensed

1 and accredited as an escrow company and is subject to compliance with all applicable escrow
2 regulations.” In fact, IES is an affiliate of Escrow.com, who is licensed by the Department of
3 Corporations as an escrow agent authorized to conduct personal property escrows over the Internet,
4 but Apple-escrow.com is not affiliated with either IES or Escrow.com.

5 2. Apple-escrow.com has not been issued a license from the Commissioner authorizing it to
6 conduct business as an escrow agent, as required by California Financial Code section 17200.

7 3. Apple-escrow.com is not exempt from the licensing requirements of Section 17200.

8 4. Apple-escrow.com has not been issued a license from the Commissioner authorizing it to
9 use words indicating that it is in the escrow business, as required by California Financial Code
10 section 17403.

11 5. Apple-escrow.com has disseminated or caused to be disseminated false, misleading and/or
12 deceptive statements or representations that it is licensed and refer to Apple-escrow.com’s affiliation
13 with IES, when, in fact, Apple-escrow.com is not affiliated with IES in any way.

14 Based upon the foregoing findings, the California Corporations Commissioner is of the
15 opinion that Apple-escrow.com and its officers, directors, partners, agents, employees and/or servants
16 are in violation of California Financial Code sections 17200, 17210.2(a) and 17403(a). Pursuant to
17 California Financial Code section 17416, Apple-escrow.com is hereby ordered to desist and refrain
18 from engaging in the business of receiving escrows for deposit or delivery without first obtaining a
19 license from the Commissioner. Pursuant to California Financial Code section 17403(b), Apple-
20 escrow.com is further ordered to immediately desist and refrain from issuing, circulating, or
21 publishing any advertisement by means of any communication, including any website, or making use
22 of or circulating any letterheads, billheads, blank notes, blank receipts, blank escrow instructions,
23 certificates, circulars, or any written or printed paper containing any fictitious or corporate name or
24 other words indicating that it is in the escrow business. Pursuant to California Financial Code section
25 17210.2(c), Apple-escrow.com is further ordered to immediately desist and refrain from
26 disseminating, or causing or permitting to be disseminated, in any manner whatsoever, any statement
27 or representation which is false, misleading, or deceptive, or which omits to state material
28 information, or which refers to the supervision of that agent by the State of California or any

1 department or official thereof. Apple-escrow.com is further ordered to immediately desist and refrain
2 from disseminating or causing or permitting to be disseminated, in any manner whatsoever, any
3 statement or representation that Apple-escrow.com is in any manner associated with IES.

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

7 Dated: March 30, 2006
8 Sacramento, California

9 WAYNE STRUMPFER
10 Acting California Corporations Commissioner

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12 By: _____
13 ALAN S. WEINGER
14 Acting Deputy Commissioner
15 Enforcement Division
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