

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 JOYCE TSAI (SBN 241908)
Corporations Counsel
4 CALIFORNIA DEPARTMENT OF CORPORATIONS
1350 Front Street, Room 2034
5 San Diego, California 92101
Telephone: (619) 525-4043
6 Attorneys for the Complainant

7
8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10)
11)
In the Matter of the Desist and Refrain Order)
12) against)
13) **HOFREITER ESCROW, LARRY**) **STIPULATION TO DESIST AND REFRAIN**
14) **HOFREITER, and ADRIENNE**) **ORDER**
15) **HOFREITER**)
16)
17)
18)

19 IT IS HEREBY STIPULATED AND AGREED between Hofreiter Escrow, Larry Hofreiter,
20 and Adrienne Hofreiter (collectively, "Respondents") and the California Corporations Commissioner
21 ("Commissioner") as follows:

22 WHEREAS, Respondents admit the jurisdiction of the California Department of Corporations
23 over their persons and over the subject matter of this Stipulation;

24 WHEREAS, Respondents waive the right to any hearing, including that provided by
25 California Financial Code Sections 17403, subd. (b), and 17416. Further, Respondents waive any
26 and all review by a court of law, including that provided by California Government Code section
27 11523;

28 WHEREAS, all terms used, but not defined herein, shall have the meaning assigned to them

1 by the California Financial Code;

2 WHEREAS, Respondents represent that no promises of any kind or nature whatsoever were
3 made to induce Respondents to enter into this Stipulation, and that this Stipulation is a voluntary act
4 on the part of Respondents;

5 WHEREAS, Respondents, without admitting or denying any of the findings contained within
6 the Desist and Refrain Order (“Order”), in the form attached hereto as Exhibit A, hereby agree and
7 stipulate to the Order;

8 WHEREAS, Respondents agree and acknowledge that nothing in this Stipulation shall
9 preclude the Commissioner or his agents, officers, or employees, to the extent authorized by law,
10 from referring any evidence or information regarding this matter to any other state or federal law
11 enforcement official, or from assisting, cooperating, or co-prosecuting with regards to any
12 investigation and/or action;

13 WHEREAS, Respondents Hofreiter Escrow, Larry Hofreiter, and Adrienne Hofreiter stipulate
14 and agree to the finality of the Order. Respondents further understand and agree that the Order
15 remains in effect and is public, and that Respondents shall not make any statement or representation
16 that is inconsistent with this Stipulation or the Order. Respondents further understand and agree that
17 this Stipulation does not prevent the Commissioner from taking future action in regards to this matter.

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This Stipulation may be executed in one or more counterparts, each of which shall be an original but all of which, together, shall be deemed to constitute a single document. A fax signature shall be deemed the same as an original signature.

PRESTON DuFAUCHARD,
California Corporations Commissioner

Dated: 3/10/10

By _____
Alan S. Weinger
Deputy Commissioner

Dated: _____

By _____
Larry Hofreiter, individually and on behalf of Hofreiter
Escrow

Dated: _____

By _____
Adrienne Hofreiter, individually and on behalf of
Hofreiter Escrow

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

5 TO: Larry Hofreiter
6 Adrienne Hofreiter
7 Hofreiter Escrow
8 1020 South Santa Fe Ave., Suite D1
9 Vista, CA 92084

10 **DESIST AND REFRAIN ORDER**
11 **(For violations of section 17200 and 17403 of the Financial Code)**

12 The California Corporations Commissioner finds that:

13 1. At all relevant times, Hofreiter Escrow, an entity of unknown form, maintained a
14 principal place of business at 1020 South Santa Fe Ave., Suite D1, Vista, California 92084. Larry
15 Hofreiter and Adrienne Hofreiter are control persons of Hofreiter Escrow.

16 2. Hofreiter Escrow has engaged in business as an escrow agent in this state. Hofreiter
17 Escrow has obtained clients by methods including but not limited to referrals by word of mouth.

18 3. The California Corporations Commissioner (“Commissioner”) has never issued an
19 escrow agent’s license to Hofreiter Escrow.

20 4. Hofreiter Escrow used escrow instructions stating: “HOFREITER ESCROW IS
21 LICENSED AS AN ESCROW AGENT BY THE STATE OF CALIFORNIA, ACTING IN
22 ACCORDANCE WITH SECTION 17006(h) OF THE CALIFORNIA FINANCIAL CODE.”
23 However, Hofreiter Escrow was not licensed as an escrow agent by the state of California and
24 Section 17006(h) of the California Financial Code did not exist.

25 Based upon the foregoing findings, the California Corporations Commissioner is of the
26 opinion that Hofreiter Escrow has engaged in the business of an escrow agent without a license from
27 the California Corporations Commissioner. Pursuant to Financial Code section 17416, the California
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