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

TO: Securebuyonline.com
18 Regents Court
London, E8 4QD, United Kingdom

Richard C. Lockwood, Jr.
1618 Jay Street
Ogdensburg, NY 13669

DESIST AND REFRAIN ORDER
(For violations of sections 17200 and 17403 of the California Financial Code)

The California Corporations Commissioner finds that:

1. Securebuyonline.com and Richard C. Lockwood, Jr., have engaged in the business of an escrow agent by advertising escrow services over the internet at www.securebuyonline.com from in or about 1999 to the present as follows:

a) Securebuyonline.com represents on its website that the process works as follows: The buyer sends payment to Securebuyonline.com, and Securebuyonline.com verifies the funds are good. The seller is authorized to ship the goods. Securebuyonline.com tracks the shipped merchandise and verifies delivery of the goods. Securebuyonline.com then pays the seller the transaction price, once the buyer accepts the merchandise or the agreed-upon inspection period expires.

b) Securebuyonline.com claims on its website that it protects both buyers and sellers from fraud with these procedures.

c) Securebuyonline.com and Richard C. Lockwood, Jr., have represented themselves

1 to be in the escrow business by advertising that the company provides “online buyers and sellers with
2 a quality multi-currency escrow service.”

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4 2. Neither Securebuyonline.com nor Richard C. Lockwood, Jr., has been issued a license
5 from the Commissioner authorizing them to conduct business as an escrow agent, as required by
6 California Financial Code section 17200.

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8 4. Neither Securebuyonline.com nor Richard C. Lockwood, Jr., is exempt from the licensing
9 requirements of Section 17200.

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11 5. Neither Securebuyonline.com nor Richard C. Lockwood, Jr., has been issued a license
12 from the Commissioner authorizing them to use words indicating that they are in the escrow business,
13 as required by California Financial Code section 17403.

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15 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that
16 Securebuyonline.com and Richard C. Lockwood, Jr., and their officers directors, partners, agents,
17 employees and/or servants are in violation of California Financial Code sections 17200 and 17403(a).
18 Pursuant to California Financial Code section 17416, Securebuyonline.com and Richard C.
19 Lockwood, Jr., are hereby ordered to desist and refrain from engaging in the business of receiving
20 escrows for deposit or delivery without first obtaining a license from the Commissioner. Pursuant to
21 California Financial Code section 17403(b), Securebuyonline.com and Richard C. Lockwood, Jr., are
22 further ordered to immediately desist and refrain from issuing, circulating, or publishing any
23 advertisement by means of any communication, including any website, or making use of or
24 circulating any letterheads, billheads, blank notes, blank receipts, blank escrow instructions,
25 certificates, circulars, or any written or printed paper containing any fictitious or corporate name or
26 other words indicating that they are in the escrow business. This Order is necessary, in the public
27 interest, for the protection of investors and consistent with the purposes, policies and provisions of
28 the California Escrow Law.

1 This order shall remain in full force and effect until further order of the California Corporations
2 Commissioner.

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4 Dated: June 7, 2004
5 Sacramento, California

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WILLIAM P. WOOD
California Corporations Commissioner

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By: _____
VIRGINIA JO DUNLAP
Deputy Commissioner
Enforcement and Legal Services

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