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## STATE OF CALIFORNIA BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY DEPARTMENT OF BUSINESS OVERSIGHT

TO: ShortTask.com 175 South Lake Avenue, Suite #200 Pasadena, California 91101

> Webhost: GoDaddy.com 1455 North Hayden Road Scottsdale, Arizona 85260

## DESIST AND REFRAIN ORDER (Violation of Financial Code sections 17200 and 17403)

The Commissioner of Business Oversight finds that:

- At all relevant times herein, ShortTask.com (ShortTask) is an entity of indeterminate origin with its principal place of business at 175 South Lake Avenue, Suite #200, Pasadena, California 91101.
  - 2. At all relevant times herein, ShortTask.com is a website hosted by GoDaddy.com.
- 3. ShortTask engages in the business of an escrow agent over the Internet at http://ShortTask.com by offering the following terms on its website:
  - (a) "Escrow Service":
    - i. "ShortTask or its Affiliates will process all payments made by Seekers to Solvers (the "Escrow Service"). Seeker payments made through the Escrow Service are received by ShortTask or its Affiliates on behalf of Solvers and may be disbursed only in accordance with the terms outline below. All payments will be made through PayPal. Such payments include payments made my [sic] Seekers into their Prepaid TASK accounts and those payments made to Solvers through our escrow service for work completed."
  - (b) Prepaid Tasks:
    - i. "Each Seeker must prepay for work they intend on acquiring through the Services by purchasing ShortTask TASKs... When a Solver accepts a task assigned by a Seeker the amount necessary to pay the Solver and any fees owed to ShortTask are debited

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from the Seekers Prepaid TASK account and held in escrow until the Seekers accepts the work produced by the Solver. After a Seeker's acceptance of the services, the Escrow Service will transfer the amount owed to each Solver, to his/her respective PayPal account. The funds that were held in escrow will be used for these payments."

- (c) Disbursement of Funds to Solvers:
  - "When Seekers register with the Site, a payment account ("Escrow Account") will i. automatically be established in conjunction with their registration. Seekers may disburse funds from their Escrow Account through the Solver's PayPal account."
- 4. The Commissioner of Business Oversight has not issued a license to ShortTask to conduct business as an escrow agent, as required under Financial Code section 17200.
- The Commissioner of Business Oversight has not issued a license to ShortTask allowing ShortTask to advertise over the Internet that it is in the escrow business, as required under Financial Code section 17403.

Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion that ShortTask.com is engaged in the business of an escrow agent without obtaining a license from the Commissioner of Business Oversight, in violation of Financial Code section 17200.

Pursuant to Financial Code section 17416, ShortTask.com is ordered to desist and refrain from engaging in the business of receiving escrows for deposit or delivery without first obtaining a license from the Commissioner of Business Oversight.

Further, the Commissioner of Business Oversight is of the opinion that ShortTask.com advertised on its website that it is engaged in the escrow business without first obtaining an escrow agent license from the Commissioner of Business Oversight, in violation of Financial Code section 17403.

Pursuant to Financial Code section 17403, Shorttask.com is ordered to desist and refrain from issuing, circulating, or publishing, any advertisement by means of any communication, including any internet websites, or making use of or circulating any letterheads, billheads, blank notes, blank receipts, blank escrow instructions, certificates, circulars, or any written or printed

paper, containing any fictitious or corporate name or other words indicating that they are in the escrow business.

This Order is necessary, in the public interest, and consistent with the purposes, policies, and

Commissioner of Business Oversight

MARY ANN SMITH **Deputy Commissioner**