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

TO: Escrowguardian.net
Charlottenstrasse 65
Berlin, 10117, Germany

Escrowguardian.net
C. Arzobispo Morcillo 14, 2d
Madrid, 28007, Spain

Torre Angelo
Mainstrasse 5
Mannheim, 68167, Germany

Catherine Thorpe
30 Sweet Briar Court
Stamford, CT 06905

DESIST AND REFRAIN ORDER
(For violations of sections 17200, 17210.2 and 17403 of the California Financial Code)

The California Corporations Commissioner finds that:

1. Escrowguardian.net, Torre Angelo and Catherine Thorpe have engaged in the business of an escrow agent by advertising escrow services over the internet at www.escrowguardian.net from on or about March 11, 2004, to the present as follows:

a) Escrowguardian.net represents on its website that the process works as follows:
The buyer and seller agree to the terms of a transaction. The buyer then sends payment to Escrowguardian.net, and Escrowguardian.net verifies the funds are good. Escrowguardian.net authorizes the seller to ship the goods, and verifies that the buyer receives the goods. The buyer

1 decides whether to accept or return the goods before the inspection period expires. If the buyer
2 accepts the goods, Escrowguardian.net pays the seller.

3 b) Escrowguardian.net claims on its website that its process protects both buyers and
4 sellers from fraud with this five-step process.

5 c) Escrowguardian.net, Torre Angelo and Catherine Thorpe have represented
6 themselves to be an independent escrow company based in Berlin, Germany, operated by
7 EscrowGuardian, Inc., “a licensed and accredited escrow company that operates in compliance with
8 currently applicable escrow regulations.”

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10 2. Escrowguardian.net, Torre Angelo and Catherine Thorpe have disseminated or caused to
11 be disseminated false, misleading and/or deceptive representations which falsely state that
12 Escrowguardian.net has an “active and efficient collaboration with the IFCC (Internet Fraud
13 Complaint Center).”

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15 3. Neither Escrowguardian.net, Torre Angelo nor Catherine Thorpe has been issued a license
16 from the Commissioner authorizing them to conduct business as an escrow agent, as required by
17 California Financial Code section 17200.

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19 4. Neither Escrowguardian.net, Torre Angelo nor Catherine Thorpe are exempt from the
20 licensing requirements of Section 17200.

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22 5. Neither Escrowguardian.net, Torre Angelo nor Catherine Thorpe has been issued a license
23 from the Commissioner authorizing them to use words indicating that they are in the escrow business,
24 as required by California Financial Code section 17403.

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26 6. Neither Escrowguardian.net, Torre Angelo nor Catherine Thorpe are affiliated in any way
27 with the IFCC.

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1 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that
2 Escrowguardian.net, Torre Angelo and Catherine Thorpe and their officers directors, partners, agents,
3 employees and/or servants are in violation of California Financial Code sections 17200, 17210.2(a)
4 and 17403(a). Pursuant to California Financial Code section 17416, Escrowguardian.net, Torre
5 Angelo and Catherine Thorpe are hereby ordered to desist and refrain from engaging in the business
6 of receiving escrows for deposit or delivery without first obtaining a license from the Commissioner.
7 Pursuant to California Financial Code section 17403(b), Escrowguardian.net, Torre Angelo and
8 Catherine Thorpe are further ordered to immediately desist and refrain from issuing, circulating, or
9 publishing any advertisement by means of any communication, including any website, or making use
10 of or circulating any letterheads, billheads, blank notes, blank receipts, blank escrow instructions,
11 certificates, circulars, or any written or printed paper containing any fictitious or corporate name or
12 other words indicating that they are in the escrow business. Pursuant to California Financial Code
13 section 17210.2(c), Escrowguardian.net, Torre Angelo and Catherine Thorpe are further ordered to
14 immediately desist and refrain from disseminating, or causing or permitting to be disseminated, in
15 any manner whatsoever, any statement or representation which is false, misleading, or deceptive, or
16 which omits to state material information, or which refers to the supervision of that agent by the State
17 of California or any department or official thereof. Escrowguardian.net, Torre Angelo and Catherine
18 Thorpe are further ordered to immediately desist and refrain from disseminating or causing or
19 permitting to be disseminated, in any manner whatsoever, any statement or representation that
20 Escrowguardian.net is in any manner associated with the IFCC.

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28 This Order is necessary, in the public interest, for the protection of investors and consistent with the

1 purposes, policies and provisions of the California Escrow Law. This order shall remain in full force
2 and effect until further order of the California Corporations Commissioner.

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Dated: May 20, 2004
Sacramento, California

WILLIAM P. WOOD
California Corporations Commissioner

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