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

TO: DealsProtector.com Kellie Vallo
DealProtectors.com 3725 Marigold Lane
Tom Hunt, General Manager Modesto, California 95356

54 Portland Place
London W1B1JL, United Kingdom

821 7th Avenue
New York, New York 10019

419 Smyth Road
Ottawa, Ontario, K1H 8L1, Canada

Via Scarlati 18
Di Sestosan Giovanni (Milano),
20100 Italy

29 Rue Saint-Lazare
Paris 75009, France

1st Floor, 122 Holland Park Avenue
London W114AU, United Kingdom

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. DealsProtector.com, DealProtectors.com, Tom Hunt, and Kellie Vallo have engaged in the business of an escrow agent by advertising escrow services over the internet at www.dealsprotector.com from 1999 to the present as follows:
 - a) DealsProtector.com represents on its website that the process works as follows:

The buyer and seller agree to the terms of the transaction. The buyer pays DealsProtector.com, which

1 verifies the payment. DealsProtector.com notifies the seller to ship its merchandise and then verifies
2 that the buyer receives the shipment. The buyer accepts the goods. DealsProtector.com then pays the
3 seller and the transaction is complete.

4 b) DealsProtector.com claims to protect both the buyer and the seller from fraud with
5 this process.

6 c) DealsProtector.com, DealProtectors.com, Tom Hunt, and Kellie Vallo have
7 represented that the escrow services provided by DealsProtector.com are provided by Internet Escrow
8 Services (IES), and that it is “fully licensed and accredited as an escrow company and is subject to
9 compliance with all applicable escrow regulations.” In fact, IES is an affiliate of Escrow.com and
10 DealsProtector.com is not affiliated with either IES or Escrow.com.

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12 2. Neither DealsProtector.com, DealProtectors.com, Tom Hunt, nor Kellie Vallo has been
13 issued a license from the Commissioner authorizing them to conduct business as an escrow agent, as
14 required by California Financial Code section 17200.

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16 3. Neither DealsProtector.com, DealProtectors.com, Tom Hunt, nor Kellie Vallo is exempt
17 from the licensing requirements of Section 17200.

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19 4. Neither DealsProtector.com, DealProtectors.com, Tom Hunt, nor Kellie Vallo has been
20 issued a license from the Commissioner authorizing them to use words indicating that they are in the
21 escrow business, as required by California Financial Code section 17403.

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23 5. DealsProtector.com, DealProtectors.com, Tom Hunt, and Kellie Vallo have disseminated
24 or caused to be disseminated false, misleading and/or deceptive statements or representations which
25 refer to DealsProtector.com’s affiliation with IES, when, in fact, DealsProtector.com is not affiliated
26 with IES in any way.

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

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

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Dated: March 15, 2005
Sacramento, California

WILLIAM P. WOOD
California Corporations Commissioner

By: _____
WAYNE STRUMPFER
Acting Deputy Commissioner
Enforcement Division