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

TO: Leader-escrow.com
Laszlo Szutor
891 Rabun Drive
Liburn, GA 30047

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. Leader-escrow.com and Laszlo Szutor have engaged in the business of an escrow agent by advertising escrow services over the Internet at www.leader-escrow.com, from 2005 to the present as follows:

a) Leader-escrow.com represents on its website that the process works as follows:
The buyer and seller agree to the terms of the transaction. The buyer submits a payment to Leader-escrow.com, which verifies the payment. Leader-escrow.com notifies the seller to ship its merchandise and then verifies that the buyer receives the shipment. The buyer accepts the goods. Leader-escrow.com then pays the seller and the transaction is complete.

b) Leader-escrow.com claims to protect both the buyer and the seller from fraud with this process.

c) Leader-escrow.com and Laszlo Szutor have represented themselves to be licensed escrow agents by advertising that they hold Department of Corporations escrow agents' license number 863-1440. In fact, the Department of Corporations issued escrow license number 863-1440 to Leader Escrow, Inc., in Yorba Linda, California. However, Leader-escrow.com is not a website of Leader Escrow, Inc.

1 d) Leader-escrow.com and Laszlo Szutor have represented that the “on-line”
2 escrow services provided by Leader-escrow.com are provided by Internet Escrow Services (IES), and
3 that IES is “fully licensed and accredited as an escrow company and is subject to compliance with all
4 applicable escrow regulations.” In fact, IES is an affiliate of Escrow.com, who is licensed by the
5 Department of Corporations as an escrow agent authorized to conduct personal property escrows over
6 the Internet, but Leader-escrow.com is not affiliated with either IES or Escrow.com.

7 2. Neither Leader-escrow.com nor Laszlo Szutor has been issued a license from the
8 Commissioner authorizing either to conduct business as an escrow agent, as required by California
9 Financial Code section 17200.

10 3. Neither Leader-escrow.com nor Laszlo Szutor is exempt from the licensing requirements
11 of Section 17200.

12 4. Neither Leader-escrow.com nor Laszlo Szutor has been issued a license from the
13 Commissioner authorizing either to use words indicating that it is in the escrow business, as required
14 by California Financial Code section 17403.

15 5. Leader-escrow.com and Laszlo Szutor have disseminated or caused to be disseminated
16 false, misleading and/or deceptive statements or representations that they are licensed by the
17 Department of Corporations.

18 Based upon the foregoing findings, the California Corporations Commissioner is of the
19 opinion that Leader-escrow.com and Laszlo Szutor and their officers, directors, partners, agents,
20 employees and/or servants are in violation of California Financial Code sections 17200, 17210.2(a)
21 and 17403(a). Pursuant to California Financial Code section 17416, Leader-escrow.com and Laszlo
22 Szutor are hereby ordered to desist and refrain from engaging in the business of receiving escrows for
23 deposit or delivery without first obtaining a license from the Commissioner. Pursuant to California
24 Financial Code section 17403(b), Leader-escrow.com and Laszlo Szutor are further ordered to
25 immediately desist and refrain from issuing, circulating, or publishing any advertisement by means of
26 any communication, including any website, or making use of or circulating any letterheads, billheads,
27 blank notes, blank receipts, blank escrow instructions, certificates, circulars, or any written or printed
28 paper containing any fictitious or corporate name or other words indicating that it is in the escrow

1 business. Pursuant to California Financial Code section 17210.2(c), Leader-escrow.com and Laszlo
2 Szutor are further ordered to immediately desist and refrain from disseminating, or causing or
3 permitting to be disseminated, in any manner whatsoever, any statement or representation which is
4 false, misleading, or deceptive, or which omits to state material information, or which refers to the
5 supervision of that agent by the State of California or any department or official thereof.

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

9 Dated: May 4, 2006
10 Sacramento, California

11 WAYNE STRUMPFER
12 Acting California Corporations Commissioner

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14 By: _____
15 ALAN S. WEINGER
16 Acting Deputy Commissioner
17 Enforcement Division
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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Laszlo Szutor
891 Rabun Drive
Liburn, GA 30047

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

Pursuant to Section 17400 of the California Escrow Law (Financial Code Section 17000, et seq.), the California Corporations Commissioner (Commissioner) hereby rescinds its Desist and Refrain Order issued on May 4, 2006 as to Laszlo Szutor only. The Order, pertaining to the unlicensed escrow activity of Leader-escrow.com in violation of section 17200, the unlawful advertising practices of Leader-escrow.com in violation of section 17403, and Leader-escrow.com's practice of disseminating false, misleading or deceptive information in violation of section 17210.2, remains in effect as to all other persons and/or entities named. Based on information received after the issuance of the May 4, 2006 Order, the Commissioner is satisfied that Laszlo Szutor is not now and has never been associated with Leader-escrow.com. The Commissioner is satisfied that Laszlo Szutor's identity was used without his consent by an unknown person(s) creating a fictitious relationship between Laszlo Szutor and Leader-escrow.com.

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1 The Commissioner finds that the rescission of this Order as to Laszlo Szutor is necessary and
2 appropriate in the public interest and for the protection of investors, consistent with the purposes of
3 the policy and provisions of the Escrow Law.

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Dated: June 6, 2006
Sacramento, California

WAYNE STRUMPFER
Acting California Corporations Commissioner

By: _____
ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division