

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

**TO:** California Escrow Service  
Escrow-california.com  
David Allen, Manager  
618 South Serrano Avenue, 2<sup>nd</sup> Floor  
Los Angeles, CA 90005

**DESIST AND REFRAIN ORDER**

**(For violations of sections 17200 and 17403 of the California Financial Code)**

The California Corporations Commissioner (“Commissioner”) finds that:

1. California Escrow Service has engaged in business as an escrow agent by advertising escrow services over the Internet at [www.escrow-california.com](http://www.escrow-california.com), from at least July 2, 2008 as follows:

a) California Escrow Service and [escrow-california.com](http://escrow-california.com) represent on their website that the process works as follows: The buyer and seller agree to the terms of the transaction. The buyer submits a payment to [escrow-california.com](http://escrow-california.com). [Escrow-california.com](http://escrow-california.com) notifies the seller to ship its merchandise and then verifies that the buyer receives the shipment. The buyer accepts the goods. [Escrow-california.com](http://escrow-california.com) then pays the seller and the transaction is complete.

b) California Escrow Service and [escrow-california.com](http://escrow-california.com) claim to protect both the buyer and the seller from fraud with this process.

c) California Escrow Service and [escrow-california.com](http://escrow-california.com) have represented themselves to be operating out of a location of 618 South Serrano Avenue, 2<sup>nd</sup> Floor, Los Angeles, California 90005. This address, however, is the former address of California Escrow Service, Inc., a company currently licensed by the Department of Corporations to engage in business as an escrow agent within

1 this state, holding license number 963-1948, but which does not maintain a website, nor is authorized  
2 to receive escrows for deposit or delivery over the Internet, and which has no relation to California  
3 Escrow Service or escrow-california.com.

4 2. David Allen is the Manager of California Escrow Service and escrow-california.com.

5 3. Neither David Allen, California Escrow Service nor escrow-california.com has been issued  
6 a license from the Commissioner authorizing either to conduct business as an escrow agent, as  
7 required by California Financial Code section 17200.

8 4. Neither David Allen, California Escrow Service nor escrow-california.com is exempt from  
9 the licensing requirements of Section 17200.

10 5. Neither David Allen, California Escrow Service nor escrow-california.com has been issued  
11 a license from the Commissioner authorizing either to use words indicating that it is in the escrow  
12 business, as required by California Financial Code section 17403.

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

25 ///

26 ///

27 ///

28 ///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

Dated: March 18, 2009  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By: \_\_\_\_\_  
ALAN S. WEINGER  
Acting Deputy Commissioner  
Enforcement Division