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

TO: NameMedia, Inc., a/k/a Afternic, Inc., and d/b/a Afternic.com
Kelly P. Conlin, Chief Executive Officer
225 Wyman Street.
Waltham, MA 02451

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

The California Commissioner of Business Oversight (“Commissioner”) finds that:

1. NameMedia, Inc., a Delaware corporation, also known as Afternic, Inc., and which does business as Afternic.com (“NameMedia/Afternic”), and Kelly P. Conlin (“Conlin”), using a business address of 225 Wyman Street, Waltham, Massachusetts, and a web address located on the Internet at www.afternic.com, have engaged in business within this state as escrow agents receiving escrows for deposit or delivery from at least June 10, 2013 to the present.
2. Neither NameMedia/Afternic nor Conlin has been issued a license from the Commissioner authorizing any of them to conduct business as an escrow agent, as required by California Financial Code section 17200.
3. Neither NameMedia/Afternic nor Conlin has been issued a license from the Commissioner authorizing any of them to use words indicating that any of them are in the escrow business, as required by California Financial Code section 17403.
4. NameMedia/Afternic and Conlin have disseminated, caused, or permitted to be disseminated false, misleading, deceptive statements and/or statements which omit to state material information in violation of California Financial Code section 17210.2 by advertising that their “Afternic Escrow Service” is safe and secure, but then disclaiming in their contracts with members

1 all representations, warranties or conditions that services are secure. Specifically, customers are told
2 to use the “Afternic Escrow Service to safely and securely manage the transfer” of their domains, and
3 that the service protects buyers and sellers from the loss of property or funds. Customers are also told
4 that “experienced escrow managers oversee every transaction” to ensure that each detail is reviewed.
5 Escrow service terms in member agreements, however, inform members that services are provided
6 “as is” and “without warranty of any kind”, and that no representations, warranties or guarantees are
7 made that the “functions or services provided...will be secure, timely, uninterrupted or error-free, or
8 that any defects therewith will be corrected” or that the services provided will meet the customer’s
9 “requirements or expectations”.

10 Based upon the foregoing findings, the California Commissioner of Business Oversight is of
11 the opinion that NameMedia/Afternic and Conlin, and their officers, directors, partners, agents,
12 employees and/or servants are in violation of California Financial Code sections 17200, 17210.2 and
13 17403(a). Pursuant to California Financial Code section 17416, NameMedia, Inc., also known as
14 Afternic, Inc. and doing business as Afternic.com, and Kelly P. Conlin are hereby ordered to desist
15 and refrain from engaging in the business of receiving escrows for deposit or delivery without first
16 obtaining a license from the Commissioner.

17 In addition, pursuant to California Financial Code section 17403(b), NameMedia, Inc., also
18 known as Afternic, Inc. and doing business as Afternic.com, and Kelly P. Conlin are further ordered
19 to immediately desist and refrain from issuing, circulating, or publishing any advertisement by any
20 means of communication, including any website, or making use of or circulating any letterheads,
21 billheads, blank notes, blank receipts, blank escrow instructions, certificates, circulars, or any written
22 or printed paper containing any fictitious or corporate name or other words indicating that any of
23 them are in the escrow business unless licensed as an escrow agent.

24 Further, pursuant to California Financial Code section 17210.2(c), NameMedia, Inc., also
25 known as Afternic, Inc. and doing business as Afternic.com, and Kelly P. Conlin, are further ordered
26 to immediately desist and refrain from disseminating, or causing or permitting to be disseminated, in
27 any manner whatsoever, any statement or representation which is false, misleading, or deceptive, or
28 which omits to state material information, or which refers to the supervision of that agent by the State

1 of California or any department or official thereof.

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

5 Dated: January 30, 2014
6 Sacramento, California

7 JAN LYNN OWEN
8 California Commissioner of Business Oversight

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10 By: _____
11 Mary Ann Smith
12 Deputy Commissioner
13 Enforcement Division
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