



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS

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General Licensure Requirements for Escrow Agent and Officer Applicants

Provided below is a summary of some of the more common licensure requirements associated with applying for an escrow agent or escrow officer license in the state of Washington. This is not intended to be a comprehensive list but is meant to give applicants an idea of some of the more common issues that may arise while applying for this license.

- **Criminal history:**
 - Agent may not have **employees that provide escrow services or handle escrow transactions** that have been convicted of, or plead guilty or no contest, to a felony or a gross misdemeanor involving dishonesty within the last seven years.
 - Agent must provide information about **officers, directors, owners, partners, or control persons** convictions for any crimes within the preceding ten years which directly relate to the business or duties of escrow agents
- Applicant must provide information about whether any **officers, directors, owners, partners, or control persons** have suffered a judgment within the preceding five years in any **civil action** involving fraud, misrepresentation, any unfair or deceptive act or practice, or conversion
- **Agent financial responsibility:** the cost of obtaining these bonds and policy varies
 - Agent must maintain a **fidelity bond** (coverage of \$1 million with a deductible no greater than \$10,000 covering each corporate officer, partner, escrow officer, and employee engaged in escrow transactions) and a **surety bond** (\$10,000 minimum unless the fidelity bond does not have a deductible)
 - Agent must maintain **errors and omissions policy** (minimum coverage of \$50,000)
- Applicant must have **trust account** in a Washington State financial institution or a financial institution with a branch in Washington State. The financial institution must sign a form allowing the department to access the trust account and must agree to provide certain information to the department to ensure the licensee is holding consumer funds in compliance with the Act.
- **Employee financial responsibility:** an employee that receives money, disburses funds, or acts as a signatory on a trust account may not have demonstrated a disregard in the management of his or her financial condition in the last three years
- Applicant must provide a **personal credit report** for all officers, directors, owners, partners, and control persons
- Applicant must provide the **business history** for the applicant and all of its officers, directors, owners, partners, and control persons
- Applicant must have an escrow officer that has passed the **escrow officer test** and furnish proof of his or her **honesty, truthfulness, and good reputation.**
- Applicant must be **domiciled in the United States**

If you have any questions about the information outlined above, please feel free to contact the Washington DFI Licensing Unit at (360) 902-8703, or CSLicensing@dfi.wa.gov.