

Terms Completed

ORDER SUMMARY – Case Number: S-03-195

Name(s): Statewide Escrow; Diane Sue Gates; Michael Templeton

Order Number: S-03-195-03-CO01

Effective Date: December 12, 2003

License Number: N/A

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
If applicable, you must specifically note the ending dates of terms.

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$1,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$5,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation of the
Escrow Agent Registration Act by:

State Wide Escrow LLC, Diane Gates, and
Michael Templeton,

Respondents.

Order No.: S-03-195-03-CO01

CONSENT ORDER

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INTRODUCTION

Pursuant to the Escrow Agent Registration Act, chapter 18.44 RCW, the Department of Financial Institutions of the State of Washington, Securities Division, and Respondents State Wide Escrow LLC, Diane Gates, and Michael Templeton (hereinafter referred to collectively as “Respondents”) do hereby agree to this Consent Order in settlement of the above captioned matter. Respondents neither admit nor deny the Findings of Fact or Conclusions of Law stated below.

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FINDINGS OF FACT

I. Respondents

1. **STATE WIDE ESCROW LLC** (“State Wide”) conducts business at 720 North Argonne, Suite C, Spokane, Washington 99212.

2. **MICHAEL TEMPLETON** (“Templeton”) is a fifty percent Member of State Wide Escrow LLC. In May of 2003, Templeton applied to the Department of Financial Institutions to be licensed as State Wide’s designated escrow officer. The Department has not issued Templeton this license.

3. **DIANE GATES** (“Gates”) is a fifty percent Member of State Wide Escrow LLC.

1 II. Nature of the Conduct

2 4. From at least July 2003 until the present, the Respondents have held State Wide out to the
3 public as able to conduct escrow transactions and have accepted escrow business. During this time,
4 the Respondents have been holding money in and disbursing money from a trust account in
5 transactions for the purpose of effecting and closing the sale, purchase, exchange, transfer,
6 encumbrance, and/or lease of property. The Respondents prepared and/or followed written escrow
7 and settlement instructions.

8 5. State Wide has a rudimentary account recordkeeping system and may not be sufficiently
9 reconciling its trust accounts to its client subledgers.

10 III. Unlicensed Escrow Agent

11 6. State Wide Escrow LLC, Diane Gates, and Michael Templeton are not and have never
12 been licensed with the Department of Financial Institutions as escrow agents or officers.

13 Based upon the above Findings of Fact, the following Conclusions of Law are made:

14 **CONCLUSIONS OF LAW**

15 1. The conduct described in the Findings of Fact constitutes an escrow transaction under RCW
16 18.44.011.

17 2. The conduct described in the Findings of Fact is in violation of RCW 18.44.021 because
18 State Wide, Gates, and Templeton have engaged in business as, and performed functions of, an
19 escrow agent in the State of Washington or with respect to transactions involving property in
20 Washington without a valid license issued by the director of the Department of Financial
21 Institutions.

22 3. The conduct described in the Findings of Fact is in violation of RCW 18.44.071 because
23 State Wide has not ensured that a licensed escrow officer has supervised all of its escrow transactions.

1 Securities Division prior to the entry of this Order. In the event this Order is violated, the
2 Securities Division will seek enforcement of the Order pursuant to RCW 18.44.490 and/or other
3 provisions of the Escrow Agent Registration Act.

4 IT IS FURTHER AGREED that State Wide Escrow LLC, Diane Gates, and Michael
5 Templeton will review the adequacy of their recordkeeping systems and obtain competent
6 professional service to ensure compliance with RCW 18.44.400 and all other related laws and
7 rules.

8 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent
9 Order.

10 IT IS FURTHER AGREED that in consideration of the foregoing, State Wide Escrow LLC,
11 Diane Gates and Michael Templeton each waive their right to a hearing on this matter and to
12 judicial review of this Order.

13 SIGNED this 11th day of December, 2003.

14 Signed by:

15 State Wide Escrow LLC

17 By /s/ Diane Gates
18 Diane Gates, Member

17 By /s/ Michael Templeton
18 Michael Templeton, Member

19 /s/ Diane Gates
20 Diane Gates, individually

21 /s/ Michael Templeton
22 Michael Templeton, individually

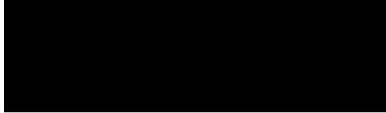
1 THIS ORDER ENTERED THIS 12th DAY OF DECEMBER , 2003 BY:

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3 Order Entered by:

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5 DEBORAH R. BORTNER
6 Securities Director

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8 Approved by:

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10 Michael E. Stevenson
11 Chief of Enforcement

12 Presented by:

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14 Andrew Ledbetter
15 Financial Legal Examiner