

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

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

NO. C-06-135-09-CO01

DRI TITLE & ESCROW, INC.,

CONSENT ORDER

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and DRI Title & Escrow, Inc. (hereinafter Respondent DRI), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 18.44 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent DRI have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-06-135-08-SC01 (Statement of Charges), entered October 6, 2008, (copy attached hereto). Pursuant to chapter 18.44 RCW, the Escrow Agent Registration Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges and agree that Respondent does not admit any wrongdoing by its entry. Respondent DRI is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

CONSENT ORDER  
C-06-135-09-CO01  
DRI TITLE & ESCROW, INC.

1

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
150 Israel Rd SW  
PO Box 41200  
Olympia, WA 98504-1200  
(360) 902-8703

1           A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the  
2 activities discussed herein.

3           B. **Waiver of Hearing.** It is AGREED that Respondent DRI has been informed of the right to a hearing  
4 before an administrative law judge, and that it has waived its right to a hearing and any and all administrative and  
5 judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent  
6 DRI agrees to withdraw its appeal and to inform the Office of Administrative Hearings in writing of their  
7 withdrawal.

8           C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the Statement of  
9 Charges and agree that Respondent DRI does not admit to any wrongdoing by its entry.

10          D. **Prohibition from Industry.** It is AGREED that Respondent DRI is prohibited from participating in  
11 the conduct of the affairs of any escrow agent licensed by the Department or any person subject to licensure or  
12 regulation by the Department for 5 years from the date of entry of this Consent Order in any capacity, including  
13 but not limited to: (1) any financial capacity whether active or passive or (2) as an officer, director, principal,  
14 designated escrow officer, or employee, or (3) any management, control, oversight or maintenance of any trust  
15 account(s) in any way related to any residential mortgage transaction or (4) receiving, disbursing, managing or  
16 controlling in any way, consumer trust funds in any way related to any residential mortgage transaction.

17          E. **Fine.** It is AGREED that Respondent DRI shall pay to the Department a fine of \$500, in the form of a  
18 cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

19          F. **Investigation Fee.** It is AGREED that Respondent DRI shall pay to the Department an investigation  
20 fee of \$1,200, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of  
21 this Consent Order.

22          G. **Declaration.** Attached to this Consent Order is a signed declaration in which Respondent DRI  
23 represents it has conducted no escrow business in the State of Washington since January 1, 2007.

1           **H. Maintenance of Records.** It is AGREED that Respondent DRI shall maintain all records involving  
2 Washington state escrow transactions within the State of Washington for a minimum of 6 years following the  
3 completion of the escrow transactions.

4           **I. Authority to Execute Order.** It is AGREED that the undersigned Respondent DRI has represented  
5 and warranted that they have the full power and right to execute this Consent Order on behalf of the parties  
6 represented.

7           **J. Non-Compliance with Order.** It is AGREED that Respondent DRI understands that failure to  
8 abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In  
9 the event of such legal action, Respondent DRI may be responsible to reimburse the Director for the cost  
10 incurred in pursuing such action, including but not limited to, attorney fees.

11           **K. Voluntarily Entered.** It is AGREED that the undersigned Respondent DRI has voluntarily entered  
12 into this Consent Order, which is effective when signed by the Director's designee.

13           **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondent DRI has read this  
14 Consent Order in its entirety and fully understands and agrees to all of the same.

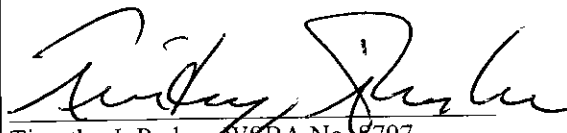
15  
16 **RESPONDENT:**

DRI TITLE & ESCROW, INC.,

By:

18   
19 Troy Podraza  
President and CEO

4/2/2009  
Date

20  
21   
22 Timothy J. Parker, WSBA No. 8797  
Attorney at Law

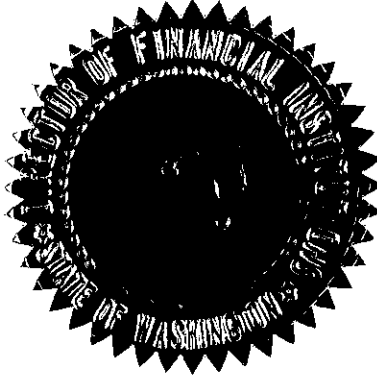
6 April 2009  
Date

23 Attorney for Respondents  
24  
25

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

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 7<sup>th</sup> DAY OF April, 2009.



*Deborah Bortner*

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

*William Halstead*

WILLIAM HALSTEAD  
Financial Legal Examiner

Approved by:

*James R. Brusselback*

JAMES R. BRUSSELBACK  
Enforcement Chief

CONSENT ORDER  
C-06-135-09-CO01  
DRI TITLE & ESCROW, INC.

1  
2  
3  
4  
5  
6  
7  
8

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

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

DRI TITLE & ESCROW, INC.,

Respondent.

NO. C-06-135-08-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO ENTER AN  
ORDER TO PROHIBIT FROM INDUSTRY,  
CEASE AND DESIST, IMPOSE FINE,  
COLLECT INVESTIGATION FEE, AND  
MAINTAIN RECORDS

9  
10  
11  
12  
13  
14  
15  
16

**INTRODUCTION**

Pursuant to RCW 18.44.410 and RCW 18.44.430, the Director of the Department of Financial Institutions (Director) is responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (Act). After having conducted an investigation pursuant to RCW 18.44.420, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Deborah Bortner, Division Director, Division of Consumer Services, institutes this proceeding and finds as follows:

17  
18  
19  
20  
21  
22  
23  
24  
25

**I. FACTUAL ALLEGATIONS**

**1.1 Respondent DRI Title & Escrow, Inc. (Respondent DRI),** a Nebraska corporation, is not and has never been licensed by the State of Washington to operate as an escrow agent.

**1.2 Unlicensed location.** Respondent DRI is known to have conducted business as an Escrow Agent in the State of Washington from the following out-of-state locations: 12000 I St. #20-100, Omaha, Nebraska 68137 and 11128 John Galt Blvd., Suite 300, Omaha, Nebraska 68137. To date, Respondent DRI has not applied for and the Department has not issued a license to Respondent DRI to conduct the business of an escrow agent in the State of Washington from those or any location.

1 **1.3 Unlicensed Activity.** Between at least July 31, 2003 and December 19, 2006, Respondent DRI performed  
2 escrow agent functions in connection with at least sixty-six (66) loans made for properties located in Washington  
3 State. The total fees collected by Respondent for these loans was at least \$26,000.

4 **1.4 On-Going Investigation:** The Department's investigation into the alleged violations of the Act by  
5 Respondent continues to date.

## 6 **II. GROUNDS FOR ENTRY OF ORDER**

7 **2.1 Definition of Escrow.** Pursuant to RCW 18.44.011(4), "Escrow" means any transaction wherein any  
8 person or persons, for the purpose of effecting and closing the sale, purchase, exchange, transfer, encumbrance,  
9 or lease of real or personal property to another person or persons, delivers any written instrument, money,  
10 evidence of title to real or personal property, or other thing of value to a third person to be held by such third  
11 person until the happening of a specified event or the performance of a prescribed condition or conditions, when  
12 it is then to be delivered by such third person, in compliance with instructions under which he or she is to act, to  
13 a grantee, grantor, promisee, promisor, obligee, obligor, lessee, lessor, bailee, bailor, or any agent or employee  
14 thereof.

15 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(6) "Escrow Agent" means any person engaged  
16 in the business of performing for compensation the duties of the third person referred to in RCW 18.44.011(4).

17 **2.3 Requirement to Obtain and Maintain License.** Based on the factual allegations set forth in Section I  
18 above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as an escrow agent by  
19 performing escrows or any of the functions of an escrow agent within this state or with respect to transactions  
20 that involve personal property or real property located in this state without first obtaining a license.

21 **2.4 Requirement to Maintain Records.** Respondent is required, pursuant to RCW 18.44.400 and WAC 208-  
22 680D-030 to maintain adequate records of all transactions handled by or through Respondent in the State of  
23 Washington for a period of six (6) years from completion of the transaction.

24 //

25 //

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Prohibit from Industry.** Pursuant to RCW 18.44.430(3), the Director may prohibit from  
3 participation in the conduct of the affairs of any licensed escrow agent, any officer, controlling person, director,  
4 employee, or licensed escrow officer for any violation of the Act or the lawful rules made by the director  
5 pursuant thereto.

6 **3.2 Authority to Issue Order to Cease and Desist.** Pursuant to RCW 18.44.440 and WAC 208-680G-030, if  
7 the Director determines after notice and hearing that a person has violated any provisions of the Act or rules  
8 adopted under the Act, or engaged in any false, unfair and deceptive, or misleading business practices, the Director  
9 may issue an order requiring the person to cease and desist from the unlawful practice and to take such affirmative  
10 action as in the judgment of the Director will carry out the purposes of the Act.

11 **3.3 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), the Director  
12 may impose a fine of up to \$100 per day for each day's violation of the Act or rules adopted under the Act.

13 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.121 and WAC 208-680G-050, the  
14 expense of an investigation pursuant to WAC 208-680G-020 inside or outside this state shall be borne by the  
15 person investigated.

16 **IV. NOTICE OF INTENTION TO ENTER ORDER**

17 Respondent's violations of the provisions of chapter 18.44 RCW as set forth in the above Factual  
18 Allegations, Grounds For Entry of Order, and Authority to Impose Sanctions constitute a basis for the entry of an  
19 Order under RCW 18.44.410, RCW 18.44.430, RCW 18.44.301, and WAC 208-680G-030 which authorize the  
20 Director to enforce all laws, rules, and regulations related to the registration of escrow agents and licensing of  
21 escrow officers. Therefore, it is the Director's intention to ORDER that:

- 22 4.1 Respondent DRI Title & Escrow, Inc. be prohibited from participation in the conduct of any  
23 licensed escrow agent for consumers or property in the state of Washington for five years;
- 24 4.2 Respondent DRI Title & Escrow, Inc. cease and desist from providing escrow services in the  
25 State of Washington until such time as Respondent DRI Title & Escrow obtains the appropriate  
license from the Department or meets an exclusion delineated in RCW 18.44.021;

