

Terms Completed

ORDER SUMMARY – Case Number: C-10-003

Name(s): Escrowpoint, Inc.

Order Number: C-10-003-10-CO01

Effective Date: January 31, 2010

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Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: _____

Prohibition/Ban Until: n/a

| | | | | |
|--|---------|---|--|------|
| Investigation Costs | \$365 | 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: _____

RECEIVED

JAN 25 2011

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

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

NO. C-10-003-10-CO01

CONSENT ORDER

ESCROWPOINT INC.,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Escrowpoint Inc. (hereinafter Respondent), by and through its attorney Michael G. York, and finding that the issues raised in the above-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 have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-10-003-10-SC01 (Statement of Charges), entered February 3, 2010, (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.

CONSENT ORDER
C-10-003-10-CO01
ESCROWPOINT INC.

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

1 Respondent is agreeing not to contest the Statement of Charges in consideration of the terms of this
2 Consent Order.

3 Based upon the foregoing:

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

6 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
7 hearing before an administrative law judge, and hereby waives its right to a hearing and any and all
8 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.
9 Accordingly, Respondent, by its signature and the signature of its representative below, withdraws its
10 appeal to the Office of Administrative Hearings.

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

13 D. **Fine.** It is AGREED that Respondent shall pay to the Department a fine of \$5,000, in the
14 form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent
15 Order.

16 E. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
17 investigation fee of \$365, in the form of a cashier's check made payable to the "Washington State
18 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together in
19 one \$5,365 cashier's check made payable to the "Washington State Treasurer."
20

21 F. **License Application.** This agreement will not preclude Respondent from applying for a
22 license under the Escrow Agent Registration Act provided it meets the applicable licensing
23

1 requirements. The conduct giving rise to the Statement of Charges will not be used by the Department in
2 assessing an application by Respondent for a license under the Escrow Agent Registration Act.

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

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

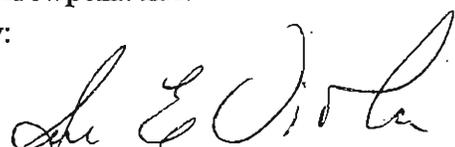
10 **I. Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily
11 entered into this Consent Order, which is effective when signed by the Director's designee.

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

14
15 **RESPONDENT:**

16 **Escrowpoint Inc.**

17 By:

18 
19 Sue Viola
President

12-10-10
Date

20
21 
22 Michael G. York
23 Attorney at Law, Law Offices of Michael G. York
Attorney for Respondent

12-10-10
Date

24 **DO NOT WRITE BELOW THIS LINE**

25
CONSENT ORDER
C-10-003-10-CO01
ESCROWPOINT INC.

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

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THIS ORDER ENTERED THIS 31st DAY OF January, 2010.

Deborah Bortner
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

William Halstead in lieu of
WILLIAM HALSTEAD
Financial Legal Examiner

Approved by:

James R. Brusselback
JAMES R. BRUSSELBACK
Enforcement Chief



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**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:

ESCROWPOINT INC.,

Respondent.

NO. C-10-003-10-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO IMPOSE FINE AND
COLLECT INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions (Director) is responsible for the administration of chapter 18.44 RCW, the Escrow Agent Registration Act (the Act). After having conducted an investigation pursuant to RCW 18.44.420 and WAC 208-680G-020, 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:

I. FACTUAL ALLEGATIONS

1.1 Respondent Escrowpoint Inc., (Respondent) is headquartered at 23282 Mill Creek Drive, Suite 340, Laguna Hills, California. Respondent has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as an escrow agent in the State of Washington. On December 17, 2009, Respondent filed with the Department an Agreement to Cease and Desist from performing escrow functions for Washington transactions without a license issued by the Department.

1.2 Unlicensed Activity. Between at least January 1, 2008, and December 31, 2009, Respondent performed escrow functions in at least 24 Washington residential mortgage loan transactions. Respondent received approximately \$10,869 as "fees" for those loans.

1.3 On-Going Investigation. The Department's investigation into the alleged violations of the Act by Respondent continues to date.

II. GROUNDS FOR ENTRY OF ORDER

2.1 Definition of Escrow. Pursuant to RCW 18.44.011(4), "Escrow" means any transaction wherein any person or persons, for the purpose of effecting and closing the sale, purchase, exchange, transfer, encumbrance,

1 or lease of real or personal property to another person or persons, delivers any written instrument, money,
2 evidence of title to real or personal property, or other thing of value to a third person to be held by such third
3 person until the happening of a specified event or the performance of a prescribed condition or conditions, when
4 it is then to be delivered by such third person, in compliance with instructions under which he or she is to act, to
5 a grantee, grantor, promisee, promisor, obligee, obligor, lessee, lessor, bailee, bailor, or any agent or employee
6 thereof.

7 **2.2 Definition of Escrow Agent.** Pursuant to RCW 18.44.011(6) "Escrow Agent" means any person engaged
8 in the business of performing for compensation the duties of the third person referred to in RCW 18.44.011(4).

9 **2.3 Requirement to Obtain and Maintain License.** Based on the factual allegations set forth in Section I
10 above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as an escrow agent by
11 performing escrows or any of the functions of an escrow agent within the State of Washington or with respect to
12 transactions that involve personal property or real property located in the State of Washington without first
13 obtaining a license.

14 **III. AUTHORITY TO IMPOSE SANCTIONS**

15 **3.1 Authority to Impose Fines.** Pursuant to RCW 18.44.430(3) and WAC 208-680G-040(3), in addition to
16 or in lieu of license denial the Director may impose a fine of up to \$100 per day for each day's violation of the Act.

17 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 18.44.410 and WAC 208-680G-050, the
18 expense of an investigation pursuant to WAC 208-680G-020 shall be borne by the entity which is the subject of the
19 investigation.

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

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

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- 4.1 Respondent EscrowPoint Inc., pay a fine which as of the date of these charges totals \$7,500;
- 4.2 Respondent EscrowPoint Inc., pay an investigation fee which as of the date of these charges totals \$365, calculated at \$62.50 per hour for 6 staff hours devoted to the investigation to date;
- 4.3 Respondent EscrowPoint Inc., its officers, employees, and agents maintain all records involving Washington escrow transactions for a minimum of six years following the closing or termination of the escrow transaction.

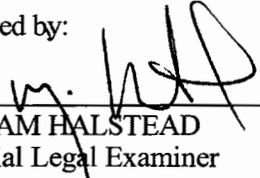
V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intent to Impose Fine and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 18.44.410 and RCW 18.44.430, and is subject to the provisions of chapter 34.05 RCW. Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

DATED this 3rd day of February, 2010.



 DEBORAH BORTNER
 Director
 Division of Consumer Services
 Department of Financial Institutions

Presented by:


 WILLIAM HALSTEAD
 Financial Legal Examiner



Approved by:


 JAMES R. BRUSSELBACK
 Enforcement Chief