ORDER SUMMARY – Case Number: C-11-0871

Name(s): Advantage One Escrow, Inc.

Order Number: C-11-0871-12-CO01

Effective Date: April 12, 2012

License Number: N/A [not licensed]
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(Revoked, suspended, stayed, application denied or withdrawn)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 licensed]

Not Apply Until: April 12, 2017

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	$562.50	Due NOW	Paid ☒ Y ☐ N	Date 4/12/12
Fine	$4,000	Due NOW	Paid ☒ Y ☐ N	Date 4/12/12
Assessment(s)	$	Due	Paid ☐ Y ☐ N	Date
Restitution	$	Due	Paid ☐ Y ☐ N	Date
Judgment	$	Due	Paid ☐ Y ☐ N	Date
Satisfaction of Judgment Filed?		☐ Y ☐ N		
No. of Victims:				

Comments:

Respondent is not licensed, therefore Licensing Unit does not need notification

RECEIVED
APR 1 1 2012
ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

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: ADVANTAGE ONE ESCROW, INC., Respondent.	No.: C-11-0871-12-CO01 CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Advantage One Escrow, Inc. (Respondent), 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 the 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-11-0871-12-SC01 (Statement of Charges), entered January 25, 2012, (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 agree 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.

Based upon the foregoing:

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

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

C. **Escrow Agent License Required.** It is AGREED that Respondent understands it must obtain an Escrow Agent license from the Department or meet an exclusion from licensing, as delineated in the Act, in order to engage in business as an escrow agent by performing escrows or any of the functions of an escrow agent described in the Act within the state of Washington or with respect to transactions that involve personal property or real property located in the state of Washington. It is further AGREED that, until such time as Respondent obtains an Escrow Agent license from the Department or meets an exclusion from licensing, as delineated in the Act, Respondent shall not perform escrows or any of the functions of an escrow agent described in the Act within the state of Washington or with respect to transactions that involved personal property or real property located in the state of Washington.

D. **Application for License.** It is AGREED that, for a period of five years from the date of entry of this Consent Order, Respondent shall not apply to the Department for any license under any name. It is further AGREED that, should Respondent apply to the Department for any license under any name at any time later than five years from the date of entry of this Consent Order, Respondent shall be required to meet any and all application requirements in effect at that time.

E. **Fine**. It is AGREED that Respondent shall pay a fine to the Department in the amount of $4,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

F. **Investigation Fee**. It is AGREED that Respondent shall pay to the Department an investigation fee of $562.50, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together in one $4,562.50 cashier's check made payable to the "Washington State Treasurer."

G. **Records Retention.** It is AGREED that Respondent, its officers, employees, and agents shall maintain records involving Washington State escrow transactions for a minimum of six years from completion of the escrow transactions. It is further AGREED that Respondent shall provide the Department with, and keep the Department informed of, the location such records and the name, address and telephone number of the individual responsible for maintenance of such records.

H. **Authority to Execute Order**. It is AGREED that the undersigned has represented and warranted that he has the full power and right to execute this Consent Order on behalf of the party represented.

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

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

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

RESPONDENT:

Advantage One Escrow, Inc.

B[redacted]

Frank McDowell
President

4/4/12
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 12th DAY OF April, 2012

[redacted]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[redacted]

MARK T. OLSON
Financial Legal Examiner

Approved by:

[redacted]

JAMES R. BRUSSELBACK
Enforcement Chief

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: ADVANTAGE ONE ESCROW, INC, Respondent.	No.: C-11-0871-12-SC01 STATEMENT OF CHARGES and NOTICE OF INTENTION TO ENTER AN ORDER TO ASSESS FINE, COLLECT INVESTIGATION FEE, AND MAINTAIN RECORDS

INTRODUCTION

Pursuant to RCW 18.44.410, the Director of the Department of Financial Institutions of the State of Washington (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 WAC 208-680-620, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondent Advantage One Escrow, Inc. (Respondent) is a California corporation headquartered at 17330 Brookhurst Street, Fountain Valley, 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.

1.2 Unlicensed Activity. In or around October 2011, the Department contacted Respondent about apparent unlicensed activity. In or around November 2011, Respondent provided the Department with a list of 12 mortgage loan transactions closed during the prior 25 months and involving real property located in the state of Washington. According to this list, Respondent

received at least $5,950 in "fees" for providing escrow functions in these transactions.[1] On or about November 3, 2011, Respondent provided the Department with an Agreement to Cease and Desist from providing escrow services in the state of Washington until such time as Respondent obtains a license from the Department or meets an exclusion from licensing as delineated in the Act, and a letter stating Respondent had ceased all such activity in June 2011.

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

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

2.3 Requirement to Obtain and Maintain License. Based on Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 18.44.021 for engaging in business as

[1] The Department is also aware of at least one other transaction, escrow number 260295-EM, closing in or around March 2011 and for which Respondent received at least $500 for providing escrow functions.

an escrow agent by performing escrows or any of the functions of an escrow agent within the state of Washington or with respect to transactions that involve personal property or real property located in the state of Washington without first obtaining a license.

2.4 Requirement to Maintain Records in the State of Washington. Based on the Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 18.44.400 and WAC 208-680-530 for failing to maintain transaction records in the state of Washington for a period of six years from completion of the transaction.

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Issue an Order to Take Affirmative Action. Pursuant to RCW 18.44.440 and WAC 208-680-630, if the Director determines after notice and hearing that a person has: violated any provision of the Act; or engaged in any false, unfair and deceptive, or misleading advertising or promotional activity or business practices; the director may issue an order requiring the person to take such affirmative action as in the judgment of the director will carry out the purposes of the Act.

3.2 Authority to Assess Fine. Pursuant to RCW 18.44.430(3) and WAC 208-680-640, the Director may assess a fine of up to $100 per day for each violation of the Act.

3.3 Authority to Collect Investigation Fee. Pursuant to RCW 18.44.410 and WAC 208-680-650, the expense of an investigation pursuant to WAC 208-680-620 shall be borne by the entity which is the subject of the investigation.

//

//

//

//

//

IV. NOTICE OF INTENTION TO ENTER ORDER

Respondent's violations of the provisions of chapter 18.44 RCW and chapter 208-680 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis for the entry of an Order under RCW 18.44.400, RCW 18.44.410, RCW 18.44.430, RCW 18.44.440 and WAC 208-680-630. Therefore, it is the Director's intention to ORDER that:

4.1 Respondent Advantage One Escrow, Inc. pay a fine. As of the date of this Statement of Charges, the fine totals $6,500.

4.2 Respondent Advantage One Escrow, Inc. pay an investigation fee. As of the date of this Statement of Charges, the investigation fee totals $562.50.

4.3 Respondent Advantage One Escrow, Inc., its officers, employees, and agents maintain all records involving Washington State escrow transactions within the state of Washington for a period of six years from completion of the escrow transactions.

//

//

//

//

//

//

//

//

//

//

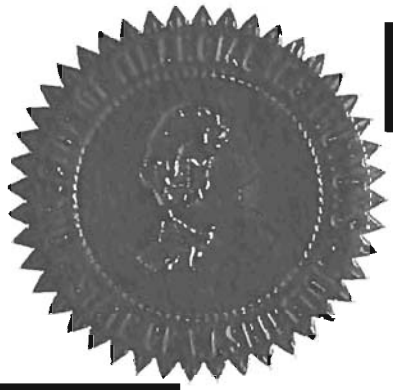
//

//

V. AUTHORITY AND PROCEDURE

This Statement of Charges is entered pursuant to the provisions of RCW 18.44.410, RCW 18.44.430, and RCW 18.44.440, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). 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 25th day of January, 2012



[redacted]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[redacted]

MARK T. OLSON
Financial Legal Examiner

Approved by:

[redacted]

JAMES R. BRUSSELBACK
Enforcement Chief