

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT OF
FINANCE, SECURITIES BUREAU,

Complainant,

vs.

QWIKESCROW, d/b/a
www.qwikescrow.com

Respondent.

Docket No. 2020-18-03

**ORDER TO CEASE AND DESIST AND
NOTICE OF THE OPPORTUNITY FOR
A HEARING**

The Director of the Idaho Department of Finance, being authorized and directed to administer and enforce the Idaho Escrow Act, Idaho Code § 30-901 *et seq.* (the Escrow Act) and the Idaho Financial Fraud Prevention Act, Idaho Code § 67-2750 *et seq.* (the IFFPA), hereby alleges the following facts that constitute a basis for the issuance of an ORDER TO CEASE AND DESIST (Order) pursuant to Idaho Code §§ 30-920(1)(a) and 67-2755(1), requiring Respondent QWIKESCROW to cease and desist from violating the two acts.

The Director finds that there is an immediate threat to the public welfare, which requires immediate agency action, as, detailed below. Accordingly, this Order takes effect immediately upon issuance.

RESPONDENT AND RELATED PARTIES

1. Per its websites, QWIKESCROW (“Qwik”) purports to be a licensed escrow business domiciled in Rhode Island, with a principal business address of 40 Fountain Street, Providence, Rhode Island 02903. Qwik claims to do business through its websites, www.qwikescrow.com, and it has a Facebook social media page of QwikEscrow Enterprise.

2. Qwik also purported on it's website to hold an Idaho escrow license, License Number ESC-1050. While this escrow license number is a valid license number for an existing escrow company licensed by the State of Idaho, the number is not assigned to Qwik. Qwik is not presently and never has been licensed in any capacity by the Idaho Department of Finance.

3. Qwik also purported on its website to be a licensed escrow provider in New York with license number 963 1867 and Arizona with license number EA 0908016. Neither of these license numbers are associated with Qwik nor any company that does business as QwikEscrow.

FINDINGS OF FACT

4. On April 30, 2020, a representative of AL, a registered domestic company in Delaware, contacted the Idaho Department of Finance to confirm the registration of Qwik and the existence of license number ESC -1050. The representative reported that a supplier to AL had contacted him and insisted AL utilize Qwik to secured funds and the transfer of supplies.

5. An investigator for the Department attempted to verify the information provided by Qwik on their website and found the company does not exist at the purported address in Providence, Rhode Island. This information was confirmed through an Internet search of the businesses address operating in the building. Attempts to verify state registration with the Secretary of State offices in Rhode Island, New York, and Arizona, respectively, found no evidence of any business being registered to do business in those states under the name Qwik.

6. On May 6 and May 20, 2020, the Department's investigator also called Qwik's phone number, 1-401-406-7979, listed on its website and found the number to be disconnected. The Department's investigator has attempted to email the company at support@qwikescrow.com with no response.

7. The Director finds that the public welfare is in immediate danger from the unlicensed activities of Qwik, as set forth above.

CONCLUSIONS OF LAW

ESCROW ACT VIOLATIONS

8. Idaho Code § 30-903(1) provides: “It shall be unlawful for any person to directly or indirectly engage in or carry on, or purport to engage in or carry on, the business of, or act in the capacity of, an escrow agency in or from Idaho without first obtaining a license under this chapter.”

9. By using an Idaho Department of Finance escrow license number, Qwik purported to engage in or carry on the business of an escrow agency in Idaho.

10. Qwik did not obtain a license to engage in or carry on the business of an escrow agency, and therefore violated the Idaho Escrow Act, specifically Idaho Code § 30-903.

FINANCIAL FRAUD PREVENTION ACT VIOLATIONS

11. Idaho Code § 67-2752 provides: “Financial Fraud Illegal. It is unlawful for any person, directly or indirectly: ... (3) To falsely represent that a person is a financial institution or a representative of a financial institution, for the purpose of obtaining money, goods or services from any person.”

12. Idaho Code § 67-2751(4) defines “financial institution” to include an escrow agency.

13. By falsely representing that it is an escrow agency in Idaho, agents of Qwik violated the Financial Fraud Prevention Act, specifically, Idaho Code § 67-2752.

14. Idaho Code § 30-920(1)(a) provides, in relevant part,

“Whenever it appears to the director that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of this

chapter or any rule or order thereunder ... the director may in his discretion:(a) Order the person to cease and desist from the violation of any provision of this chapter, rule or order thereunder; ... (c) After notice and the opportunity for a hearing, ... issue an order imposing a civil penalty not to exceed five thousand dollars (\$5,000) for each violation of this chapter or any rule or order thereunder....”

15. Idaho Code § 67-2755(1) provides, in relevant part,

“Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this act ... he may in his discretion:(1) Order the person to cease and desist from the violation or attempted violation of any provision of this act, rule or order hereunder, if, in the determination of the director, it is necessary to protect any financial institution or the public, or a person is violating or is about to violate this act, or other good cause justifies the same, without prior notice to the person or opportunity for hearing.”

ORDER

The Director, having reviewed the foregoing, and good cause being shown therefore,

THE DIRECTOR HEREBY FINDS That Qwik has violated the Idaho Escrow Act, Idaho Code § 30-901 *et seq.* and the Idaho Financial Fraud Prevention Act, Idaho Code § 67-2750 *et seq.*

NOW, THEREFORE, IT IS HEREBY ORDERED That Qwik shall CEASE AND DESIST from purporting to be an Idaho escrow agency until Qwik is licensed in Idaho as an escrow agency.

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IT IS FURTHER ORDERED That Qwik shall CEASE AND DESIST from falsely representing that it is an escrow agency in Idaho.

This ORDER TO CEASE AND DESIST is effective immediately.

IT IS SO ORDERED.

DATED this 22nd day of May 2020.

STATE OF IDAHO
DEPARTMENT OF FINANCE



PATRICIA R. PERKINS
Director of the Department of Finance



NOTICE

RESPONDENT IS HEREBY NOTIFIED that the foregoing Order to Cease and Desist will become a final order of the Director on the date it becomes effective, subject to Respondent's right to file a motion for reconsideration or request for a hearing. Pursuant to Idaho Code § 67-5246, Respondent may file a motion for reconsideration of this Order to Cease and Desist or a request for hearing within fourteen (14) days of the issuance of this Order. Any hearing and subsequent proceedings in this matter will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201, *et seq.*

If Respondent files a timely request for hearing, the Department will notify Respondent of the date, time and place of the hearing, as well as the name of the presiding officer. At the hearing, Respondent will be entitled to enter an appearance, introduce evidence, examine and cross-examine witnesses, make arguments, and generally participate in the conduct of the proceedings. Respondent may also be represented by legal counsel at Respondent's own expense.

Any motion for reconsideration shall be served upon the Director by serving a copy on the following:

Patricia Highley
Securities Bureau Chief
Idaho Department of Finance
800 Park Boulevard, Suite 200
P.O. Box 83720
Boise, ID 83720-0031

A copy of such motion for reconsideration shall also be served upon the Department's counsel, Loren Messerly, Deputy Attorney General, at the same address.