

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

In the matter of:

**TIM FORSMANN, LPA, d/b/a  
FORMMANN ACCOUNTING SERVICE**

Docket No. 2022-18-03

**AGREEMENT AND ORDER**

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The Department of Finance, acting through its Securities Bureau (“Department”), pursuant to the authority under the Idaho Escrow Act, Idaho Code § 30-901, *et seq.*, has reasonable grounds to believe that violation of the Idaho Escrow Act (“Act”) has occurred. Tim Forsmann, LPA, d/b/a Forsmann Accounting Service (“Respondent”) and the Department have agreed to resolve this matter without a public hearing or adjudication of this matter. Therefore, the Director of the Department (“Director”) deems it appropriate and in the public interest, that this Agreement and Order be entered into, and Respondent consents to the entry of this Agreement and Order.

**RESPONDENT**

1. Respondent is a sole proprietorship established in 2020. Respondent’s principal address is 414 Main Street, Cottonwood, Idaho 83522. Respondent’s mailing address is P.O. Box 37, Cottonwood, ID 83522-0037.
2. Respondent operates as an escrow agency offering escrow services in Idaho, primarily in Idaho, Lewis, and Inland counties.
3. The Department has never received a complaint regarding Respondent.

**BACKGROUND**

4. On January 21, 2021, the Department conducted a review of escrow companies registered with the Idaho Secretary of State. The review identified Respondent as an entity possibly offering escrow services in the State of Idaho without an escrow license.

5. On April 30, 2021, the Department received correspondence from Respondent confirming the services offered in the State of Idaho. Respondent self-disclosed it had provided escrow services to Idaho consumers, separate and apart from its accounting services, thus requiring an escrow license in Idaho. Respondent disclosed that from 2016-2021 the company provided escrow services for more than 400 contracts a year with contract volume from \$30 million to more than \$90 million. Set up and collection fees collected from 2016-2021 involving Idaho consumers varied between \$30,000-\$43,000 annually.

6. Respondent engaged in operation of an escrow agency that offered escrow services to Idaho consumers.

### **FINDING OF VIOLATIONS**

7. Idaho Code § 30-903 provides it shall be unlawful for any person to directly or indirectly engage in the business of escrow without first obtaining a license. that no escrow licensee shall engage in the escrow business at any place of business, which does not hold a license or under any other name than the one on the license.

8. Respondent services do not qualify as an exempt entity identified under Idaho Code § 30-905(6), which provides exemption for “persons licensed in this state as a certified public accounting while engaged in the performance of his professional duties *who is not actively engaged in a separate business as an escrow agency,*” [emphasis supplied], nor any other applicable law or rule.

9. Respondent has engaged in escrow business without licensure required by the Act.

10. By engaging in the conduct set forth above, Respondent may have violated Idaho Code § 30-904.

11. While Respondent neither admits nor denies any violation of the Idaho Escrow Act, the Parties agree that it is in their respective best interests to settle this matter finally and forever via agreed order.

12. Idaho Code § 30-913 provides that a civil penalty of up to five thousand dollars (\$5,000) may be ordered for each violation of the Act.

### **ACKNOWLEDGMENT AND REMEDIES**

13. To economically and efficiently resolve the pending dispute, the parties agree to this Agreement and Order in lieu of other proceedings.

14. Respondent admits the foregoing facts and Finding of Violations.

15. Respondent waives his right to notice and opportunity for hearing on this matter provided by Idaho Code § 30-920, and under the contested case provisions of the Idaho Administrative Procedures Act Title 67, Chapter 52, Idaho Code. Respondent further waives its right to seek judicial review of this Order. The terms contained in this Order herein constitute the entire agreement between the Department and Respondent.

16. Respondent represents that the information provided to the Department in its review of this matter, and in the course of the licensing application review process, is complete and accurate.

17. Respondent represents it will operate in full compliance with the Act in the future. In the event that Respondent commits future violation of the Act or fails to adhere to the terms of this Agreement and Order, Respondent acknowledges the Department can incorporate the facts and findings giving rise to this Order in any future proceedings.

18. Respondent agrees to pay a civil penalty of one-thousand, five hundred dollars (\$1,500.00) to the Department for the violations of the Act, pursuant to Idaho Code § 30-913 to fully

and finally settle the issue. Said civil penalty is to be paid not later than thirty (30) days from the date the Director executes this Order. Payment shall be made payable to the "Idaho Department of Finance."

AGREED TO and ACKNOWLEDGED this 23<sup>rd</sup> day of March, 2022.



By: TIM FORSMANN  
d/b/a FORSMANN ACCOUNTING SERVICE

DATED this 28 day of March, 2022



PATRICIA HIGHLEY, Securities Bureau Chief  
Idaho Department of Finance

**IT IS SO ORDERED**

DATED this 28<sup>th</sup> day of March, 2022.



PATRICIA R. PERKINS, Director  
Idaho Department of Finance

