STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

Before the Commissioner of the Division of Mortgage Lending

In the Matter of:	)	
ESCROW SERVICES LLC	)	Order No. 2015-005
and	)	Case No. 2015-005
GEORGE KALIVRETENOS,	)	
Respondents.	)	

ORDER TO CEASE AND DESIST,
ORDER IMPOSING AN ADMINISTRATIVE FINE,
AND ORDER IMPOSING INVESTIGATIVE COSTS
AND
NOTICE OF OPPORTUNITY FOR HEARING

Issued and Entered,
This 17th day of June, 2015,
By James Westrin,
Commissioner

I.
ORDER TO CEASE AND DESIST,
ORDER IMPOSING AN ADMINISTRATIVE FINE,
AND ORDER IMPOSING INVESTIGATIVE COSTS

WHEREAS, the Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") is statutorily charged with the responsibility and authority to administer and enforce Chapter 645A of the Nevada Revised Statutes, NRS 645A.010 *et seq.* ("NRS 645A"), and Chapter 645A of the Nevada Administrative Code, NAC 645A.005 *et seq.* ("NAC 645A"), (collectively, the "Act") governing the licensing and conduct of escrow agencies and escrow agents in the state of Nevada; and,

WHEREAS, the Commissioner is granted general supervisory power and control and administrative enforcement authority over all escrow agencies and escrow agents doing business in the state of Nevada pursuant to the Act; and,

WHEREAS, the Commissioner is granted broad authority to conduct investigations to determine whether any person has violated any provision of the Act; and,

WHEREAS, the Division of Mortgage Lending (the "Division") received a complaint against ESCROW SERVICES LLC and GEORGE KALIVRETENOS (collectively, the "RESPONDENTS") alleging violation of the Act; and,

WHEREAS, the Division commenced an investigation pursuant to NRS 645A.110 and determined from that investigation that RESPONDENTS have engaged or are engaged in conduct or practices which violate the Act; and,

WHEREAS, Division staff reported the results of the investigation to the Commissioner; and,

WHEREAS, the Commissioner reviewed the results of the investigation and made the following FINDINGS OF FACT and CONCLUSIONS OF LAW:

Findings of Fact

1. ESCROW SERVICES LLC is an active, domestic limited-liability company organized on November 12, 2013 and existing under the laws of the State of Nevada (NV Business ID: NV20121682095).

2. According to records of the State of Nevada, Secretary of State, the only identified officer for the company is B. Lambert, located in Sparks, Nevada, and the company's registered agent is identified as Registered Agents of America, Inc., located at 311 W. Third St., Carson City, Nevada, 89703 (Carson City Office). Based upon information and belief, ESCROW SERVICES LLC does or did hold itself out as conducting escrow business as an escrow agency or escrow agent through the Carson City Office.

3. NRS 645A.210 prohibits a person from engaging in or carrying on, or holding himself or herself out as engaging in or carrying on, the escrow business or acting in the capacity of an escrow agent or escrow agency without first obtaining a license under the Act.

4. Subsections (4)-(6) of NRS 645A.010 define the terms "escrow," "escrow agency" and "escrow agent" as follows:

> 4. "Escrow" means any transaction wherein one person, for the purpose of effecting the sale, transfer, encumbering or leasing of real or personal

property to another person, delivers any written instrument, money, evidence of title to real or personal property, or other thing of value to a third person until the happening of a specified event or the performance of a prescribed condition, when it is then to be delivered by such third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, bailor or any agent or employee of any of the latter. The term includes the collection of payments and the performance of related services by a third person in connection with a loan secured by a lien on real property and the performance of the services of a construction control.

5. "Escrow agency" means:

(a) Any person who employs one or more escrow agents; or

(b) An escrow agent who administers escrows on his or her own behalf.

6. Escrow agent" means any person engaged in the business of administering escrows for compensation.

5. On October 3, 2014, the Division received a complaint from JC (Complainant "JC") against ESCROW SERVICES LLC and GEORGE KALIVRETENOS (collectively, "RESPONDENTS") and the Division immediately commenced an investigation into RESPONDENTS' business practices. During the course of the investigation, the Division determined that RESPONDENTS were holding themselves out as actively engaging in activity requiring licensure as an escrow agency and escrow agent under the Act. A review of the Division's records reveals that RESPONDENTS have never been licensed by the Commissioner as an escrow agency or escrow agent pursuant to the provisions of the Act. The investigation specifically revealed the following:

a. Complainant JC represented the buyer in the sale and purchase of five separately identified parcels of real estate. In connection with the property transaction concerning all five parcels, correspondence dated May 13, 2014, as appears upon ESCROW SERVICES LLC's Carson City letterhead, and as signed by KALIVRETENOS in the self-identified capacity as "escrow officer," RESPONDENTS expressly represented the following: "This letter shall serve as confirmation that our firm, Escrow Services LLC, received and is holding, in its favor as escrow agent, a deposit in the

amount of $75,000.00" on behalf of the buyer, the amount stated to constitute the "initial" deposit for the described transaction. RESPONDENTS further expressed in the May 13, 2014 correspondence, that the "escrow draw" would occur upon closing, or upon buyer's default of its obligations pursuant to the purchase contracts.

b. On or about August 29, 2014, at the time of escrow closure, a dispute arose concerning whether or not RESPONDENTS had released, disbursed, or credited to the purchaser, the $75,000.00 that the purchaser had formerly wired to RESPONDENTS as a deposit, and of which RESPONDENTS agreed to hold, and did hold, as a deposit.

6. If a person holds himself out as offering or providing, or otherwise engaging in, any of the activities of an escrow agency or escrow agent at a time when the person lacked the requisite license, NRS 645A.086 requires the Commissioner to impose an administrative fine of not more than $25,000.00 per violation.

7. NAC 645A.350 grants the Commissioner the authority to order a person to cease and desist from engaging in any activity which violates the Act.

8. Any finding of fact that may be deemed a conclusion of law shall be so construed.

Conclusions of Law

9. It is unlawful for a person to engage in or carry on, or hold himself or herself out as engaging in or carrying on, the escrow business or act in the capacity of an escrow agent or agency without first obtaining a license as an escrow agent or agency pursuant to NRS 645A.210.

10. RESPONDENTS held themselves out as engaging in the business of an escrow agency or escrow agent, and held themselves out as acting in the capacity of an escrow agency or escrow agent, with respect to the properties subject of the Complaint and as set forth in RESPONDENTS' May 13, 2014 correspondence, contrary to NRS 645A.210.

11. The Commissioner is authorized pursuant to NAC 645A.350 to order a person to cease and desist from engaging in any activity that violates any provision of NRS 645A.

12. The Commissioner is required pursuant to NRS 645A.086 to impose an administrative fine of not more than $25,000.00 for each violation committed by a person who was not properly licensed under NRS 645A.

Order

WHEREAS, the Commissioner has determined, based upon the foregoing, that RESPONDENTS are engaged or have engaged in activity or conduct in violation of the Act, and further FINDS and CONCLUDES that RESPONDENTS are subject to and should be ordered to: 1) cease and desist from engaging in any activity requiring licensure under NRS 645A or which violates NRS 645A; 2) pay an administrative fine; and 3) pay the Division's investigative costs.

NOW, THEREFORE, IT IS ORDERED that ESCROW SERVICES LLC and GEORGE KALIVRETENOS shall immediately CEASE AND DESIST from engaging in any activity in violation of any provision of, or requiring licensure under, NRS 645A.

IT IS FURTHER ORDERED that an ADMINISTRATIVE FINE in the amount of $10,000.00 shall be and hereby is imposed, jointly and severally, on ESCROW SERVICES LLC and GEORGE KALIVRETENOS. The ADMINISTRATIVE FINE shall be due and payable on the 30th day following the effective date of this order and shall be tendered to the Division in accordance with the attached wire transfer instructions.

IT IS FURTHER ORDERED that ESCROW SERVICES LLC and GEORGE KALIVRETENOS shall be and hereby are, jointly and severally, assessed the Division's INVESTIGATIVE COSTS in the amount of $1,140.00. The INVESTIGATIVE COSTS shall be due and payable on the 30th day following the effective date of this order and shall be tendered to the Division in accordance with the attached wire transfer instructions.

IT IS FURTHER ORDERED that an administrative hearing shall be scheduled in this matter only if RESPONDENTS timely request an administrative hearing in accordance with the instructions set forth in Section II of this order entitled Notice of Opportunity for an Administrative Hearing. If timely request for an administrative hearing is not made in accordance with the instructions set forth in Section II, RESPONDENTS shall be deemed to have waived and relinquished the right to an administrative hearing in this matter and a FINAL ORDER shall be issued and entered in this matter.

IT IS FURTHER ORDERED that this order shall be and is effective and enforceable on the EFFECTIVE DATE, shown in the caption hereof.

IT IS FURTHER ORDERED that this order shall remain effective and enforceable until terminated, modified, set aside, or suspended in writing by the Commissioner.

IT IS FURTHER ORDERED that the Commissioner specifically retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as he shall deem just, necessary and appropriate to enforce provisions of NRS 645A and to protect the public.

IT IS SO ORDERED.

DIVISION OF MORTGAGE LENDING

By: _____

JAMES WESTRIN, COMMISSIONER

II.

NOTICE OF OPPORTUNITY FOR AN ADMINISTRATIVE HEARING

NAC 645A.350 provides as follows:

1. If a person engages in an activity in violation of the provisions of this chapter or chapter 645A of NRS or an order of the Commissioner, the Commissioner may issue an order to the person directing the person to cease and desist from engaging in the activity.

2. The order to cease and desist must be in writing and must state that, in the opinion of the Commissioner, the person has engaged in an activity:

(a) For which the person has not received a license as required by this chapter or chapter 645A of NRS; or

(b) In a manner that violates the provisions of this chapter or chapter 645A of NRS or an order of the Commissioner.

3. A person who receives an order to cease and desist pursuant to this section shall not engage in any activity governed by this chapter or chapter 645A of NRS after receiving the order unless the order is suspended or rescinded.

4. Not later than 20 calendar days after receiving an order pursuant to this section, the person who receives the order may file a verified petition with the Commissioner to request a hearing. Upon receipt of the verified petition, the Commissioner may, for good cause shown, suspend the order pending the hearing. The Commissioner will hold the hearing on a date not later than 30 calendar days after the date the petition is filed unless the Commissioner and the person agree to another date. The order to cease and desist is rescinded if the Commissioner fails to:

(a) Hold a hearing:

(1) Not later than 30 calendar days after the date the petition is filed; or

(2) On a date agreed to by the Commissioner and the person; or

(b) Render a written decision within 45 days after the date the hearing is concluded.

5. The decision of the Commissioner after a hearing is a final decision of the Commissioner for the purposes of judicial review.

[Emphasis added.]

NRS 645A.100 provides as follows:

1. Notice of the entry of any order of suspension, revocation or placement of conditions upon a license or of imposing a fine or refusing a license to any escrow agent or agency must be given in writing, served personally or sent by certified mail or by telegram to the last known address of the agent or agency affected.

2. The agent or agency, upon application, is entitled to a hearing. If an application is not made within 20 days after the entry of the order, the Commissioner shall enter a final order.

[Emphasis added.]

If you wish to exercise your right to an opportunity for an administrative hearing, <u>within 20 calendar days after receiving this order</u>, you must file a verified petition with the Commissioner to request a hearing.

The verified petition requesting a hearing must be delivered to:

Division of Mortgage Lending

Attn. Susan Slack

7220 Bermuda Road, Suite A

Las Vegas, Nevada 89119

If you fail to timely file a verified petition to request a hearing, your right to a hearing to contest this matter will be deemed waived and relinquished.

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on, June 18th, 2015, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing ORDER TO CEASE AND DESIST, ORDER IMPOSING AN ADMINISTRATIVE FINE, AND ORDER IMPOSING INVESTIGATIVE COSTS AND NOTICE OF OPPORTUNITY FOR HEARING in the matter of ESCROW SERVICES LLC AND GEORGE KALIVRETENOS, addressed as follows:

George Kalivretenos
Escrow Services LLC
P.O. BOX 190876
Miami Beach, FL 33119-0876

Certified Receipt Number: 7009 2250 0001 8859 4305

DATED this 17th day of June, 2015

By: Susan Slack
Employee of the Division