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STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Internet Escrow Services, Inc.

Enforcement Case No. 18-15106

License No. MT-0020992

Respondent.

_____ /

Issued and entered
on April 26, 2018
By Rhonda J. Fossitt
Senior Deputy Director

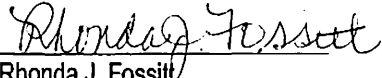
ORDER ACCEPTING STIPULATION AND ORDERING FINE

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Senior Deputy Director finds and concludes that:

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of the Department of Insurance and Financial Services (DIFS) to exercise general supervision and control over persons transacting the business of money transmission services in Michigan.
2. The Senior Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation and Ordering Fine in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 *et seq.*, and the Money Transmission Services Act (Act), 2006 PA 250, MCL 487.1001 *et seq.*
3. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
4. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
5. All applicable provisions of the APA have been met.
6. Respondent violated Section 11(1) of the Act, MCL 487.1011(1), by conducting unlicensed money transmission services business in the state of Michigan.

Now therefore, based upon the Stipulation to Entry of Order and the facts surrounding this case, **IT IS ORDERED THAT:**

7. Respondent shall comply with all provisions of the Act, MCL 487.1001 *et seq.*
8. Respondent shall pay to the State of Michigan, through DIFS, a civil fine in the amount of **\$40,000.00**. Respondent shall pay the fine by the due date indicated on the DIFS invoice.
9. Failure to pay or timely pay the above referenced civil fine, shall be considered a violation of the Act and subject Respondent to additional civil fines and/or suspension or revocation of its license.
10. The Senior Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Act. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.


Rhonda J. Fossitt
Senior Deputy Director

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Internet Escrow Services, Inc.

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_____ /

STIPULATION TO ENTRY OF ORDER

Internet Escrow Services, Inc. (Respondent) stipulates to the following:

1. On or about October 3, 2017, Respondent submitted a money transmission services application to DIFS. That application is pending. As a result of Respondent's disclosures in its license application, DIFS staff became aware of Respondent's activities in Michigan.
2. On or about March 13, 2018, the Department of Insurance and Financial Services (DIFS) issued a Notice of Opportunity to Show Compliance (NOSC) to Respondent alleging that Respondent violated provisions of the Michigan Money Transmission Services Act (Act), 2006 PA 250, MCL 487.1001 *et seq.*
3. The NOSC contained allegations that Respondent engaged in unlicensed money transmission services activities in violation of Section 11(1) of the Act, MCL 487.1011(1).
4. Respondent exercised its right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
5. Respondent and DIFS conferred for the purpose of resolving this matter.
6. Respondent offers escrow services for Internet transactions only. Pursuant to instructions provided by the parties to an internet transaction, Respondent receives funds from the purchaser and holds them in escrow, subject to the satisfaction of conditions precedent for the release of such funds to the seller.
7. Respondent is not, and has never been, licensed under the Act.
8. Respondent admits all parties have complied with the procedural requirements of the APA and the Act.
9. Respondent cooperated in providing information to DIFS.

10. Respondent and DIFS acknowledge and agree that (i) Respondent is entering this Stipulation to Entry of Order without admitting or denying that Respondent has violated the Act and only for the purpose of resolving this matter, and that nothing contained herein may be taken as an admission or concession of any liability or violation of law, and (ii) no part of this Stipulation to Entry of Order constitutes or shall constitute evidence against Respondent in any action or proceeding brought by any person(s) or entity or other party of any violation of any federal or state statute or regulation or the common law.
11. Respondent agrees to operate in compliance with the Act, MCL 487.1001 *et seq.*
12. Respondent agrees that it will pay to the State of Michigan, through DIFS, a civil fine in the amount of \$40,000.00. Respondent shall pay the fine by the due date indicated on the DIFS invoice.
13. Failure to pay or timely pay any of the above referenced civil fines, shall be considered a violation of the Act and subject Respondent to additional civil fines and/or suspension or revocation of its license.
14. Respondent has had an opportunity to review this Stipulation to Entry of Order and the proposed Order Accepting Stipulation and Ordering Fine and have the same reviewed by legal counsel.
15. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Senior Deputy Director for approval.
16. Respondent further understands and agrees that the Senior Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Senior Deputy Director accepts the Stipulation to Entry of Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation and Ordering Fine. If the Senior Deputy Director does not accept the Stipulation to Entry of Order, Respondent waives any objection to the Director holding a formal administrative hearing and making his decision after such hearing.
17. Respondent further agrees that failure to comply with the Order of the Director accepting this settlement by failing to comply with the terms as set forth above shall result in the commencement of an action to suspend and/or revoke Respondent's license.

18. It is further stipulated that the amount of the civil fine has been negotiated in return for the avoidance of further proceedings and certain promises and conditions, one of which is the timely payment of said civil fine. Should Respondent fail to pay the civil fine in accordance with the terms of this Stipulation and the Senior Deputy Director's Order, the parties agree that an action will commence to determine if the Respondent has, in fact, failed to pay, and, if so, Respondent agrees that the fine will immediately increase to the maximum amount allowed under the Act and shall be immediately due in full.



Authorized Representative of
Internet Escrow Services, Inc.
MT-0020992

04/20/2018
Date

ROBERT MATTHEW BARRIE, PRESIDENT
Print Name and Title

DIFS Staff approve this stipulation and recommend that the Senior Deputy Director accept it and issue an Order Accepting Stipulation and Ordering Fine.



Diego R. Avila (P72657)
DIFS Staff Attorney

4/25/2018
Date