

**18 NCAC 06A .2020      REVIEW OF THE ESCROW AGREEMENT**

(a) The Administrator may consider the following factors when reviewing an issuer's escrow agreement to determine whether to approve it:

- (1) the contents of the escrow agreement;
- (2) the contents of any contracts with the escrow agent or escrow administering parties relating to the administration of the escrow account;
- (3) the escrow agent's:
  - (A) physical location;
  - (B) experience as an escrow agent, in the administration of escrow accounts, or provision of escrow services;
  - (C) financial solvency;
  - (D) disciplinary history; and
  - (E) technology to be utilized;
- (4) other parties to the escrow agreement and their:
  - (A) physical locations;
  - (B) financial stability;
  - (C) disciplinary history; and
  - (D) technology to be utilized;
- (5) regulatory agencies, if any, that oversee the activities of the entities that are parties to the escrow agreement; and
- (6) any other factors that the Administrator deems relevant.

(b) When reviewing the agreement, the Administrator may consider information not included in the escrow agreement and may ask the escrow agent for additional relevant information.

*History Note:* Authority G.S. 78A-17.1(a)(5); 78A-17.1(f); 78A-49(a); 78A-49(d); 78A-64; S.L. 2016-103, s.4.(a);  
Eff. April 1, 2017.