

Starting an Online Escrow Service

Tralah M Brian

Escrow Business

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Service

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Opening an escrow company gives you authorization to hold funds for buyers and sellers. An escrow service is a regulated business, meaning that you have to hold an escrow license in your jurisdiction in order to operate.

1. Register Your Business

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It a paramount thing that you have your business registered. Be sure to check with the office of the chamber of commerce industry, as well as the appropriate authority in your country. You would be required to complete some forms, where you would be asked some very vital information about your business. After you might have completed the form, then you may check to see the other steps to take.

2. Get Licensed

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The next port of call would be to apply for a business license. This is very necessary as if you aren't issued a license you might face the risk of having your company clamped down on. In most cases the license may be issued by another body apart from the one where your business was registered. Be sure to check well before making the necessary moves.

3. Acquire Surety Bond

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Surety bonds are requisite to start an escrow company in some countries. Surety bonds are a type of insurance that promises that your escrow company will execute duties as drawn in contracts between a seller and buyer. Peradventure your company cannot fulfill a contractual agreement, the surety company may find another escrow company, or financially reimburse a buyer or seller.