



OAKWOOD ESCROW.

PROTECTION - TRUST - NEUTRALITY

## Do You Need Mutually Agreed Signed Cancellation Instructions to Release the EMD?

**ANSWER:** YES. The State of California Department of Financial Protection and Innovation has taken the position that the unilateral cancellation instruction contained in paragraph 14H of the California Association of Realtors (“CAR”) Residential Purchase Agreement (“RPA”) is not an acceptable instruction for release of funds for the escrow companies.

Their reasoning is that the release of funds under that provision does not put the parties on adequate notice of the risks associated with such an action.

Oakwood Escrow, Inc., make no express or implied warranty respecting the information presented and assume no responsibility for errors or omission.

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