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RECEIVED  
SEP 23 2010  
UTAH STATE  
INSURANCE DEPT

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BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

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<p><b>COMPLAINANT:</b>  UTAH INSURANCE DEPARTMENT</p> <p><b>RESPONDENT:</b> ENTITLE INSURANCE COMPANY 4600 Rockside Road, Suite 104 Independence, OH 44131 NAIC ID # 51632</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2010-142 PC</p> <p>Enf. Case No. 2691</p>
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**STIPULATION**

1. Respondent, Entitle Insurance Company is a title insurance company authorized to do business in the State of Utah, NAIC ID # 51632.
2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:
  - a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
  - b. Respondent admits the Findings of Fact and Conclusions made therefrom;
  - c. Respondent stipulates to the summary entry of the Order herein which

shall be in lieu of other administrative proceedings by Complainant in this matter; and

d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 21<sup>st</sup> day of September, 2010.



ENTITLED INSURANCE COMPANY  
Michael F. Waiwood, President & CEO



UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon  
Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. On or about October 10, 2008, Respondent Entitle Insurance Company filed rates with the Commissioner that appeared to be escrow rates.

2. Upon checking, a Department employee determined that Respondent was not licensed in Utah as an agency.

3. A conference call was held thereafter between Department personnel, Michael Waiwood, President and CEO of Entitle, and Entitle's legal counsel. It was explained during the call that Entitle needed to acquire an agency license if they were to perform escrow closings, the requirements for obtaining an agency license, and the functions an agency could perform.

4. Respondent's President and CEO stated during the conference call that Entitle wished only to insure policies and that they would refer the escrow closings to a license title agency.

5. Between January 2009 and April 2010, a number of phone call and emails between the parties ensued wherein Respondent was advised that advertising on its website indicated that Respondent did escrow closings in all 50 states, and that they needed to correct the website. As a result of such communications, Respondent changed its website to indicate that Respondent does not offer closing services in certain states, including Utah, and that closings in Utah are conducted through licensed, independent escrow agents.

6. On April 12, 2010, a Department investigator sent a letter to Respondent asking for a list of all closings done in Utah from January 2009 to April 2010, in connection with any transactions handled by Respondent, and who the escrow officer was that closed the transactions.

7. On May 8, 2010, the Department investigator received Respondent's response which indicated that, while Respondent did refer most of the transactions to a license escrow agent, Respondent had itself performed seven (7) closings in Utah between January 2009 and April 2010.

8. As of May 8, 2010, Respondent was not licensed as an agency in Utah.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. Pursuant to Utah Code Ann. § 31A-23a-106, an entity engaged in the title business may only do escrows under specified conditions, including that the entity must be a producer licensed with the lines of title and escrow.

2. Respondent Entitle Insurance Company violated the above statute when it conducted seven (7) escrow closings without having a title producer's license with the lines of title and escrow.

Based upon the foregoing Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Recommended Order:

**RECOMMENDED ORDER**

IT IS RECOMMENDED THAT THE TITLE AND ESCROW COMMISSION IMPOSE THE FOLLOWING PENALTY:

1. Respondent Entitle Insurance Company be assessed an administrative forfeiture in the

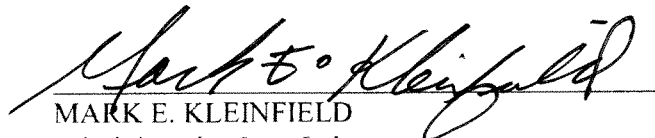
amount of \$21,000 to be paid to the department within 30 days of the date of the imposition of the penalty by the Title and Escrow Commission.

2. Respondent Entitle Insurance company be placed on probation for a period of three months. The terms of probation to be that Respondent shall have no further violations of the Utah Insurance Code, Department Rules, or any order of the Commission.

3. As an additional term of probation, Respondent shall submit a comprehensive business plan outlining steps that will be implemented to ensure future compliance with Utah statutes and Department rules. The plan is to be submitted to the department within thirty days of the date of this Order.

DATED this 27<sup>th</sup> day of September, 2010.

NEAL T. GOOCH  
Insurance Commissioner



MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone: (801) 538-3800

**ADOPTION OF RECOMMENDED ORDER AND IMPOSITION OF PENALTY**

By a vote of 3 to ~~0~~, taken in open meeting on this date, the Title and Escrow Commission hereby adopts the recommended order of the presiding officer and imposes the penalties recommended herein above.

DATED this 11<sup>th</sup> day of October, 2010.



CORTLUND G. ASHTON, Chairman  
Title and Escrow Commission

**NOTIFICATION**

You are hereby notified that a failure to obey an order of the commissioner may subject you to further penalties, including forfeitures of up to \$5,000.00 per violation and the suspension or revocation of your license and the filing of an action in District Court, which may impose forfeitures of up to \$10,000.00 per day for continued violation.

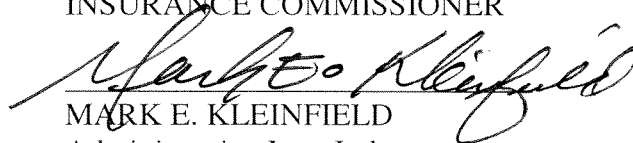
You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

**CONCURRENCE WITH COMMISSION IMPOSED PENALTY**

On behalf of the Commissioner of the Utah Insurance Department I hereby concur  
with the penalty imposed by the Utah Title and Escrow Commission in the above matter.

DATED this 11<sup>th</sup> day of October, 2010.

NEAL T. GOOCH  
INSURANCE COMMISSIONER

  
MARK E. KLEINFELD  
Administrative Law Judge

## CERTIFICATE OF MAILING

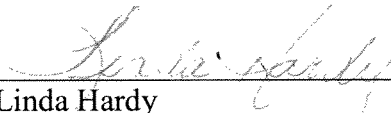
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

### STIPULATION & ORDER

To the following:

Entitle Insurance Company  
4600 Rockside Road, Suite 104  
Independence, OH 44131

DATED this 12<sup>th</sup> day October, 2010

  
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Linda Hardy  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901