

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone: (801) 538-3872

---

BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

---

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENT:**

UTAH COMMERCIAL TITLE  
INSURANCE AGENCY  
175 East 1450 South, Suite 110  
Clearfield, UT 84015  
License No. 91641

TERYL S. HAMMER  
1725 East 1450 South, Suite 110  
Clearfield, UT 84015  
License No. 315564

**STIPULATION AND ORDER**

Docket No. 2010-050 PC

Enf. Case No. 2538 & 2540

RECEIVED

MAR 27 2010

UTAH STATE  
INSURANCE DEPT

---

**STIPULATION**

1. Respondent Utah Commercial Title Insurance Agency is a licensed title insurance agency in the State of Utah, holding License No. 91641.

2. Respondent Teryl S. Hammer is a licensed insurance agent in the State of Utah holding License No. 315564, and is employed by Respondent Utah Commercial Title Insurance Agency and is designated on its license.

RECEIVED

MAR 27 2010

UTAH STATE  
INSURANCE DEPT

2. Respondents stipulate 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. Respondents admit the Findings of Fact and Conclusions made therefrom;
- c. Respondents stipulate to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondents and Complainant have negotiated the terms of the Order entered herein and Respondents agrees to its entry and further agrees to be bound by all its terms.

3. Respondents are aware of their right to a hearing at which they may be represented by counsel, present evidence and cross-examine witnesses. Respondents have irrevocably waived their right to such hearing and to any appeal related thereto.


4. Respondents admit the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondents are acting herein free from any duress or coercion of any kind or nature, having been advised fully as to their rights set forth herein.

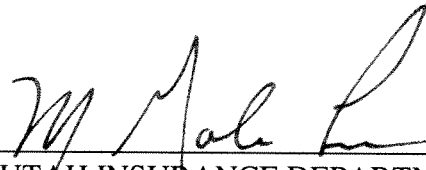
6. Respondents acknowledge that the issuance of this Order by the Commissioner is

solely for purpose of disposition of the matter entitled herein.

DATED this 8 day of MARCH, 2010.

  
\_\_\_\_\_  
UTAH COMMERCIAL TITLE INSURANCE  
AGENCY  
John Lish, President

  
\_\_\_\_\_  
TERYL S. HAMMER

  
\_\_\_\_\_  
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 July 16, 2009, a closing took place at Respondent Utah Commercial Title's offices wherein the escrow agent, Respondent Teryl S. Hammer, charged rates for an Owners Policy and closing fees below the rates filed with the department.

2. At the time, Respondent, Teryl S. Hammer was a newly licensed escrow agent, had felt pressured by the seller to charge only a "bare minimum" and was not as familiar as he should have been about the Department Code and Rules.

4. Utah Commercial Title President, John Lish, and Respondent Hammer cooperated in the investigation. John Lish indicated the error was due to incomplete training and that more training would be done with the escrow officers to prevent a similar occurrence in the future..

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

**CONCLUSIONS OF LAW**

1. Utah Coed Ann. § 31A-19a-209 (3) states:

A title insurance insurer, agency, or producer may not file or use any rate or other charge relating to the business of title insurance, including rates or charges filed for escrow that would cause the title insurance company, agency, or producer to:

- (a) operate at less than the cost of doing:
  - (i) the insurance business; or
  - (ii) the escrow business; or
  - (iii) fail to adequately underwrite a title insurance policy.

2. Respondents Utah Commercial Title Insurance Company and Teryll S. Hammond

violated the above statute on July 6, 2009 when a rate for owners policy and closing costs were discounted beyond the cost of doing business.

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

**RECOMMENDED ORDER**

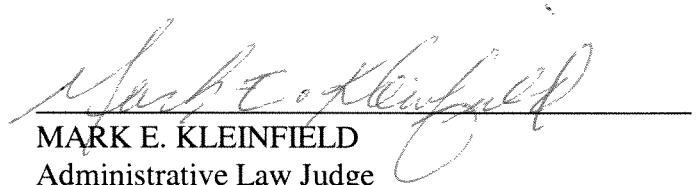
**IT IS RECOMMENDED THAT THE TITLE AND ESCROW COMMISSION IMPOSE THE FOLLOWING PENALTY:**

1. Respondent Utah Commercial Title Insurance Agency be assessed an administrative forfeiture in the amount of \$2,500.00 to be paid within 30 days of the imposition of the penalty by the Title and Escrow Commission.

2. Respondent Teryl s. Hammer be assessed an administrative forfeiture in the amount of \$1,000.00 to be paid within 30 days of the imposition of the penalty by the Title and Escrow Commission..

DATED this 5<sup>th</sup> day of April, 2010.

NEAL T. GOOCH  
Acting 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 4 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 12<sup>th</sup> day of April, 2010.

  
\_\_\_\_\_  
JERRY HOUGHTON, Chairman  
Title and Escrow Commission

**NOTIFICATION**

Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$5,000.00 per violation and the suspension or revocation of your license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

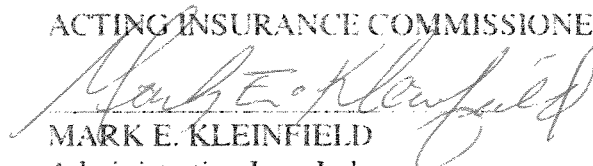
You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

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 12<sup>th</sup> day of April, 2010.

NEAL T. GOOCH  
ACTING INSURANCE COMMISSIONER

  
MARK E. KLEINFELD  
Administrative Law Judge

**UTAH  
Invoice**

Printed Date: March 25, 2010

Invoice Date: March 25, 2010  
Balance Due: \$1,000.00 *paid 3/25/2010*  
Due Date: April 29, 2010  
Invoice ID: 454992

HAMMER TERYL SCOTT  
1725 EAST 1450 SOUTH 110  
CLEARFIELD UT 84015

**Item Description**

Monetary Penalty Individual

	<b>Amount</b>
	\$1,000.00
<b>Original Amount Due</b>	<u>\$1,000.00</u>

---

**UTAH  
Invoice**

Printed Date: March 25, 2010

Invoice Date: March 25, 2010  
Balance Due: \$1,000.00  
Due Date: April 29, 2010  
Invoice ID: 454992

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114-6901



**UTAH  
Invoice**

Printed Date: March 25, 2010

Invoice Date: March 25, 2010  
Balance Due: \$2,500.00  
Due Date: April 29, 2010  
Invoice ID: 454991 *paid 3/25/2010*

UTAH COMMERCIAL TITLE INSURANCE AGENCY  
1725 E 1450 S STE 110  
CLEARFIELD UT 84015

<b>Item Description</b>	<b>Amount</b>
Monetary Penalty Agency	\$2,500.00
<b>Original Amount Due</b>	<u>\$2,500.00</u>

---

**UTAH  
Invoice**

Printed Date: March 25, 2010

Invoice Date: March 25, 2010  
Balance Due: \$2,500.00  
Due Date: April 29, 2010  
Invoice ID: 454991

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114-6901

## CERTIFICATE OF MAILING

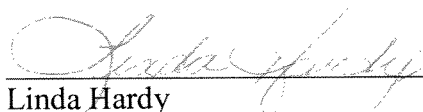
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

### STIPULATION & ORDER

To the following:

Utah Commercial Title Insurance Company  
175 East 1450 South, Suite 110  
Clearfield, UT 84015  
&  
Teryl S. Hammer  
1725 East 1450 South, Suite 110  
Clearfield, Ut 84015

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



---

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