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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

SURETY TITLE AGENCY
9948 South Redwood Rd, Bldg. A
South Jordan, UT 84095
License No. 2745

STIPULATION AND ORDER

Docket No. 2010-133-PC

Enf. Case No. 2638

STIPULATION

1. Respondent, Surety Title Agency (“Surety”) is a licensed title insurance agent in the State of Utah, holding License No. 2745.
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.

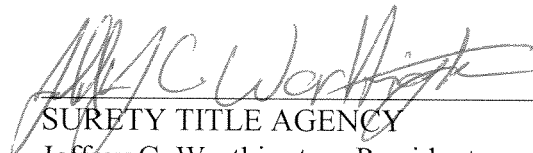
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

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

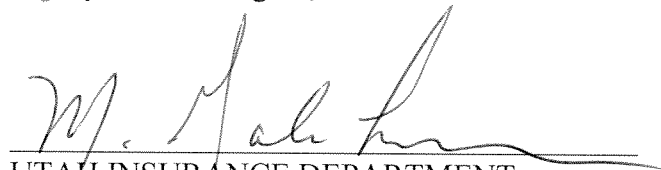
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

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 day of October, 2010.



SURETY TITLE AGENCY
Jeffrey C. Worthington, President



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 October 21, 2010, Ryan Hoskins, an escrow officer with Respondent had distributed a single page promotional handout which set out closing costs and fees of Respondent Surety Title Agency to loan officers of Affordable Home Loans in an effort to secure business.
2. The flyer quoted a rate of \$0 for document preparation fees.
3. Surety Title's filed rate for document preparation is \$25.00.
4. In a November 23, 2009 letter to Respondent, Curtis advised Surety that the flyer, quoting document preparation fees of \$0, was in violation of Section 31A-23a-401 (West 2009).
5. On December 3, 2009, the Department received a response letter from Escrow Officer Hoskins stating he was unaware of the filed rate and apologized for the oversight.
7. Hoskins thereafter sent an email and a hard copy letter to all loan officers of Affordable Home Loans advising them that Surety Title had a filed minimum rate of \$25.00 for document preparation with the Department, and that the fee would be charged.
8. Respondent was timely in its response to the Department and provided evidence of its timely effort to correct the violation.

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

CONCLUSIONS OF LAW

1. 1. Utah Administrative Code Rule R592-6-4, states in part:

... that providing or offering to provide any of the following benefits ... is a material and unfair inducement to obtaining title insurance business and constitutes an unfair method of competition.

(3) Furnishing escrow services pursuant to Section 31a-23a-406:

(a) for a charge less than the charge filed pursuant to Section 31A-19a-209(5) ...

2. Respondent violated the above provision on October 21, 2009 when a flyer was distributed to potential clients which quoted a rate for document preparation below the filed rate.

3. An administrative forfeiture in the amount of \$500.00 is appropriate under the circumstances of this case.

RECOMMENDED ORDER

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

1. Respondent Surety Title Agency be assessed an administrative forfeiture in the amount of \$500.00 to be paid to the Commissioner within 30 days of the date of the Order.

DATED this 15th day of November, 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 IF 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 penalty recommended above.

DATED this 16th day of November, 2010.

Courtland G. Ashton
COURTLUND G. ASHTON, Chairman
Title and Escrow Commission

COURTLUND

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.

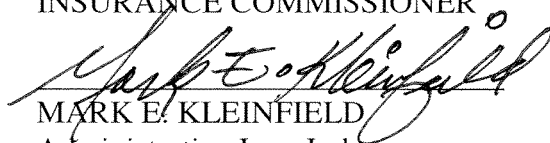
You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

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 15th day of November, 2010.

NEAL T. GOOCH
INSURANCE COMMISSIONER


MARK E. KLEINFELD
Administrative Law Judge