

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

LSI TITLE INSURANCE AGENCY OF
UTAH, INC.,

4001 South 700 East, Suite 500
Salt Lake City, UT 84107
License No. 105183

LPS MANAGEMENT, LLC

601 Riverside Avenue
Jacksonville, FL 32204
Unlicensed

NATIONAL TITLE OF NEW YORK, INC.

4001 South 700 East, Suite 500
Salt Lake City, UT 84107
Utah Co. Id. No. 249

TIM A KRUEGER

4001 South 700 East, Suite 500
Salt Lake City, UT 84107
License No. 194180

**ORDER ON
STIPULATION**

DOCKET No. 2012-055 PC
Enf. Case No. 3015

Mark E. Kleinfield,
Presiding Officer

THIS MATTER CAME ON to be heard before the Commissioner of the Utah State Insurance Department ("Department") on Tuesday, February 26, 2013 at 9:00 o'clock A. M. Mountain Time, with Mark E. Kleinfield, Administrative Law Judge, serving as designated Presiding Officer.

Said hearing being held at the Department's offices located at the Utah State Office Building, Room 3110, Salt Lake City, Utah 84114, having been convened at the designated time of 9:00 (9:05) A. M., February 26, 2013 and adjourned at 9:33 P. M. on said same day.

Appearances:

M. Gale Lemmon, Assistant Attorney General, State of Utah, Attorney for Complainant, Utah State Insurance Department, Heber Wells State Office Building, Salt Lake City, Utah 84114.

Michael A. Gehret, Attorney At Law, Snell & Wilmer, L. L. P., Attorneys for Respondents, 15 West South Temple, Suite 1200, Salt Lake City, Utah 84101-1004

By the Presiding Officer:

Pursuant to a (telephonic) *Notice of Continued Pre-Hearing* a hearing was conducted on February 26, 2013 in the above-entitled proceeding. The Respondents were represented by counsel present at that time.

The hearing was convened and conducted in accordance with Utah Code Ann. Sections 63G-4-204, 63G-4-205, 63G-4-206, 63G-4-207 and 63G-4-208 and Administrative Rule R590-160.

ISSUE

1. The basic issue(s) in this case is (are):

Should the parties tendered “*Stipulation of the Parties for Settlement of Administrative Action*” under date of February 21, 2013 be approved?

The parties presented their proposed February 21, 2013 “*Stipulation of the Parties for Settlement of Administrative Action*”.

Thereafter, the Presiding Officer inquired of the respective parties’ legal counsel.

The Presiding Officer being fully advised in the premises and taking administrative notice of the files and records of the Department and the specific case file herein, now enters his *Findings of Fact, Conclusions of Law, and Order*, on behalf of the Department:

FINDINGS OF FACT

I, find by a preponderance of the evidence, the following facts:

1. The Utah Insurance Department (“Department”) is a governmental entity of the State of Utah. The Department as per Utah Code Ann. Section 31A-2-101 is empowered to administer the *Insurance Code*, Title 31A, Utah Code Ann., 1953, as amended.

2. The Respondents are respective legal entities or individuals whom are licensed and or not licensed as identified in Section “**I – RECITALS**”, Paragraphs 1-6, of the parties’ February 21, 2013 Stipulation.

3. The parties’ Section “**II -“STIPULATED FACTS”**” set forth in their February 21, 2013 Stipulation are incorporated herein and adopted by the Presiding Officer.

Having entered his Findings of Fact, the Commissioner now enters his:

CONCLUSIONS OF LAW

1. The best interests of the parties and “*in the interests of justice*” would determine that the parties’ February 21, 2013 Stipulation should be approved.

Based upon the forgoing Findings of Fact and Conclusions of Law, the Commissioner now enters the following:

ORDER

IT IS HEREBY ORDERED:

1. The parties' "Stipulation of the Parties for Settlement of Administrative Action", including "*Recitals*", "*Stipulated Facts*", "*Compliance*", "*Penalties*" and "*Dismissal*" sections, under date of February 21, 2013, are hereby **approved**, incorporated herein and adopted by the Presiding Officer..

2. Respondent LSI Title Insurance Agency of Utah, Inc. is assessed an administrative forfeiture in the amount of \$150,000.00 of which the sum of \$50,000.00 is suspended pending ongoing compliance with the terms of the parties Stipulation of February 21, 2013. The balance of \$100,000.00 shall be paid to the Utah Insurance Department within 30 days of the date of entry of this Order.

3. Respondent Tim A. Krueger is assessed an administrative forfeiture in the amount of \$7,500.00 of which the sum of \$3,750.00 is suspended pending ongoing compliance with the terms of the parties Stipulation of February 21, 2013. The balance of \$3,750.00 shall be paid to the Utah Insurance Department within 30 days of the date of entry of this Order.

4. a. Respondents in accordance with the parties' February 21, 2013 Stipulation are specifically ordered to take all necessary steps, if not already taken, to be and remain in compliance with Section "**III – COMPLIANCE**", paragraphs 1 – 4, therein.

b. Respondents in accordance with the parties' February 21, 2013 Stipulation are specifically ordered to take all necessary steps, if not already taken, to be and remain in compliance with Section "**III – COMPLIANCE**", paragraph 5, therein, as regards

current and future requirements set forth by the Utah Insurance Code and or Utah Administrative Code and or pertinent bulletins issued by the Utah Insurance Department.

5. All claims asserted by the Department against both LPS Management and National Title are dismissed **with prejudice**.

6. a. Respondents are hereby notified that a failure to abide by the terms of this Order may subject them to further penalties, including forfeitures of up to \$2,500.00 per violation for an individual licensee and up to \$5,000.00 per violation for an organization, and the suspension or revocation of your license(s), and the filing of an action to enforce this Order in 3rd District Court in and for Salt Lake County, State of Utah, which may impose forfeitures of up to \$10,000.00 per day for, ongoing continued violation.

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

DATED and ENTERED this 26th day of March, 2013.

**TODD E. KISER,
INSURANCE COMMISSIONER**



MARK E. KLEINFELD
ADMINISTRATIVE LAW JUDGE and
PRESIDING OFFICER

Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone: (801) 537-9246
Facsimile: (801) 538-3829
Email: MKleinfeld@utah.gov

ADMINISTRATIVE AGENCY REVIEW

Administrative Agency Review of this Order may be obtained by filing a Petition for Review with the Commissioner of the Utah Insurance Department within thirty (30) days of the date of entry of said Order consistent with Utah Code Ann. Section 63G-4-301 and Administrative Rule R590-160.

Failure to seek agency review shall be considered a failure to exhaust administrative remedies.

(R590-160 and Section 63G-4-401)

JUDICIAL REVIEW

As an “**Formal Hearing**” after agency review judicial review of this Order may be obtained by filing a petition for such review consistent with Utah Code Ann. Section 63G-4-403.

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:

ORDER ON STIPULATION

To the following:

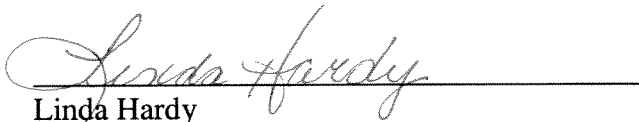
LSI Title Insurance Agency
Of Utah, Inc.
4001 South 700 East, Suite 500
Salt Lake City, UT 84107

National Title of New York, Inc.
4001 South 700 East, Suite 500
Salt Lake City, UT 84107

LPM Management, LLC
601 Riverside Avenue
Jacksonville, FL 32204

Tim A. Krueger
4001 South 700 East, Suite 500
Salt Lake City, UT 84107

DATED this 26th day of March, 2013



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

**UTAH
Invoice - Original**

Printed Date: March 26, 2013
Invoice Date: March 26, 2013
Balance Due: \$100,000.00
Due Date: April 25, 2013
Invoice ID: 628851
Payor ID: 14738

LSI TITLE INSURANCE AGENCY OF UTAH INC
4001 SOUTH 700 EAST SUITE 500
SALT LAKE CITY UT 84107

Item Description	Amount
3/26/2013 Monetary Penalty Agency E-Case 3015 Docket 2012-055 PC	\$100,000.00
Original Amount Due	<u>\$100,000.00</u>
Payments Received	
	<u>Balance Due</u>

**UTAH
Invoice - Original**

Invoice Date: March 26, 2013
Balance Due: \$100,000.00
Due Date: April 25, 2013
Invoice ID: 628851
Payor ID: 14738
Payor Name: LSI TITLE
INSURANCE
AGENCY OF UTAH
INC

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 - Original

Printed Date: March 26, 2013
Invoice Date: March 26, 2013
Balance Due: \$3,750.00
Due Date: April 25, 2013
Invoice ID: 628852
Payor ID: 44372

KRUEGER TIM A
4001 SOUTH 700 EAST
SUITE 500
SALT LAKE CITY UT 84107

Item Description	Amount
3/26/2013 Monetary Penalty Individual E-Case 3013 Docket 2012-055 PC	\$3,750.00
Original Amount Due	<hr/> \$3,750.00
Payments Received	
	<hr/> Balance Due

UTAH
Invoice - Original

Invoice Date: March 26, 2013
Balance Due: \$3,750.00
Due Date: April 25, 2013
Invoice ID: 628852
Payor ID: 44372
Payor Name: KRUEGER, TIM A

Make checks payable to: Utah Insurance Department

Send payment to:

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