

**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

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**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?

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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.

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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 3<sup>rd</sup> 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 26<sup>th</sup> 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

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## **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.

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