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

<p>UTAH INSURANCE DEPARTMENT, Complainant, v. 1st LIBERTY TITLE, LC, License # 371709, 9488 Union Park Square, Sandy, UT 84070 Respondent.</p>	<p>STIPULATION AND ORDER</p> <p>Docket No. 2014-092 PC</p> <p>Enf. Case No. 3526</p> <p>Mark E. Kleinfield Administrative Law Judge</p>
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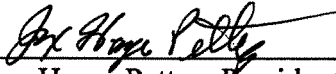
STIPULATION

The Utah Insurance Department (“Department”), by and through its legal counsel, and 1st Liberty Title, LC, a Utah licensed title insurance agency (“Respondent”), hereby stipulate and agree as follows:

1. Respondent is an active Utah licensed title insurance agency authorized to do business in the state of Utah under License No. 371709. Respondent’s business address is 9488 Union Park Square, Sandy, UT 84070.
2. The Department has jurisdiction over the parties and subject matter of this administrative action.

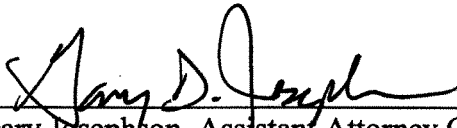
10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 23rd day of SEPTEMBER, 2014.



Jax Hayes Pettey, ~~President~~ **MANAGER**
1st Liberty Title, LC

Dated this 29th day of Sept., 2014.



Gary Josephson, Assistant Attorney General
Attorney for Utah Insurance Department

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

FINDINGS OF FACT

1. In February, 2014, the Department's investigation of this matter was initiated pursuant to a complaint, alleging that Respondent had issued an owner's policy premium at a discounted rate.
2. On March 24, 2014, a Department investigator requested from Respondent the HUD-1 for the property listed in the complaint.
3. On March 26, 2014, In response to a Department request for information,

Respondent's agent, who conducted the closing in question, emailed to the Department a statement regarding the discount given. According to Department records, this agent had not been properly associated to Respondent.

4. On May 13, 2014, Respondent was audited. The investigator requested the number of escrow closings conducted from February 28, 2011 through May 13, 2014 and a list of favors, reduced rates, and/or rebates offered to Innova Realty and M&H Real Estate during that time period.

5. Respondent's reported that 989 closings had been conducted from February 28, 2011 through May 13, 2014, and 49 closings had been conducted with Innova Realty and M&H Real Estate. Respondent reported that six closings were issued at a reduced rate.

6. The Department's investigation also found that Respondent had not filed its escrow rates with the Department.

7. Respondent was cooperative and helpful during the audit and took full responsibility for the violations.

8. The Department and Respondent have agreed to the imposition of the following administrative penalties:

- (a) Respondent is to pay a forfeiture in the amount of \$9,000.00 in six consecutive monthly payments of \$1,500.00 beginning November 1, 2014;
- (b) Respondent is to be placed on probation until November 1, 2015, with the terms of probation being that Respondent will pay the full forfeiture and not violate any further Utah insurance laws; and
- (c) On or before December 1, 2014, Respondent shall submit to the Department a comprehensive business plan outlining specific policies and procedures with regards to its license, associations, and marketing practices ensuring compliance with Utah law.

Based upon the foregoing Stipulation and Findings of Fact, the Administrative Law Judge enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Section 31A-19a-209 requires every title insurance agency and producer to file with the commissioner a schedule of escrow charges for services performed in connection with the issuance of policies of title insurance, and to file any changes to the schedule of charges. Respondent violated this rule by not filing its required schedule of escrow charges.

2. Utah Code Section 31A-23a-402 prohibits a title insurer or producer from giving directly or indirectly, as an inducement for obtaining business, a rebate, reduction, or abatement of any rate or charge incident to the issuance of title insurance. In violation of Section 31A-23a-402, Respondent charged a reduced premium rate on six occasions.

3. Utah Code Section 31A-23a-302 requires a title agency to designate with the Department any individual acting on the agency's behalf. Respondent violated this rule by first failing to designate an escrow agent who conducted at least one closing on its behalf and then by failing to terminate the association when that individual was no longer an employee.

4. Based on the facts and applicable laws, the proposed administrative forfeiture is appropriate.

RECOMMENDED ORDER

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

1. Respondent, 1st Liberty Title, LC, is assessed an administrative forfeiture in the amount of \$9,000.00 to be paid in six consecutive monthly payments of \$1,500.00, beginning

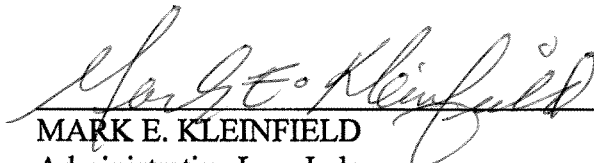
November 1, 2014.

2. Respondent is placed on probation until November 1, 2015. The terms of probation are that Respondent shall make full and timely payments of the forfeiture amount and shall have no further violations of Utah insurance laws and rules.

3. Before December 1, 2014, Respondent shall submit a comprehensive business plan outlining specific procedures and policies regarding its license, associations, and marketing practices, ensuring future compliance with Utah insurance laws and Department rules.

DATED this 29th day of September, 2014.

TODD E. KISER
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department

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 penalty recommended above.

DATED this 20 day of October, 2014.



JEFFERY D. WIENER, Chairman
Title and Escrow Commission

COMMISSIONER CONCURRENCE


WITH COMMISSION IMPOSED PENALTIES

The Commissioner of the Utah Insurance Department hereby concurs with the above and forgoing Utah Title and Escrow Commission imposed penalties in the present adjudicative proceedings.

Dated this 20 day of October, 2011.

TODD E. KISER,
Commissioner,
Utah Insurance Department,

BY:


Mark E. Kleinfield
Administrative Law Judge

NOTIFICATION TO RESPONDENT

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 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 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.

CERTIFICATE OF MAILING

The undersigned hereby certify that on this date, a true and correct copy of the foregoing STIULATION AND ORDER was mailed, postage prepaid, to the following:

1st Liberty Title, LLC
Jax Hayes Pettey
9488 Union Park Square
Sandy, UT 84070

DATED this 20th day October, 2014



LINDA HARDY
UTAH INSURANCE DEPARTMENT
STATE OFFICE BUILDING, ROOM 3110
SALT LAKE CITY, UT 84114-6901



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Insurance Department

UTAH Invoice - Original

1st LIBERTY TITLE, LC
9488 UNION PARK SQUARE
SANDY UT 84070

Printed Date: October 20, 2014
Invoice Date: October 20, 2014
Balance Due: \$9,000.00
Due Date: April 1, 2015
Invoice ID: 727413
Payor ID: 165734

Date	Item Description	Amount	
10-20-2014	Monetary Penalty Agency monthly payments of \$1500.00 beginning 11-1-14	\$9,000.00	E-Case 3526 Docket # 2014-092 Payments to be made in six

No Adjustments

No Payments

Balance Amount Due \$9,000.00

UTAH Invoice - Original

Make check payable to: Utah Insurance Department
Send payment to:
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901

Invoice Date: October 20, 2014
Balance Due: \$9,000.00
Due Date: April 1, 2015
Invoice ID: 727413
Payor ID: 165734

E-Case 3526 Docket # 2014-092

Payments to be made in six monthly payments of \$1500.00 beginning 11-1-14

**Detach and Return this Voucher with Payment
Payments Will Not Be Processed without Voucher**