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

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<p><b>UTAH INSURANCE DEPARTMENT,</b>  Complainant,  v.  <b>LAWYERS TITLE COMPANY,</b>  Respondent.</p>	<p><b>STIPULATION AND ORDER</b></p> <p><b>Docket No. 2018-037-TI</b> <b>Enf. Case No. 3986</b></p> <p>Lisa Watts Baskin, J.D. Administrative Law Judge</p>
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**STIPULATION**

The Utah Insurance Department (“Department”), by and through its legal counsel, and Lawyers Title Company (“Respondent”), by and through its legal counsel, hereby stipulate and agree as follows:

1. The Department has jurisdiction over the parties and subject matter of this administrative action.
2. Respondent acknowledges notice of agency action pursuant to Utah Code Section 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code Section 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.
3. Respondent is represented by legal counsel in this matter.

4. This signed Stipulation and the signed Order, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

5. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

6. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

7. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

8. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

9. 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 18<sup>th</sup> day of April, 2018.

/s/ Katie Schmidt  
Katie Schmidt  
LAWYERS TITLE COMPANY

Dated this 18<sup>th</sup> day of April, 2018.

/s/ Helen A. Frohlich  
Helen A. Frohlich, Assistant Attorney General  
UTAH INSURANCE DEPARTMENT

Based upon the foregoing Stipulation and Department file, the Administrative Law Judge makes the following Findings of Fact:

**FINDINGS OF FACT**

1. At all times relevant, Respondent was a non-resident unlicensed producer title agency, licensed in California and owned by Fidelity National Financial, Inc. Respondent's business address is 601 Riverside Ave. Building 5, 5<sup>th</sup> Floor, Jacksonville, FL 32204.

2. Respondent was doing business in Utah as a title producer agency without being licensed by the Department.

3. Respondent conducted 34 closings between August 22, 2014 and January 19, 2017. Respondent had no licensed producers designated to it, had not filed its rates with the Department, and did not have a physical office in Utah.

4. The Department and Respondent have agreed to an administrative forfeiture in the amount of \$93,500.00.

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-23a-103 addresses the requirements for a title insurance agency to have an active license issued by the State and for its producers to be licensed in order for it to conduct business as follows:

31A-23a-103. Requirement of license.

(1)(a) Unless exempted from the licensing requirement under Section 31A-23a-201 or 31A-23a-207, a person may not perform, offer to perform, or advertise any service as a producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary in Utah, without a valid individual or agency license issued under this chapter.

- (b) A valid license includes at least one license type and one line of authority pertaining to that license type.
- (c) A person may not utilize the services of another as a producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary if that person knows or should know that the other does not have a license as required by law.
  - (2) This part may not be construed to require an insurer to obtain an insurance producer license.
  - (3) An insurance contract is not invalid as a result of a violation of this section.

2. Respondent conducted 34 closings without an active producer license from August 22, 2014, to January 19, 2017, in violation of this statute.

3. Utah Code Section 31A-23a-302 requires that licensed producers be associated to an agency in order to act on its behalf as follows:

31A-23a-302. Agency designations (in part).

- (1) An agency shall designate an individual that has an individual producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary license to act on the agency's behalf in order for the licensee to do business for the agency in this state.

4. Respondent conducted 34 closings utilizing undesignated producers from August 22, 2014 to January 19, 2017, in violation of this provision.

5. Utah Code Section 31A-19a-209 requires that a title agency must file a schedule of escrow charges that the agency proposes to use in this state for services performed in connection with issuance of policies of title insurance.

6. Respondent conducted 34 closings, from August 22, 2014 to January 19, 2017, utilizing unfiled rates, in violation of this provision.

7. Utah Code Section 31A-23a-406 states that a title agency may conduct escrow involving real property transactions if it is licensed with both a title and escrow and title

examination line of authority and maintains a physical office in Utah manned by a person with an escrow sub line of authority who processes the escrow.

8. Respondent conducted 34 closings from August 22, 2014 to January 19, 2017 without an active office in Utah staffed by a licensee with an escrow sub line of authority to process the escrow. This violated the above statute.

9. An Administrative forfeiture in the amount of \$93,500.00 is appropriate under the circumstances of this case.


Based on the foregoing Findings and Fact and Conclusions of Law, the Commissioner enters the following Order:

**ORDER**

1. Respondent, Lawyers Title Company is assessed an administrative forfeiture in the amount of \$93,500.00 to be paid to the Department within 30 days of the fully signed Order.

DATED this 20<sup>th</sup> day of April, 2018.

TODD E. KISER  
Insurance Commissioner

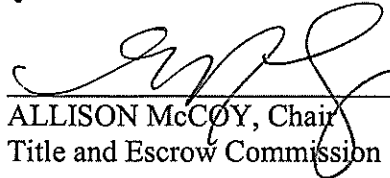
  
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LISA WATTS BASKIN, J.D.  
Administrative Law Judge  
Utah Insurance Department

**ADOPTION OF RECOMMENDED ORDER AND IMPOSITION OF PENALTY**

By a vote of 5 to 0, taken in open meeting on this date, the Title and Escrow

Commission concurs with the order of the Commissioner.

DATED this 14 day of May, 2018.

  
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ALLISON McCOY, Chair  
Title and Escrow Commission

**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.