

Respondent.

3. In March 2017, the Department opened an investigation after documentation regarding the original complaint showed that escrow had been processed by someone who was not licensed in Utah and not associated with Respondent.

4. The Department requested several files and a random sampling of 20 files from 2013 to 2017 to review for unlicensed activity.

5. Respondent has one Utah-licensed title insurance producer with an escrow subline of authority. In 14 of the transactions in the sample, escrow was not processed by that producer.

6. In 15 of the transactions in the sample, escrow was processed by persons Respondent had not designated.

7. All 20 transactions involved escrow accounts in Citibank, which does not have an office in Utah. Respondent provided documentation in February 2018 showing updated wiring instructions using Wells Fargo, which has an office in Utah.

8. The Department and Respondent have agreed to an administrative forfeiture of \$7,018.00 and a 24 month probationary period, the terms of which are outlined in the Order.

CONCLUSIONS OF LAW

1. The Utah Insurance Commissioner (“Commissioner”) has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code. Utah Code § 31A-2-308.

3. Utah Code § 31A-23a-103(1)(a)(b) states that a person cannot perform, offer to perform, or advertise any service as a producer in Utah without a valid individual license. A

valid license includes at least one license type and one line of authority pertaining to that license type. Respondent violated this section by using nonresident unlicensed producers to conduct escrow on Utah properties.

4. Utah Code § 31A-23a-406(1)(g) states that the individual title producer or agency shall maintain a physical office in Utah staffed by a person with an escrow subline of authority who processes the escrow. Respondent violated this section by using nonresident unlicensed producers to process the escrow on Utah properties.

5. Utah Code § 31A-23a-302(1) states that an agency shall designate an individual that has an individual producer license to act on the agency's behalf in order for the licensee to do business for the agency in this state. Respondent violated this section by using unassociated nonresident producers to process the escrow on Utah properties.

6. Utah Code § 31A-23a-409(2)(a)(i) requires trust account funds to be depository institution which has an office in this state. Respondent violated this when trust account funds were deposited in an account with Citibank, which does not have an office in Utah.

7. As penalties for the violations in this case, Respondent should be ordered to pay a forfeiture of \$7018.00 and be placed on probation for a period of two years from the date of the order.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:


1. Respondent shall pay a forfeiture of \$7018.00 for the violations described in the Conclusions of Law.

2. Respondent is placed on probation for a period of 24 months from the date of this order. During the probationary period, the Respondent shall biannually provide the Department with a complete list of closings conducted on Utah properties. Based on that list, the Department will request a random sample of closings and commitments for review. Any additional violations will result in further penalties.

3. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 27th day of February, 2019.

TODD E. KISER
Utah Insurance Commissioner



Lisa Watts Baskin
Presiding Officer
Utah Insurance Department

NOTICE 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.

CONCURRENCE WITH IMPOSITION OF PENALTY

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

Commission

5 concurs

0 does not concur

with the penalty imposed by the Commissioner.

DATED this 11th day of March, 2019.


JAMES SWAN, Chair
Title and Escrow Commission