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BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. SYNERGY TITLE INSURANCE AGENCY, LLC, Respondent.</p>	<p>FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER</p> <p>Docket No. 2019-4181</p> <p>Lisa Watts Baskin Presiding Officer</p>
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Complainant, Utah Insurance Department (“Department”) and Respondent, Synergy Title Insurance Agency, LLC, have stipulated to entry of the following Findings of Fact, Conclusions of Law and Order. Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

FINDINGS OF FACT

1. Respondent is a resident producer organization holding license number 608488.
2. Respondent’s mailing address is 466 N. Main Street, Suite 204, Clearfield, Utah 84015.
3. On September 16, 2019, the Department initiated an audit of Respondent.

4. On September 26, 2019, an examiner from the Department arrived at Respondent's business address to conduct an in-place audit review.

a. Respondent's licensed name is Synergy Title Insurance Agency, LLC.

b. Upon approaching Respondent's place of business, the examiner observed two signs on the building with the following names: (1) Synergy Title Insurance CO; and (2) Synergy Title. Respondent used these assumed names without properly notifying the Commissioner as required by Utah Admin. Code R590-154-5.

c. The examiner observed that Respondent was using the name Synergy Title on business cards and mailers. Respondent used this assumed name without properly notifying the Commissioner as required by Utah Admin. Code R590-154-5.

d. While auditing Respondent's trust account bank statements and checks, the examiner observed that the words "Trust Account" were not printed on the trust account checks.

e. While reviewing Respondent's producer list, the examiner observed that Respondent's list included the name Nicholas Stone, identifying Mr. Stone as a Marketer for Respondent. Respondent had not designated Mr. Stone to act on its behalf as required by Utah Code § 31A-23a-302.

f. While reviewing Respondent's minimum filed escrow rates spreadsheets, the examiner observed that Respondent had not filed its schedule of escrow charges for use in Utah, as required by Utah Code § 31A-19a-209.

5. On September 26, 2019, the Department notified Respondent to take the following actions:

- a. File its schedule of escrow rate charges and provide the Department with a list of Utah closings conducted between the date of licensure, March 7, 2017 to September 30, 2019;
 - b. Update its signage, business cards and mailers in the name of the agency as licensed;
 - c. Designate Nicholas Stone to act on Respondent's behalf; and
 - d. Include the words "Trust Account" on Respondent's trust account checks.
6. On September 26, 2019, Respondent designated Nicholas Stone to act on Respondent's behalf.
7. On October 1, 2019, Respondent filed with the Department its schedule of escrow charges.
8. On October 8, 2019, Respondent informed the Department that it had completed 512 Utah closings between March 7, 2017 to September 30, 2019.
9. On October 8, 2019, Respondent provided the Department with correspondence from Respondent to Respondent's building manager requesting the building's signage be corrected to reflect Respondent's licensed name.
10. On October 8, 2019, Respondent provided the Department with a copy of an updated trust account check that included the words "Trust Account" on the check.
11. On October 23, 2019, Respondent's owner Ryan Goodrich and the Department agreed to an administrative forfeiture of \$5,000.00.

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. *See* Utah Code § 31A-2-308.

3. Utah Code § 31A-19a-209(2)(a)(i) requires a title agency to file a schedule of escrow charges that it proposes to use in Utah. Respondent violated this statutory requirement by conducting 512 Utah escrow closings without having filed a schedule of escrow charges.

4. Utah Admin. Code R590-154-5(5) requires a licensee to properly notify the Commissioner of its use of an assumed name. Respondent violated this rule by using assumed names on building signs, business cards, and mailers without properly notifying the Commissioner of the same.

5. Utah Code § 31A-23a-302(1) requires an agency to 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 the State. Respondent violated this statutory requirement by allowing a licensed producer to market on its behalf without having designated the licensed producer to act on Respondent’s behalf.

6. Utah Admin. Code R590-170-4(1) requires that all records relating to a trust account be identified with the wording “Trust Account” or words of similar import. These records include checks, bank statements, general ledgers, and records retained by a bank pertaining the trust account. Respondent violated this rule by not having the words “Trust Account” on its trust account checks.

4. As a penalty for the violation in this case, Respondent should be ordered to pay a forfeiture of \$5,000.00.

ORDER

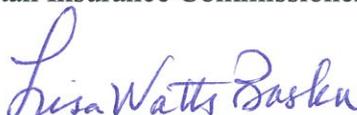
Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall pay a forfeiture of \$5,000.00 for the violations described in the Conclusions of Law.

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

DATED this 8th day of November, 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.

**TITLE AND ESCROW COMMISSION RESPONSE TO REQUEST FOR
CONCURRENCE WITH PENALTY**

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

Commission

concurs

does not concur

with the penalty imposed by the Commissioner in this matter.

DATED this 18th day of November, 2019.



NANCY FRANSEN, Chair
Title and Escrow Commission