



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Title & Escrow Commission Meeting

(https://insurance.utah.gov/licensee/title/tec)

Date: June 30, 2022

Place: In Person
None

Virtual

Google Meet

meet.google.com/wsw-xvrf-wdv

914-893-5773

Phone

190 505 188#

Password

Time: 10:00 AM

This special meeting was called at the request of the Insurance Commissioner under 31A-2-403(6)(c)(i)

ATTENDEES

TITLE & ESCROW COMMISSION

Chair, Kim Holbrook (Insurer, Davis County)

Darla Milovich (Agency, Salt Lake County)

Vice Chair, Chase Phillips (Agency, Weber County)

Cal Robinson (Agency, Iron County)

Jeff Mathews (Public Member, Morgan County)

Perri Babalis, AG Counsel - TEC

DEPARTMENT STAFF

Jon Pike, Insurance Commissioner

Reed Stringham, Deputy Comm.

Tracy Klausmeier, P&C Dir.

Randy Overstreet, Licensing Dir.

Patrick Lee, Finance Dir.

Adam Martin, MC Examiner

Shelley Coudreaut, AG Counsel - UID

Michael Covington, CE Specialist

Steve Gooch, PIO Recorder

AGENDA

General Session: (Open to the Public)

- Welcome / Kim Holbrook, Chair
Telephone Roll Call
New Business
Penalties
Paradise Settlement Services LLC (Docket #2022-4404)
Christopher John McLucas (Docket #2022-4405)

Executive Session (None)

- Adjourn
Next Meeting: TBD, 2022 — Big Cottonwood Room, Taylorsville State Office Building

2022 Meeting Schedule

Table with 6 columns: Jan 10, Feb 14, Mar 14, Apr 11, May 9, Jun 13; Jul 11, Aug 15, Sept 12, Oct 17*, Nov 14, Dec 19

*Proposed TEC/REC meeting immediately following

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
SEAN D. REYES (7969)
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, 5th Floor
P.O. Box 140874
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Telephone: (801)366-0375
Email: sacoudreaut@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. PARADISE SETTLEMENT SERVICES LLC, Respondent.</p>	<p>NOTICE OF AGENCY ACTION AND ORDER</p> <p>Docket No. 2022-4404</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against Paradise Settlement Services, LLC. (“Respondent”) pursuant to Utah Code § 31A-2-201 and 63G-4-201 through -203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent's resident producer organization insurance license number 636969 is revoked.
2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.
3. A request for a hearing shall be in writing and sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.
4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 27th day of June, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Adam Martin, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Paradise Settlement Services, LLC. (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is a property & casualty title Resident Producer Organization, domiciled in Texas and authorized to do insurance business in Utah. Respondent’s Utah license number is 636969.

b. Under Utah Code § 31A-2-202(4)(a), Respondent is required to reply promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

c. Respondent, through Christopher John McLucas, owner of Paradise Settlement Services, LLC, failed to respond to a letter of inquiry sent via email from the Property & Casualty Market Conduct Title & Escrow Division on February 7, 2022, even though McLucas had responded via email that he would respond.

d. Respondent again failed to respond to a letter of inquiry from the Property & Casualty Market Conduct Title & Escrow Division, sent via USPS, on February 18, 2022.

- e. Respondent failed to respond to the Department even after a lengthy phone conversation on March 1, 2022, between McLucas and the Examiner, explaining the importance of responding to letters and emails from the Department.
- f. Respondent again failed to respond to a letter of request from the Property & Casualty Market Conduct Title & Escrow Division, mailed via Certified Mail on March 3, 2022.
- g. Respondent failed to respond to the Department by the time specified in communications sent to Respondent through multiple mediums.
- h. Based on the Respondent's failure to respond, a Notice of Agency Action and Order was emailed to the Respondent on April 13, 2022, imposing a \$500 forfeiture, which was due by May 13, 2022.
- i. The Respondent failed to respond to the Order, request a hearing, or pay the \$500 forfeiture.
- j. On May 9, 2022, the Respondent failed to respond to an updated Imposition of Penalty that was emailed to the Respondent with the Notice of Agency Action and Order, approved by the Title and Escrow Commission. Subsequently, the respondent failed to request a hearing, or pay the \$500 forfeiture, which was due on or before June 8, 2022.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

- a. Respondent violated Utah Code § 31A-2-202(4)(a), by not replying promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the

Respondent's insurance license should be revoked.

DATED this 23rd day of June, 2022, at Salt Lake City, Salt Lake County, Utah.

/s/ Adam Martin

Adam Martin, Market Conduct Examiner
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

Paradise Settlement Services LLC
chris.mclucas@yahoo.com

and

Adam Martin
Utah Insurance Department
gmartin@utah.gov

DATED this @day of June, 2022.

/s/
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
SEAN D. REYES (7969)
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160 East 300 South, 5th Floor
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Salt Lake City, Utah 84114-0874
Telephone: (801)366-0375
Email: sacoudreaut@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. CHRISTOPHER JOHN MCLUCAS, Respondent.</p>	<p>NOTICE OF AGENCY ACTION AND ORDER</p> <p>Docket No. 2022-4405</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against Christopher John McLucas (“Respondent”) pursuant to Utah Code § 31A-2-201 and 63G-4-201 through -203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent's non-resident producer individual insurance license number 606221 is revoked.
2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.
3. A request for a hearing shall be in writing and sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.
4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 27th day of June, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donld H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Adam Martin, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Christopher John McLucas (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is the owner of Paradise Settlement Services, LLC., a property & casualty title Resident Producer Organization domiciled in Texas and authorized to do insurance business in Utah. Respondent also has a non-resident producer individual license, Utah license number 606221.

b. Under Utah Code § 31A-2-202(4)(a), Respondent is required to reply promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

c. Respondent failed to respond to a letter of inquiry sent via email from the Property & Casualty Market Conduct Title & Escrow Division on February 7, 2022, even though he responded via email that he would respond.

d. Respondent again failed to respond to a letter of inquiry from the Property & Casualty

Market Conduct Title & Escrow Division, sent via USPS, on February 18, 2022.

e. Respondent failed to respond to the Department even after a lengthy phone conversation on March 1, 2022, between the Respondent and the Examiner, explaining the importance of responding to letters and emails from the Department.

f. Respondent again failed to respond to a letter of request from the Property & Casualty Market Conduct Title & Escrow Division, mailed via Certified Mail on March 3, 2022.

g. Respondent failed to respond to the Department by the time specified in communications sent to him through multiple mediums.

h. Based on the Respondent's failure to respond, a Notice of Agency Action and Order was emailed to the Respondent on April 13, 2022, imposing a \$500 forfeiture, which was due by May 13, 2022.

i. The Respondent failed to respond to the Order, request a hearing, or pay the \$500 forfeiture.

j. On May 9, 2022, the Respondent failed to respond to an updated Imposition of Penalty that was emailed to the Respondent with the Notice of Agency Action and Order, approved by the Title and Escrow Commission. Subsequently, the respondent failed to request a hearing, or pay the \$500 forfeiture, which was due on or before June 8, 2022.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

a. Respondent violated Utah Code § 31A-2-202(4)(a), by not replying promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the

Respondent's insurance license should be revoked.

DATED this 23rd day of June, 2022, at Salt Lake City, Salt Lake County, Utah.

/s/ Adam Martin

Adam Martin, Market Conduct Examiner
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

Christopher John McLucas
chris.mclucas@yahoo.com

and

Adam Martin
Utah Insurance Department
gmartin@utah.gov

DATED this @day of June, 2022.

/s/
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321