

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of Financial and Insurance Regulation

In the matter of:

Office of Financial and Insurance Regulation,

Enforcement Case No. 09-7342

Petitioner,

v

Land Owners Title Agency, Inc.,
System ID No. 0037268

Respondent.

CONSENT ORDER AND STIPULATION

Issued and entered
on 2/14, 2011
by Stephen R. Hilker
Chief Deputy Commissioner

I.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times, Respondent was a licensed resident producer with qualification and authorization to transact business, selling, soliciting and/or negotiating title insurance in the state of Michigan since October 31, 2002.
2. As a licensed resident producer, Respondent knew or had reason to know that Section 249(a) of the Code, MCL 500.249(a), provides:

For the purposes of ascertaining compliance with the provisions of the insurance laws of the state or of ascertaining the business condition and practices of an insurer or proposed insurer, the commissioner, as often as he deems advisable, may initiate proceedings to examine the accounts, records, documents and transactions pertaining to:

- (a) Any insurance agent, surplus line agent, general agent, adjuster, public adjuster or counselor.

II.
VIOLATIONS

3. On or about, March 2, 2009, OFIR received a written Complaint from Loan Number: _____, regarding the refinance of a loan on or about September 1, 2008, in which Respondent was the title insurance agency..
4. Complainant alleges Respondent went out of business, without paying the taxes that were due to be paid under the refinance agreement in the amount of \$1,900.00.
5. Complainant also alleges that since the taxes were never paid, the money continues to be held in an account.
6. Complainant demands that Respondent be required to reimburse the amount of \$1,900.00 plus interest and/or in the alternative that the money be released.
7. Respondent alleged that it issued a check in the amount of \$1,997.66 to
8. Respondent filed for Chapter 7 Bankruptcy on July 14, 2008, Case No. 08-57285 and all of the bank accounts of Respondent were frozen by the Trustee.
9. Respondent further alleges that pursuant to the Bankruptcy, the Trustee directed all mail of Respondent to the underwriter, Fidelity.
10. MCL 50.1238(1) of the Code states:

When applying for a license to act as an agent, solicitor, counselor, or adjuster, each applicant shall report his or her mailing address to the commissioner. An agent, solicitor, counselor, or adjuster shall notify the commissioner of any change in his or her mailing address within 30 days of such change. A fee of \$3.00 shall accompany each change of address to cover costs of recording such change. A fee collected under this subsection shall be turned over to the state treasurer and credited to the general fund of the state. The commissioner shall maintain the mailing address of each agent, solicitor, counselor, or adjuster on file.
11. Respondent did not notify the Commission of a change in Respondent's mailing address in violation of MCL 500.1238(1).

III.
ORDER

Based upon the Findings of Fact and Conclusions of Law above and Respondent's stipulation, the Commissioner **ORDERS** that:

1. Respondent shall CEASE and DESIST from violating MCL 500.249(a).
2. Forthwith, Respondent shall update its address via the Producer Address Change Request (PACR) at the National Insurance Producer Registry (NIPR) and/or OFIR website, and answer the April 6, 2009 inquiry made by the Consumer Services Section of the OFIR.
3. Respondent agrees that it will immediately make restitution in the amount of \$1,900.00 plus any accrued interest to Complainant. Furthermore, Respondent shall provide proof of this payment, and its receipt by Complainant to Office of General Counsel, Staff Attorney Conrad L. Tatnall, no later than 60 days from the entry of this Order.
4. If the terms of this ORDER are not complied with, all existing OFIR licenses issued to Respondent under the Michigan Insurance Code shall be summarily REVOKED.

IT IS SO ORDERED

Dated: 2/14/11

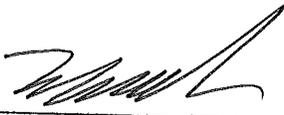

Stephen R. Hilker
Chief Deputy Commissioner

IV.
STIPULATION

Respondent has read and understands the Consent Order above. Respondent agrees that the Chief Deputy Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Insurance Code. Respondent waives its right to a hearing in this matter if this Consent Order is issued. Respondent understands that the Consent Order and Stipulation will be presented to the Chief Deputy Commissioner for approval and the Chief Deputy Commissioner may or may not issue this Consent Order. Respondent waives any objection to the Commissioner deciding this case following a hearing in the event the Consent Order is not approved.

For Purposes of this settlement and stipulation, Respondent admits to the Findings of Fact and Conclusions of Law set forth in the above Consent Order, and agrees to the entry of the Consent Order.

Dated: 1-21-11



Land Owners Title, Agency, Inc.

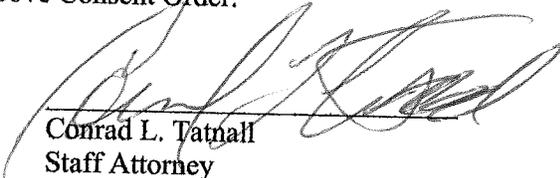
Dated: 1-21-11



Mark Kodlowski

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above Consent Order.

Dated: 2/3/11



Conrad L. Tatnall
Staff Attorney