

No. 2017- 4905

**OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE**

Date: JAN 23 2017

Subject Considered:

TEXAS SOUTHERN LAND TITLE, LLC
2877 Commercial Center Boulevard, Suite B
Katy, Texas 77494-6342

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 12000

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Texas Southern Land Title, LLC.

Waiver

Texas Southern acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Texas Southern waives all of these rights in consideration of the entry of this consent order.

Pursuant to TEX. INS. CODE § 82.055(b), Texas Southern agrees to this consent order with the express reservation that it does not admit to a violation of any provision of the Texas Insurance Code or of a rule of TDI, and Texas Southern maintains that the existence of a violation is in dispute.

Findings of Fact

1. Texas Southern, organization identification no. 92267, holds a title insurance agency license issued by the Texas Department of Insurance.
2. In June 2016, TDI concluded an audit of Texas Southern's business. The audit identified 27 files where Texas Southern had failed to timely remit a total of \$8,463.35 of title insurance premium to underwriters. Texas Southern has since paid these amounts and is current on all its remittances to underwriters.
3. On May 18, 2016, Texas Southern's industry software was affected by malware. This malware problem may have contributed to the failure to timely remit 8 of the 27 files.

2017- 4905

COMMISSIONER'S ORDER
Texas Southern Land Title, LLC
Page 2 of 3

4. TDI's audit also identified five files where Schedule D of the commitments failed to identify the anticipated premium split for the title service.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE chs. 82, 84, and 2651; 28 TEX. ADMIN. CODE § 9.1, which adopts the *Texas Title Insurance Basic Manual* (Basic Manual) by reference; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has the authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. Texas Southern failed to timely remit the portions of title insurance premium due to the title insurance company, as contemplated by Rate Rule R-2 of the Basic Manual.
4. Texas Southern failed to identify each shareholder, owner, partner, or other person would receive a percentage of the premium and the corresponding percentage each person would receive in Schedule D of Commitments of Title Insurance forms, as contemplated by Procedural Rule P-21 of the Basic Manual.

The commissioner orders that Texas Southern Land Title, LLC pay an administrative penalty of \$4,000.00. Texas Southern Land Title, LLC must pay the penalty in full by no later than 30 days from the entry date of this consent order. The penalty must be paid by cashier's check or money order made payable to the "State of Texas" and sent to the Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.



David C. Mattax
Commissioner of Insurance

APPROVED AS TO FORM AND CONTENT:



Affidavit

STATE OF TEXAS

§
§
§

COUNTY OF FORT BEND

Before me, the undersigned authority, personally appeared the affiant, who was duly sworn by me and deposed as follows:

"My name is Sharon E. Hall, I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of president and am the representative of Texas Southern Land Title, LLC. I am duly authorized by said organization to execute this statement.

Texas Southern Land Title, LLC waives rights provided by the Texas Insurance Code and other applicable laws, and acknowledges the jurisdiction of the commissioner.

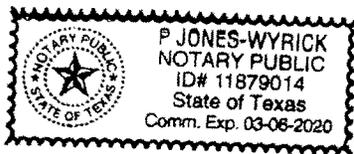
Texas Southern Land Title, LLC knowingly and voluntarily enters into this consent order, and consents to the issuance and service of the consent order by the commissioner of insurance of the state of Texas."

Sharon E. Hall

Affiant

SWORN TO AND SUBSCRIBED before me on January 19, 2017.

(NOTARY STAMP)



[Handwritten Signature]
Signature of Notary Public