OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE

Date: OCT 1 1 2016

Subject Considered:

Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company
3800 N. 16th Street
Orange, Texas 77632

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 11362

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company.

WAIVER

Security Abstract & Title Company acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Security Abstract & Title Company waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

FINDINGS OF FACT

1. Security Abstract & Title Company holds a title insurance agent license issued by TDI.

2. Title agents, including Security Abstract & Title Company, are required to remit premium funds to underwriters no later than the 15th day of the second month following the month in which the premium is collected.

3. During a routine audit performed in May 2015, TDI identified 72 files for which Security Abstract & Title Company was delinquent in remitting the premium to
underwriters. Security Abstract & Title Company collected the premium for these files during the months of October 2014 through January 2015.

4. Security Abstract & Title Company owed a total of $10,823.21 to three underwriters: Chicago Title Insurance Company; Fidelity National Title Insurance Company; and WFG National Title Insurance Company.

5. Chicago Title Insurance Company, Fidelity National Title Insurance Company, and WFG National Title Insurance Company have each confirmed that Security Abstract & Title Company remitted the delinquent premium by June 25, 2015.


CONCLUSIONS OF LAW

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051 – 82.056, 2651.013, 2651.301, 2703.003; 28 TEX. ADMIN. CODE § 9.1 adopting the Texas Title Insurance Basic Manual (Basic Manual); 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 § 82.055, and 28 TEX. ADMIN. CODE § 1.47.

3. Security Abstract & Title Company failed to pay the premium for title insurance policies in the due and ordinary course of business in violation of TEX. INS. CODE § 2703.003.

4. Security Abstract & Title Company failed to remit the portion of the premium due to the title insurance company before the 15th day of the second month following the month in which the premium is collected in violation of Rate Rule R-2 of the Basic Manual.

5. Security Abstract & Title Company failed to furnish and provide title insurance policies to insureds within 90 days after closing the transaction in violation of Procedural Rule P-61 of the Basic Manual.

The commissioner orders Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company to pay an administrative penalty of $5,000. The administrative penalty must be paid in full on or before 30 days from the entry date of this Order. The administrative
penalty shall be paid by cashier's check or money order made payable to the "State of Texas" and transmitted 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:

Casey Seeboth, Staff Attorney
Texas Department of Insurance
BEFORE ME, the undersigned authority, on this day personally appeared the affiant, who being duly sworn by me, testified as follows:

"My name is Cullin Smith. I am of sound mind, capable of making this affidavit, and I have personal knowledge of the facts stated herein.

"I am the authorized representative of Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company, and am authorized to make this affidavit on behalf of this entity.

"Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company waives rights provided by the Texas Insurance Code and other applicable law and acknowledges the jurisdiction of the commissioner.

"Cullin Smith Abstract & Title, Inc. d/b/a Security Abstract & Title Company voluntarily enters into this consent order, and consents to the issuance and service of this consent order."

Affiant

SWORN TO and SUBSCRIBED before me on September 15, 2016.

[notary seal]