

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF
TERESA J. WRIGHT,
LICENSE NO. 328915
and THE TITLE AGENCY, INC.
LICENSE NO. 329817

A.I.D. NO. 2012- 252

EMERGENCY SUSPENSION ORDER
AND NOTICE OF HEARING TO SHOW CAUSE

On this day, the matter of Teresa J. Wright ("Respondent") came before Jay Bradford, Arkansas Insurance Commissioner ("Commissioner"). The Arkansas Insurance Department ("Department") was represented by Nina Samuel Carter, Associate Counsel. From the facts before the Commissioner, it is found:

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §23-61-103 and the authority to issue emergency license suspensions under Ark. Code Ann. § 23-64-216(e), § 23-64-512(a), and § 23-66-408.

2. Respondent is currently licensed in Arkansas as a resident title insurance agent, license number 328915, owns The Title Agency, Inc., a licensed resident title agency, license number 329817. Respondent's last address of record at the Department is P.O. Box 255, Greenwood, AR 72936.

3. On or about November 30, 2011, the Department received a complaint against Respondent and her agency alleging that Respondent had issued a title insurance commitment using another title insurance agent's name and license number without getting consent. The title commitment Respondent issued also references another title insurance agency and its resident title insurance agency license number

although Respondent is not affiliated with that agency and did not have consent to use this information.

4. On December 2, 2011, a letter was mailed to Respondent for response regarding the complaint. Respondent did provide a timely response to this first letter from the Department.

5. On January 10, 2012, Sarah Gray, Title Insurance Coordinator, sent a second letter to Respondent notifying her that the complained actions constituted the acts of a title insurer for which a Certificate of Authority is required under Ark. Code Ann. § 23-63-201, *et seq.*, and directed Respondent to Cease and Desist acting as a title insurer until she held a Certificate of Authority.

6. The January letter also informed Respondent that, pursuant to Ark. Code Ann. § 23-103-416(a), the Department was seeking revocation of Respondent's agent license and that of her affiliated agency as they no longer met the qualifications necessary to maintain a title license for the following reasons:

- a. Respondent nor her agency hold an appointment with a title insurer, in violation of Ark. Code Ann. § 23-103-407 which requires that a person acting in the capacity of a title agency shall not place business with a title insurer unless a written contract exists between a title insurer and the title insurance agency;
- b. Respondent prepared a commitment in the other title insurance agency's name and then requested payment in the amount of \$250 for that commitment, an attempt to sell title insurance without an appointment or the proper authority to do so, in violation of Ark. Code Ann. § 23-103-403;

- c. Respondent prepared a title insurance commitment on a form she created which was not an approved form, as required by Ark. Code Ann. § 23-79-109(a)(1)(a);
- d. Respondent does not maintain a place of business accessible to the public wherein the licensee principally conducts transactions, as required by Rule 87; and
- e. Respondent requested a Closing Protection Letter (“CPL”) be issued naming her as the closing agent which was not appropriate as Ark. Code Ann. § 23-103-405(c)(2) requires that a licensed title insurance agency must have a contract in place with a title insurer or the closing agent must be in privity of contract with a title insurer before a CPL can be issued.

7. Respondent has not provided a response to the January letter, the second correspondence from the Department.

8. The Department avers that the actions of Respondent, as described in the preceding paragraphs, are in violation of the Insurance Code for: Violating of insurance laws and an insurance regulation which calls into question the insurance agent’s fitness to hold a license, in violation of Ark. Code Ann. § 23-64-512(a)(2); Obtaining or attempting to obtain a license through misrepresentation or fraud, in violation of Ark. Code Ann. § 23-64-512(a)(3); Failing to provide a written response after receipt of a written inquiry from the commissioner or his representative within thirty (30) days after receipt, in violation of Ark. Code Ann. § 23-64-512(a)(13); Failing to cooperate with the commissioner in an investigation when required by the commissioner, in violation of Ark. Code Ann. § 23-64-512(a)(13); Intentionally misrepresenting the terms of an actual

or proposed insurance contract or application for insurance, in violation of Ark. Code Ann. § 23-64-512(a)(5); Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, lack of good personal or business reputation or financial irresponsibility, in violation of Ark. Code Ann. § 23-64-512(a)(8); Engaging in an unfair method of competition or an unfair or deceptive act or practice in the business of insurance, in violation of Ark. Code Ann. § 23-66-205; and, Failing to provide reasonable and professional service to each insured or prospective insured, in violation of Ark. Code Ann. § 23-66-307(a)(1).

9. In light of the foregoing facts, a public emergency exists for an immediate cease and desist order on the activities of Respondents.

IT IS THEREFORE ORDERED AND ADJUDGED, as follows:

Pursuant to Ark. Code Ann. § 23-64-216(e) and § 23-66-209(a), the Commissioner hereby orders:

1. For the public health, safety, and welfare of the people of this State, the Commissioner concludes that the Respondent's Arkansas Resident Title Insurance Agent's License No. 328915 and that of her agency, The Title Agency, Inc., License No. 329817 are immediately and summarily suspended pending an administrative hearing pursuant to Ark. Code Ann. § 23-64-216(e).

2. The Respondent shall immediately cease and desist any and all activities involving the sale or transaction of insurance business in this State, pending an administrative hearing on this matter.

3. The Respondent is ordered to appear at an administrative proceeding at the First Floor Hearing Room of the Department on May 2, 2012, at 9:00 a.m. to show

cause why Respondent and her agency should not be permanently prohibited from engaging in insurance activities or business in this State.

IT IS SO ORDERED THIS 4th DAY OF APRIL, 2012.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS