

**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- 398

REVOCATION ORDER

On this day, the matter of Teresa J. Wright (“Respondent”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held at 9:00 a.m. on May 2, 2012, in the Administrative Conference Room of the Arkansas Insurance Department (“Department”) pursuant to a Notice of Hearing dated April 9, 2012. The hearing was held before Chief Deputy Commissioner Lenita Blasingame (“Hearing Officer”) pursuant to her appointment by the Commissioner in accordance with Ark. Code Ann. § 23-61-103. The Department was represented by Nina Samuel Carter, Associate Counsel.

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-61-103, *et seq.*

2. Respondent is a person currently licensed in Arkansas as a resident title insurance agent, license number 328915, and 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. The Commissioner issued AID Order No. 2012-252 on April 4, 2012, which suspended Respondent's licenses and ordered her to cease and desist any and all activities involving the sale or transaction of insurance business in this State.

4. 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 consent from the other title insurance agent. The title commitment Respondent issued also referenced another title insurance agency and its resident title insurance agency license number although Respondent was not affiliated with that agency and did not have consent to use that information.

5. 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.

6. 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.

7. 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.

8. Respondent did not provide a response to the January letter, the second correspondence from the Department.

9. The certified mail receipt shows that the Respondent received notice of the hearing scheduled and held on May 2, 2012, at which time she would have been given the opportunity to respond to the allegations as set forth above.

10. Respondent failed to appear in person or through legal counsel at the hearing held on May 2, 2012.

CONCLUSIONS OF LAW

11. The testimony and supporting documentation entered into evidence at the hearing is sufficient to make a finding that the Respondent cannot be deemed “competent, trustworthy, and financially responsible, and of good personal and business reputation” to engage in the sale of insurance products as required by the Insurance Code, and no longer meets the qualifications for licensure by the Department.

12. Ark. Code Ann. § 23-64-512(a) provides, in pertinent part, that the Commissioner may place on probation, suspend, revoke, or refuse to renew an insurance producer’s license upon finding that an insurance producer has violated one or more of the grounds enumerated therein.

13. Respondent attempted to issue a title insurance commitment using another title agent’s name and agency when she had no affiliation with either and no consent to use that information, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(2), (5), and (8).

14. Respondent attempted to issue a title insurance commitment although she, nor her agency, held an appointment with a title insurer, in violation of Ark. Code Ann. § 23-103-407, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(2), (5), and (8).

15. 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), which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(2) and (8).

16. Respondent does not maintain a place of business accessible to the public wherein the licensee principally conducts transactions, as required by Rule 87, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(2) and (8).

17. 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, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(2) and (8).

18. Respondent failed to respond to the Department’s January 2 letter as instructed, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(13), (16), and (17).

19. Respondent failed to respond to the Department’s Notice of Hearing which required a response and failed to cooperate with the Department’s investigation and subsequent hearing, which is a basis for license revocation pursuant to Ark. Code. Ann. § 23-64-512(a)(13), (16), and (17).

21. Pursuant to Ark. Code Ann. § 23-64-512, the Commissioner is authorized to revoke Respondent’s license because she no longer meets the qualifications required for a license as described above.

RECOMMENDATION OF HEARING OFFICER

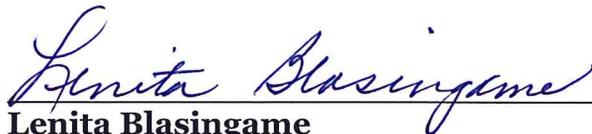
WHEREFORE, based upon consideration of the evidence of record, the foregoing Findings of Fact, Conclusions of Law, and other matters before her, the Hearing Officer recommends that:

A. The Department has met its burden of proof with respect to revoking any and all of Respondent's resident title insurance agent and agency licenses.

B. Any and all licenses issued by the Department to Respondent Teresa J. Wright, specifically Arkansas Resident Title Insurance Agent License No. 328915 and Arkansas Resident Title Insurance Agency License No. 329817 for The Title Agency, Inc., are hereby revoked on the grounds stated above.

C. Pursuant to Ark. Code Ann. § 23-64-218(a)(1) and (2), Respondent shall immediately forward to the Commissioner all insurance licenses issued to Respondent by the Department.

D. The Commissioner will not consider re-licensure until the expiration of three (3) years from the date of this Order in accordance with the provisions under Ark. Code Ann. § 23-64-217(b).

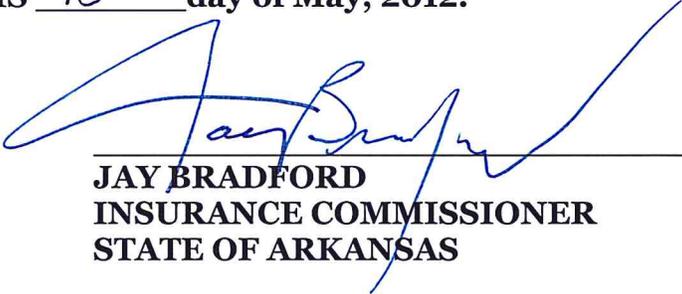


Lenita Blasingame
Chief Deputy Commissioner and
Hearing Officer

CERTIFICATION

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above and foregoing matter was conducted by Lenita Blasingame, Chief Deputy Commissioner and Hearing Officer, by and under my authority and supervision. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendation in full, as set forth herein.

IT IS SO ORDERED THIS 15th day of May, 2012.



**JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS**