

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

<b>FINAL ORDER</b>
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Effective: 6-1-04
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In the Matter of the Kansas Nonresident     )  
Insurance Agency License of                    )  
BRIDGESPAN CORPORATION                      )

Docket No.   3332-EO

**SUMMARY ORDER**

(Pursuant to K.S.A. 2003 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 2003 Supp. 40-4909, the Commissioner hereby orders Bridgespan Corporation (“Bridgespan”) to cease and desist from handling escrow, settlement, or closing accounts by way of Summary Order as provided by K.S.A. 77-537.

**Facts**

The Commissioner has been shown the following facts:

1. Records maintained by the Kansas Insurance Department (“KID”) indicate that Bridgespan is licensed as a nonresident agency to transact the business of insurance in Kansas and has been so licensed since December 1, 1998.
2. KID records indicate that Mark Walker is the designated person for the agency.
3. KID records indicate a legal and mailing address of 2591 Dallas Parkway, Suite 600, Frisco, TX 75034.
4. KID records indicate that Bridgespan holds an agency appointment from Commonwealth Land Title Insurance Company.
5. KID received a Notice of Cancellation, dated March 30, 2004, and effective May 4, 2004, from Platte River Insurance Company, regarding Bond Number 40059097 on principal Bridgespan Corporation.

6. By letter dated April 6, 2004, KID notified Melinda Y. Pepperl, Director of Compliance, Bridgespan, of the Notice of Cancellation and requested another bond, letter of credit, or statement that Bridgespan would cease escrow, settlement, or closing operations.

7. To date, KID records do not include a bond, letter of credit, or response to the letter.

### **Applicable Law**

8. K.S.A. 2003 Supp. 40-4909(a) provides, in relevant part:

“The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has: . . . (2) Violated any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder . . .” K.S.A. 2003 Supp. 40-4909(a).

9. A title insurance agent that handles escrow, settlement, or closing accounts must file either a surety bond that meets statutory requirements or an irrevocable letter of credit in a form acceptable to the Commissioner to secure the agent’s performance of its obligations. K.S.A. 40-1139

10. The Commissioner may revoke or suspend any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the insurable interests of the public are not properly served under such license. K.S.A. 2003 Supp. 40-4909(b).

### **Conclusions of Law**

11. The Commissioner has jurisdiction over Bridgespan as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

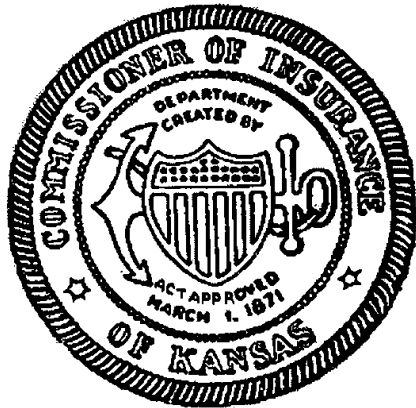
12. The Commissioner finds that Bridgespan has failed or refused, and continues to fail or refuse to file a current surety bond in conformity with the statutory requirements or notify KID that it has ceased handling escrow, settlement, or closing accounts.

13. The Commissioner concludes that continued handling of escrow, settlement, or closing accounts coupled with failure to file a bond or letter of credit would be sufficient cause to revoke or suspend Bridgespan's agency license pursuant to K.S.A. 2003 Supp. 40-4909(a)(2).

14. The Commissioner further finds that the agency's continued operation without a bond would pose an immediate danger to the financial interests of consumers and concludes that sufficient grounds exist for the emergency suspension of the insurance agency license of Bridgespan Corporation pursuant to K.S.A. 77-536 for the protection of the financial interests of consumers.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** Kansas nonresident agency Bridgespan Corporation shall cease and desist from doing business in Kansas until such time as the requirements of K.S.A. 40-1139 are satisfied.

**IT IS SO ORDERED THIS 13<sup>th</sup> DAY OF MAY 2004, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



\_\_\_\_\_  
/s/ Sandy Praeger  
Sandy Praeger  
Commissioner of Insurance  
BY:

\_\_\_\_\_  
/s/ John W. Campbell  
John W. Campbell  
General Counsel

**NOTICE:** The person designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> St., Topeka, KS 66612.

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**NOTICE OF SUMMARY ORDER**

Notice is hereby given that the attached Summary Order will become effective fifteen (15) days after service of this Notice unless Respondent Bridgespan Corporation files with the Kansas Insurance Department (“KID”) a written request for a hearing, as provided by K.S.A. 77-542. In the event a hearing is requested, the attached summary order will serve to give notice of the allegations upon which KID bases its proposed action.

A request for hearing should be directed to John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> Street, Topeka, KS 66612.

Any costs incurred as a result of conducting any administrative hearing may be assessed against an agent who is the subject of the hearing as provided by K.S.A. 40-4909(f).

If a hearing is not requested, this Summary order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen-day period for requesting a hearing.

The Final Order will constitute final agency action in this matter.

Dated this 13th day of May 2004.

\_s/ Brenda J. Clary \_\_\_\_\_  
Brenda J. Clary  
Staff Attorney  
Kansas Insurance Department