

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

In the Matter of)
LENDERLIVE SETTLEMENT) Docket No. 4052-CO
SERVICES, LLC)
FEIN #030605600)

CONSENT ORDER

The Kansas Insurance Department (“KID”) and Lenderlive Settlement Services, LLC (“Lenderlive”) wish to resolve the above-captioned matter before the Commissioner of Insurance without formal adjudication by entering into this Consent Order. The Commissioner of Insurance (“Commissioner”) hereby makes the following Findings of Fact, Conclusions of Law, and Order, to-wit. This Consent Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for hearing is made, pursuant to K.S.A. §77-542.

Findings of Fact

The parties stipulate that if a hearing were conducted in this matter, the following evidence could be adduced by the Commissioner, and although neither admitted nor denied by Lenderlive, would be recognized as admissible to show the following:

1. Lenderlive became a licensed non-resident title insurance agency on November 20, 2006.
2. Filing information was provided to Lenderlive on November 22, 2006, and June 14, 2007. The “filing information” consisted of a copy of the state of Kansas rules and regulations concerning the filing of rate charges and bond requirements for licensed title insurance agencies.
3. In December of 2006, Lenderlive submitted to the KID the required Escrow, Settlement or Closing Account Bond in the amount of \$100,000. The KID

subsequently returned the bond stating that the Lenderlive rates and charges must be filed concurrently with the bond.

4. KID received an audit report dated May 22, 2009, filed by Old Republic National Title Insurance pursuant to K.S.A. 40-1137, indicating that Lenderlive has written 35 title policies in Kansas in 2008 and 2009 on properties in counties with a population greater than 10,000.
5. KID discovered that Lenderlive had not re-filed its bond or filed its rates and audits with KID, and notified Lenderlive of this failure to file on or about June 4, 2009.
6. Upon receipt of the June 4, 2009 notification, Lenderlive immediately stopped all title insurance activity in the state of Kansas while it worked with KID to satisfy all regulatory requirements.
7. Upon the request of the KID, on or about August 14, 2009, Lenderlive submitted a listing of all policies that had been written in the state of Kansas during 2007, 2008 and 2009.
8. On or about October 8, 2009, Lenderlive submitted the required bond, which is valid through November 2010, and a copy of its rates and charges.

Applicable Law

K.S.A. §40-952 (c) prohibits any charge for title insurance for transactions in counties having a population of 10,000 or more unless the rate and other specified documents have been filed with KID.

K.S.A. §40-1139 requires title insurance agents to file a surety bond or irrevocable letter of credit in a form acceptable to KID.

Violations of the above statutes authorize actions under the following Kansas statutes:

K.S.A. §40-2407 (a) (1) authorizes the Commissioner to order payment of penalties up to \$1,000 for each violation (\$5,000 if reasonably should have known) with an aggregate penalty of \$10,000 (“... but not to exceed an aggregate of \$50,000 in any six-month period.”).

K.S.A. §40-2407 (a) (2) authorizes the Commissioner to suspend or revoke a person’s license “...if the person reasonably should have known such person was in violation of the act.”

Conclusions of Law

IT IS THEREFORE, AGREED UPON BY THE COMMISSIONER OF INSURANCE AND LENDERLIVE:

9. Lenderlive has submitted the required rates and charges, bond and audits to KID in satisfaction of the Kansas statutes and regulations.
10. Lenderlive agrees to make a payment of Five Thousand Dollars and 00/100 (\$5,000.00) to KID in exchange for the dismissal of this action with prejudice.
11. Upon entry of this Consent Order this action shall be dismissed with prejudice.
12. If payment is not made as required, KID may vacate and/or declare this Consent Order void or proceed with a hearing.

NOTICE OF RIGHTS
(Pursuant to K.S.A. 77-542)

Lenderlive is entitled to a hearing pursuant to K.S.A. 77-537 and K.S.A. 77-542, the Kansas Administrative Procedure Act. If Lenderlive desires a hearing, the company must file a written request for a hearing with:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street

Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Order. If Lenderlive requests a hearing, the Kansas Insurance Department will notify the company of the time and place of the hearing and information on procedures, right of representation, and other rights of parties relating to the conduct of the hearing, before commencement of the same.

If a hearing is not requested in the time and manner stated above, this Consent Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-613. In the event Lenderlive files a Petition for Judicial Review, pursuant to K.S.A. §77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

IT IS SO ORDERED THIS 20th DAY OF NOVEMBER, 2009, 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

Lenderlive Settlement Services, LLC

BY:

/s/ Lee Baskey
Lee Baskey
Executive Vice President

Certificate of Service

The undersigned hereby certifies that above and foregoing **Consent Order** was served via the United States Postal Service, first-class postage prepaid, on this 20th day of Nov. , 2009, addressed to the following:

Alisa Pearson
Barrett & McNagny LLP
215 East Berry Street
Fort Wayne, IN 46802

 /s/ John R. Wine, Jr. _____
John R. Wine, Jr.
Staff Attorney