

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

In the Matter of )  
**LINEAR TITLE & CLOSING,** ) Docket No. 3981-CO  
**LTD** )

**CONSENT ORDER**

The Kansas Insurance Department (“KID”) and Linear Title & Closing, LTD (“Linear”) wish to resolve the above-captioned matter before the Commissioner of Insurance (“Commissioner”) without formal adjudication by entering into this Consent Order. The Commissioner of Insurance hereby makes the following Findings of Fact, Conclusions of Law, and Order. 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 Linear, would be recognized as admissible to show the following:

1. Linear, located at 127 John Clarke Road, Middletown, RI, 02842, became a licensed title insurance agency in State of Kansas on July 28, 2006.
2. KID records indicate that filing information was provided to Linear on July 31, 2006, March 14, 2007 and July 7, 2008.
3. Linear did not file rates, bonds, audits or other documents with KID.
4. Linear has written seven title insurance policies in Kansas, six of which were written on properties in counties with a population greater than 10,000.

### 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 rates, rules, manuals of classification 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.

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 the party 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

Based on the Findings of Fact in Paragraphs 1 through 4 and the Applicable Law described above, **IT IS THEREFORE, AGREED UPON BY THE COMMISSIONER OF INSURANCE AND LINEAR AND HEREBY ORDERED THAT:**

5. Linear neither admits nor denies the allegations set forth in Paragraphs 1 through 4 above.
6. Linear agrees to make a payment of Five Hundred Dollars and 00/100 (\$500.00) to KID in exchange for the dismissal of this action with prejudice.
7. Upon entry of this Consent Order this action shall be dismissed with prejudice. None of the Findings of Fact, Conclusions of Law or Orders contained in this Consent Order are deemed binding or effective since no hearing was conducted in this matter.
8. If payment is not made as required, KID may vacate and/or declare this Consent Order void and proceed with a hearing.
9. The Commissioner shall retain jurisdiction over this matter to issue any Order(s) deemed necessary and appropriate.

**NOTICE OF RIGHTS**

Linear is entitled to request a hearing pursuant to K.S.A. 77-542. If Linear 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. 9<sup>th</sup> Street  
Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Order. If Linear requests a hearing, the Kansas Insurance Department will notify the company of the time and place of the hearing and information on the 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 Linear 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. 9<sup>th</sup> Street  
Topeka, Kansas 66612

**IT IS SO ORDERED THIS 15th DAY OF APRIL, 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

Submitted and Approved By:

/s/ Theresa Giannavola  
Theresa Giannavola  
Vice President Legal Department /  
Compliance Officer  
Linear Insurance Company

/s/ John R. Wine, Jr.  
John R. Wine, Jr.  
Staff Attorney  
Kansas Insurance Department

**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 15th day of April, 2009, addressed to the following:

Mr. Todd E.A. Costa  
Linear Title & Closing, LTD  
127 John Clarke Road  
Middletown, RI 02842

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