

FINAL ORDER
Effective: 12-20-10

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

In the Matter of the Kansas Resident)
Insurance Agency's License of) **Docket 4244-SO**
Transtar National Inc.)

SUMMARY ORDER
(Pursuant to K.S.A. 40-2407 and K.S.A. 2009 Supp. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-2407, the Commissioner hereby finds that Transtar National Inc. ("Respondent") has issued title insurance policies and handled escrow, settlement or closing accounts in violation of K.S.A. 40-1139; and, imposes penalties by way of Summary Order as provided by K.S.A. 2009 Supp. 77-537.

This 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 Commissioner has been shown the following facts:

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Transtar National Inc. is licensed as a nonresident agency to transact the business of title insurance in the State of Kansas, and has been so licensed since September 17, 2001. KID records further indicate a legal address and a mailing address of 4025 Tampa Rd., #1205, Oldsmar, Florida 34677.

2. The Commissioner of Insurance (“the Commissioner”) has jurisdiction over the subject matter of this proceeding, and this proceeding is held in the public interest.

3. On or about May 24, 2010, KID received the audit report required by K.S.A. 2009 Supp. 40-1137 performed by White, Garrison & Hill, C.P.A. PC, indicating that Respondent was writing title policies in Kansas. KID was informed by Gena Stofa, a representative of Respondent, that Respondent had written 195 policies in Kansas without having filed the required rates and charges and the statutory bond.

4. Respondent filed the required rates and charges and the bond on July 16, 2010.

5. On October 4, 2010, KID sent a letter to Respondent outlining the facts and legal conclusions set forth in this Order and asked Respondent to contact the sender if the facts or conclusions were disputed.

6. On October 22, 2010, by email and October 25, 2010, by telephone, Respondent contacted KID offering mitigating circumstances, but providing no corrections to the letter.

Applicable Law

K.S.A. 40-1139 requires title insurers handling escrow, settlement or closing accounts to “ ... file with the commissioner a surety bond or irrevocable letter of credit in a form acceptable to the commissioner ”

K.S.A. 40-1141 provides:

If the commissioner determines that the title insurance agent has violated this act, ... the commissioner may order that such person be subject to the penalties provided in K.S.A. 40-2406 *et seq.*

K.S.A. 40-2407 authorizes the Commissioner to order payment of penalties of “ ... not more than \$1,000 for each and every act and violation, but not to exceed an aggregate penalty of \$10,000, unless the person knew or reasonably should have known such person was in violation of this act, in which case the penalty shall be not more than \$5,00 for each and every act or violation, but not to exceed an aggregate of \$50,000 in any six-month period; ...”

Conclusions of Law

The Commissioner has jurisdiction over Respondent as well as the subject matter of this proceeding, and such proceeding is held in the public interest. Based on the facts and circumstances set forth herein, Transtar National Inc. on 195 occasions issued titled policies and conducted the business of insurance in violation of Kansas law.

Policy Reasons for Decision

The Commissioner determines that it is in the public interest to protect consumers from agencies that are not in compliance with statutory requirements enacted to protect the public.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF
INSURANCE THAT:**

Transtar National Inc. shall remit to the Kansas Insurance Department an administrative penalty in the sum of five hundred dollars (\$500) for violating K.S.A. 40-1139.

The Commissioner of Insurance retains jurisdiction over this matter to issue any and all further Orders deemed appropriate or to take such further action as necessary to dispose of this matter.

Notice of Right to Hearing or Appeal

You are entitled to a hearing pursuant to K.S.A. 2009 Supp. 77-537, the Kansas Administrative Procedure Act. If you desire a hearing, you 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 you request a hearing, the Kansas Insurance Department will notify you 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 same.

If a hearing is not requested in the time and manner stated above, this 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 that you file 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 __30th__ DAY OF NOVEMBER, 2010, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger _____
 Sandy Praeger
 Commissioner of Insurance

BY:

/s/ John Campbell _____
 John Campbell
 General Counsel

Approved and Submitted by:

/s/ John Wine _____
 John Wine
 Staff Attorney

Certificate of Service

The undersigned hereby certifies that a true and correct copy of the above and foregoing Summary Order was served by placing the same in the United States Mail, first class postage prepared, on this _30th_ day of November, 2010, addressed to the following:

Mark M. Feld
Transtar National Inc.
2201 West Plano Parkway
Plano, TX 75075

/s/ John Wine

John Wine
Staff Attorney