

**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
INSURANCE DIVISION**

In the Matter of **AmeriTitle, Inc.**

) **STIPULATION** and  
) **FINAL ORDER**  
) Case No. INS 06-05-043

**STIPULATION**

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against AmeriTitle, Inc. (AmeriTitle).

AmeriTitle desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

AmeriTitle waives all rights relative to an administrative hearing and judicial review thereof.

AmeriTitle stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

AmeriTitle has been licensed in Oregon as a resident business entity insurance producer since 10/4/79. AmeriTitle's last recorded principal place of business address is located in Bend, Oregon.

Gave a Thing of Value to an Intermediary

AmeriTitle is subject to enforcement action pursuant to OAR 836-080-0315 because of the following circumstances. ORS 744.074(1)(b) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if the person violated any insurance statute; or any rule, order or subpoena of the director or the insurance regulator of another state. OAR 836-080-0315 prohibits a person licensed in Oregon as an insurer or insurance producer that is authorized to transact title insurance

(title company) from giving, either directly or indirectly, a thing of value, as defined in OAR 836-080-0310(4)-(5), to an intermediary, as defined in OAR 836-080-0310(2), unless permitted by OAR 836-080-0320 to OAR 836-080-0340.

One exception is OAR 836-080-0320 which permits a title company to “give a thing of value, except money, to an intermediary if the net cost to the title company is \$2 or less per thing of value or individual receiving the thing of value, whichever is applicable, and if the thing of value is used only by the intermediary and not further distributed to other persons...” This amount is adjusted annually pursuant to OAR 836-080-0345. The adjusted monetary limit was \$2.42 for 2004 and was \$2.47 for 2005. However, this exception does not permit a title company to give anything of value either directly to an intermediary who distributes them to others, or directly to persons attending an activity of the intermediary, thereby subsidizing the intermediary’s activity.

Another exception is OAR 836-080-0325(5) which permits a title company to “give a thing of value to a[n intermediary that is a] trade association[, as defined in OAR 836-080-0310(6),] in response to a general solicitation of the entire membership of the trade association if the net cost to the title company is \$50 or less.” This amount is adjusted annually pursuant to OAR 836-080-0345. The adjusted monetary limit was \$60.43 for 2004, and was \$61.66 for 2005. However, this exception does not permit a title company to give anything of value to an intermediary that is a trade association in connection with an activity of the association if the association does not first solicit all of its members to help support the activity. If an association first solicits all of its members to help support the activity, then a title company cannot give a thing of value of more than the applicable monetary limit.

On or about 7/16/04, the Douglas County Board of Realtors (DCBR) held a golf tournament in Sutherland, Oregon. DCBR was an intermediary that was a trade association. DCBR sent to their members a general solicitation to help support the 2004 tournament. AmeriTitle purchased 90 golf towels costing \$2.32 each and gave a towel to each participant at the tournament. AmeriTitle spent a total of \$208.32.

A year later, on or about 7/15/05, DCBR held another golf tournament in Sutherland, Oregon. DCBR sent to their members a general solicitation to help support the 2005 tournament. AmeriTitle purchased 100 golf towels costing \$2.32 each and gave a towel to each participant at the tournament. AmeriTitle spent a total of \$232.00. Thus, AmeriTitle indirectly gave DCBR a total of \$440.32 worth of merchandise to help support DCBR's 2004 and 2005 tournaments, which was \$318.99 more than AmeriTitle was permitted to give.

### **Action**

Pursuant to ORS 731.988, AmeriTitle is assessed a civil penalty of \$1,500. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE, Room 440 (4<sup>th</sup> Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated July 27, 2006

/s/ Linda Stelle  
[Signature of Representative]  
Linda Stelle  
[Printed Name of Representative]  
President  
[Printed Title of Representative]  
AmeriTitle, Inc.

### **FINAL ORDER**

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated August 9, 2006

/s/ Joel Ario  
Joel Ario  
Administrator  
Insurance Division  
Department of Consumer and Business Services