

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

In the Matter of **Title Insurance Company of Oregon dba First American Title Insurance Company of Oregon** ) **STIPULATION and FINAL ORDER**  
 ) **Case No. INS 08-07-005**

**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 Title Insurance Company of Oregon dba First American Title Insurance Company of Oregon (First American Title).

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

First American Title waives all rights relative to an administrative hearing and judicial review thereof.

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

**Facts and Conclusions**

Licensing Information

First American Title has been licensed in Oregon as a domestic insurer since 11/1/37. First American Title's last recorded principal business address is located in Portland, Oregon.

Gave a Thing of Value to an Intermediary

First American Title is subject to enforcement action pursuant to OAR 836-080-0315 because of the following circumstances. OAR 836-080-0315 prohibits a person licensed in Oregon as an insurer or insurance producer that is authorized to transact title insurance 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. A thing of

value is defined to include anything that has a monetary value. An intermediary is defined to include a builder, lender, and realtor. One exception is OAR 836-080-0325(2) which permits a title company to “give a thing of value to an intermediary in connection with an activity sponsored only by the title company if the net cost to the title company is \$10 or less per individual reasonably expected to attend, when six or more individuals actually attend and when one of the individuals is an employee of the title company.” The amount is adjusted annually pursuant to OAR 836-080-0345. The adjusted monetary limit in 2008 was \$13.44. There were no other applicable exceptions. First American Title sponsored an activity called “Cruising for Credits.” The activity was held from 2/3/08 to 2/10/08. The activity was attended by 129 builders, lenders, and realtors and their guests, and employees of First American Title. First American Title paid for various expenses mostly of its employees but also of some of the builders, lenders, and realtors. First American Title was permitted to spend only  $129 \times \$13.44 = \$1,733.76$ . First American Title spent more than it should have for this activity.

#### **Action**

Pursuant to ORS 731.988, First American Title is assessed a civil penalty of \$6,000.00. 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 23, 2008

/s/ Alan K. Brickley

[Signature of Representative]

Alan K. Brickley

[Printed Name of Representative]

Vice President

[Printed Title of Representative]

Title Insurance Company of Oregon dba First  
American Title Insurance Company of Oregon

**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 13, 2008

/s/ Cory Streisinger  
Cory Streisinger  
Director  
Department of Consumer and Business Services

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